

THE MYSTERY OF BUDGET ABSORPTION AT SKPD “BIRU DAUN”

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ABSTRACT

The purpose of this study is to know the budget absorption at SKPD “Biru Daun” which was still below 80% until the end of the 2014 fiscal year. This study uses qualitative method with case study approach. Data collection techniques are carried out through interviews, observation and documentation. Data analysis techniques used consist of data collection, data reduction, data presentation and conclusions. Data validation is done by triangulation method. The results of the study show that there are many irregularities in budget planning, such as the intervention of policy makers, delays in the implementation of auctions, tender committees that are not transparent, and budget accountability that does not use computer technology.

INTRODUCTION

Community proposals in the budget planning at Regional Work Unit (SKPD) “Biru Daun” only get very small portion in the deliberation of development planning (musrenbang) forum as a guideline from the Regional Budget Plan (RAPBD). Many SKPD activity programs are just entrusted programs from local government policy makers. The delay in legalizing the Budget Ceiling List of Regional Work Unit (DPA-SKPD) also indicates a lack of communication and coordination among elements in the local government.

Many activities in the Budget Ceiling List of Regional Work Unit (DPA-SKPD) are just entrusted programs from both executive and legislative. Budget planning is no longer transparent and accountable. The budgeting program does not create a public space where

the public should be involved directly or indirectly starting from budget planning to budget supervision.

Synchronization of regional government planning and budgeting is:

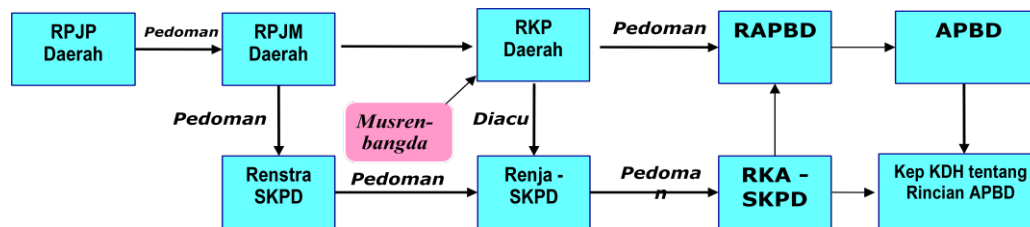


Fig. Flowchart of regional government planning and budgeting

Note:

- RPJP Daerah : Regional Long-Term Development Plan
- RPJM Daerah : Regional Mid-Term Development Plan
- RKP Daerah : Regional Government Work Plan
- RAPBD : Regional Budget Plan
- APBD : Regional Budget
- SKPD : Regional Work Unit
- Renstra : Strategic Plan
- Renja : Work Plan
- RKA : Work Plan and Budget
- Kep KDH tentang Rincian APBD: Regional Head’s Decree regarding the detail of Regional Budget
- Musrenbangda : Deliberation of Regional Development Plans
- Pedoman : Guideline
- Diacu : Referred

The implementation in the field is not in accordance with the planning in flowchart above. The implementation of deliberation of development plan, as a reference for the work plan of the regional government and SKPD, seems to only fulfill formalities. Only a small portion of the proposals from the public was taken into account. Policy makers play a more important role in determining work programs at SKPD.

Budget planning at SKPD “Biru Daun” tends to be more inclined to the authorities, both local government authorities and partners as the authorities in carrying out physical activity programs in the field, so that the budget planning does not create a public space where the community should be involved both directly and indirectly starting from budget planning to monitoring the results of work in the field.

According to Yustika (2012), there are several aspects that result in slow absorption of the budget at the beginning of the year, such as: (1) each ministry and institution should first review the planning related to the programs and activities contained in the State Budget; (2) the existence of a auction process that takes a long time in the implementation of the program; (3) there are certain types of programs / projects that cannot be implemented at the beginning of the year. According to Allison and Kaye (2005) in Asmarani (2006), strategic planning is a systematic process that is agreed upon by the organization and builds engagement among key stakeholders about the essential priorities for its mission and is responsiveness to the operating environment.

Poor budget planning is a significant obstacle which impedes the increased budget

absorption. Planning is the single most important factor at the regional government level and can exacerbate all other difficulties in absorbing the budget (Ministry of Finance, Planning and Economic Development of Uganda, 2011).

The aspect of immature planning in the determination of the budget will have an impact on the improper work program due to the disparity between budget planning and work programs to be implemented. This is one of the factors that cause the lack of budget absorption (Arif & Halim, 2013). Some of the planning carry out by SKPD “Biru Daun” does not refer to the work program proposed by the SKPD Head so that many activities are not aligned with the planning of SKPD “Biru Daun”, thus impeding the implementation. The intervention of the Regional Head is one of the obstacles to the work plan of the SKPD resulting in the delay in legalizing the Budget Ceiling List (DPA), even sometimes up to the third month. Finally, the implementation of the activities will be late, resulting in the lack of budget absorption until the end of the fiscal year.

The effectiveness of budget management starting from budget preparation, budget execution to budget reporting / accountability has an effect on the government accountability, in accordance with the government’s function in providing services to the community. The form of budget reform in an effort to improve the budgeting process is the implementation of performance-based budgeting, through a performance-based budgeting approach. Stuglitz in Hardojo (2008; 64) states that citizen participation is a sine qua non for pro-people policies. Citizen participation in planning and budgeting is a way to ensure equitable development to the people, because planning and budgeting are processes that determine the fulfillment of people’s aspirations.

Human Resources are closely related to the ability to carry out tasks and responsibilities

thoroughly, such as: (1) preparing job descriptions; (2) determining the number and qualifications of staff; and (3) meeting recruitment needs. A key factor in the success of budget management is the availability of experienced and motivated staff. Each SKPD must have skillful and trained human resources who are capable of handling their tasks. Staff must also be equipped with proper job descriptions (Hovart, 2005).

The ability of human resources at SKPD “Biru Daun” needs to be improved, especially in carrying out budget planning and implementation so that the budget can be absorbed properly and on the right target. The budget planning and implementation should pay attention to outputs and outcomes so that people can enjoy the development results well. In addition, there should be reward for employees who work in handling the tasks so that they are motivated to always create ideas for the success of the program activities at SKPD “Biru Daun”.

According to Putri (2014), the competence of human resources has a significant influence on budget absorption. The documentation of procurement of goods and services and the inventory money also have a significant influence on the delays in budget absorption. Whereas planning document and administration do not have significant influence.

The results of the research conducted by Salma (2009) in Aceh Tamiang Regency show that the Regional Budget is one indicator of the success of regional development. This qualitative research method used an interpretative paradigm with a phenomenological approach. The results of this study show that the level of aspiration of the people of Tamiang Regency is very low, where the direct expenditure, from eight SKPDs, which is derived from the community’s aspirations is only 15%, 47% is from SKPD proposals, and 37% is from Advanced Budget Implementation Document (DPAL) activities.

From the background above, the researchers would like to find out how the budget planning at SKPD “Biru Daun” affects the delays in budget absorption. The purpose of this study is to assist SKPDs in analyzing good budget planning so that there is no delay in budget absorption.

RESEARCH METHOD

This study uses qualitative research method with a case study approach, which focuses intensively on objects that are made a case in a study. This study focuses on analyzing in depth, exploiting an event or case, and analyzing the budget absorption at SKPD “Biru Daun” carefully and thoroughly.

Case study is an empirical inquiry that investigates phenomena in real life contexts, when the boundaries between phenomena and context are not clearly defined and where multiple sources of evidence are used (Yin, 2014: 18). The case study approach is an exploitation activity of a system that binds with various cases that exist from time to time through in-depth data collection and multiplying information from informants and from data obtained from an organization. Researchers use an intrinsic case study approach in which this study is conducted in a case that has a peculiarity and uniqueness such as the mystery of public sector budget absorption at the end of the fiscal year. The focus of this research is the case itself, program events or activities, and place of research.

The data sources used in this study are primary data and secondary data. The primary data are obtained from interviews with SKPD “Biru Daun” respondents who are directly involved in the budget planning process, that is, in the work proposal planning section of the SKPD, whereas the secondary data are obtained from work plan proposal document at SKPD “Biru Daun”. Data collection technique is conducted by interviews, observation and documentation. Data analysis technique is done

using in-depth interpellation to obtain accurate and precise information on the respondents involved in the planning at SKPD “Biru Daun”. Data validation is carried out using triangulation of data by looking for informants from other sources involved in planning at SKPD “Biru Daun”.

RESULTS AND DISCUSSION

Budget Planning at SKPD “Biru Daun”

Budget planning at SKPD “Biru Daun” starts from the work plan proposal by compiling the work in accordance with the work program of the organizational main tasks and functions. The Head of the SKPD, as the Budget User, is fully authorized in preparing the work plan proposal by the regional government. The Head of SKPD is given flexibility to compile all activities and needs needed in accordance with the existing budget ceiling.

The targets of SKPD “Biru Daun” are; 1) to improve the quality of government administration; 2) to improve the quality of community services consisting of nine programs; 3) to improve the quality of office administration services; 4) to improve the quality of apparatus resources in the form of formal education and training; 5) to connect the entire areas of the regency and open isolated areas that have programs by providing roads that connect activity centers within the regency with seventeen activities; 6) and providing the roads that ensure the vehicle can pass safely and comfortably with six activities.

The process and mechanism for the preparation of work plan and budget at SKPD “Biru Daun” is after receiving a Circular Letter of the Regional Head regarding Guidelines for Preparation of work plan and budget (RKA-SKPD), then the SKPD compiles details of the income budget, compiles details of direct and indirect expenditure budget. After the activity programs proposed by each field are recapitulated by the sub-division head of planning of SKPD “Biru Daun” with the

approval of the division head, the results are then submitted to the Regional Finance Management Officer (PPKD) for the preparation of the Regional Regulation Draft of Regional Budget. Then the Regional Budget is published.

The Budget Ceiling List (DPA) approval is sometimes delayed until April, especially with regard to physical work. If the Budget Ceiling List (DPA) alone experiences delays in the approval, what about the implementation? Judging from the length of the approval, there is an indication of personal interest of policy makers in the regency.

But from the party of SKPD “Biru Daun” says that there are entrusted programs from the legislative party or executive party so that they are powerless to reject them because it would have an impact on the continuity of their careers. The interview with respondents at SKPD “Biru Daun” is as follows:

“We speak formally that actually the work has been done first, we are asked by the head. So, before the program was budgeted, the work program had already been done, even it was finished”.

Based on the information obtained from officials at SKPD “Biru Daun”, it is clear that the program planning activities have been intervened by the authorities to carry out the activity program that will be carried out by SKPD “Biru Daun”. The same thing was also revealed by the Head of planning section “siliwangi”:

“almost all proposals related to the SKPD “Biru Daun” are from outside parties, especially from the legislative ... we can do nothing because this is the policy of

the boss and we must obey it, otherwise we will be called disloyal to the boss.

The investigation proves that budgeting at SKPD “Biru Daun” is not transparent and does not create public spaces where the community should be involved directly and indirectly in the planning process until the execution and supervision of the budget.

This means that the budgeting cycle which starts from the level of village development planning deliberations to the level of regency development planning deliberations is only a formality. So, the priorities of the SKPD work program are all gone with the interests of the authorities who hold the policy. The results of interviews with partners also support the statement of the above personnel that the budget planning at SKPD “Biru Daun” has received many orders from the policy holders, even they say:

I was promised the project by the boss a year ago. So this work package will be given to me, because last year I helped a lot in the regional head election ... and the head of the department also knew that I was close to the regional head, ,,,,

In budget planning at SKPD “Biru Daun” there has been no more communication and coordination between the leaders and subordinates, so that the partners as the executor of the activity package also contribute to the budget planning at SKPD “Biru Daun”. Moreover, “Singgasana” Regency has just carried out Regional Head election, so that the

supporters of the elected Regional Head collect promises to get a project at SKPD “Biru Daun”.

The budget should be a means of communication and coordination between leaders and subordinates or all parts of the organization in the government, Halim and Kusufi (2014). But in practice, it is misused. The budget is used as a ruling tool of policy holders to perpetuate their personal work programs without prioritizing the interests of the general public.

In the performance-based budget planning there must be a commitment among all organizational leaders in government agencies so that what has been planned must be in accordance with the needs of many people, without any intimidation from the Regional Head. So, budget absorption is assessed from output or outcome rather than the value of the budget expiration at the end of the year.

However, community proposals in the budget planning at SKPD “Biru Daun” only get very small portion, particularly in improving road facilities and infrastructure. The proposals that entered SKPD “Biru Daun” were dominated by NGOs who felt that they had connections with the department head and even claiming to be close to the Regional Head.

After the proposals are collected and recapitulated, the field officers of SKPD “Biru Daun” conduct a field survey whether they are in accordance with the proposed proposals or not. Sometimes the proposed road or bridge repair is the result of the monitoring of the legislative. They think that the rations of the council as funds are often from the constituency of their supporters, so that the priorities of the SKPD program are often delayed.

There are many activity programs at SKPD “Biru Daun” that have been intervened by third parties, so that some prioritized activities are delayed due to proposals submitted by third parties who have close relationship with the Regional Head. One source said:

We only propose from below in accordance with the existing procedures, but in fact, it is the budget ceiling list for other programs that is approved. We can do nothing about it and we just do it.

The same thing was also conveyed by the program activity personnel of SKPD “Biru Daun”:

It turned out that the work proposal that I had input was not in accordance with the Budget Ceiling List (DPA) made. What can I do? ... I'm only ordered by my boss. Willy nilly I have to do it. If I protest a lot, he will be angry and say that I am not loyal to the boss.

Based on the results of interview with the informants in the budget planning section of SKPD “Biru Daun”, it is obvious that there is no budget function that creates public space, where public must be involved in budgeting starting from planning to supervision both directly and indirectly, Halim and Kusufi (2014). The department proposal related to budget planning at SKPD “Biru Daun” is only a small portion. There are still more stealth programs that suddenly appear at the Budget Ceiling List (DPA), so that sometimes there are obstacles that raise many questions for the personnel of SKPD “Biru Daun”. If this is allowed to continue, the work plan proposal is only a formality without any implementation in the field. There must be a strong commitment

for the leadership to implement a better and transparent budget. The government must be pro-people where budget planning must involve the people either directly or indirectly. Important and urgent activities must be prioritized indiscriminately for the benefit of the people at large. If the budget planning involves the community, all activities that will be carried out in the field will be easily monitored by the community so that the results obtained will be accountable both to the leader and to the community.

There are many activities that suddenly appear on the Budget Ceiling List (DPA) but are still in the infrastructure development program, which means that the activities that have been planned by SKPD “Biru Daun” are suddenly replaced with other activities, so that the expenditure treasurer was a little bit confused as to why there were new activities without prior notice. This was evidenced by the presence of new activities even though there was no activity like that in the Budget Ceiling List of SKPD:

**SKPD “Biru Daun”
 Road Improvement Program (Changes in Financial Budget / PAK) 2014**

NO	NAME OF ACTIVITY	BUDGET
1	The improvement of Jl. Brawijaya Indah	200,000,000
2	The improvement of Jl. Jungcangcang-Sp.Jungcangcang	200,000,000
3	The improvement of Jl. Dusun Bata-bata	200,000,000
4	The improvement of Jl. Dusun Langger Saba	200,000,000
5	The improvement of Jl. Kolbukkol	200,000,000
6	The improvement of Jl. Barurambat Kota-Barurambat Timur	165,000,000
7	The improvement of Jl. 17 Agustus	180,000,000
8	The improvement of Jl. Nangger 2	85,000,000
9	The construction of side road channels Jl. Sumber Nyamplong	80,000,000
10	The improvement of Jl. Dusun Dang Bigih	150,000,000
11	The construction of side road channels of Jl. Dusaun Lembung Tengah	160,000,000
12	The improvement of Jl. Nyalaran 2	200,000,000

Source: Secondary data processed 2017

The table above shows that there are activities that suddenly appear at SKPD “Biru Daun”. This proves that there is intervention from the policy makers of “Singsana” regency in planning the programs at SKPD “Biru Daun”. The entrusted program is inserted in the submission of Changes in Activity Budget of SKPD “Biru Daun” even though the implementation time is close to the end of the fiscal year. Finally, a lot of activity budget is not absorbed and should be rescheduled the following year.

There is also an entrusted program from the supporters of the Head of “Singgasana” Regency because they feel that they have helped in the regional head elections which took place the previous year. Supporters feel that they have been promised by the head of the region if he is elected later. And they will be rewarded with projects, especially projects in the SKPD “Biru Daun” that has large grants. Finally, there are many priority programs from SKPD that are not implemented or even

postponed due to the remuneration program by the Head of “Singgasana” Regency. Whereas, the programs proposed by SKPD “Biru Daun” are the programs related to the improvement of the community environment, that is, the betterment of dike and bridge as shown below:

Work Plan Proposal of SKPD “Biru Daun: Fiscal Year 2014

PROGRAM	ACTIVITY	VOLUME	TARGET	BUDGET
Road and Bridge	Dike	150m	Community	100,000,000
	Dike	100m	Community	50,000,000
	Dike	150m	Community	100,000,000
	Dike	2,5 x 300 m	Community	100,000,000
	Dike	3 x 60 m	Community	150,000,000
	Dike	50 m	Community	200,000,000
	Bridge Renovation	2 x 30 m	Community	100,000,000
	Bridge Renovation	3 x 30 m	Community	100,000,000
	Bridge	5 x 10 m	Community	200,000,000
	Bridge	20 m	Community	50,000,000

Source: Secondary data processed 2017

The table above is a work plan proposal of SKPD “Biru Daun” that has been submitted by each field. But after the Budget Ceiling List (DPA) is validated, the above activities are replaced with other activities. This shows that the planning of SKPD “Biru Daun” is not transparent and does not create public space (Mardiasmo, 2009). If this happens continuously, budget planning does not reflect the public space, so that only part of the community enjoys the results of the development.

For large activities that have a budget of one billion or more tend to involve entrepreneurs or partners who are accustomed to carrying out the project, so that in practice, the partners have more important role than the community. Budget planning should pay attention to efficiency, where the work that seems to take too much time, such as physical work, should not be budgeted in the Changes in Financial Budget (PAK). But in fact, the activities of SKPD “Biru Daun” tend to be

forced due to pressure from third parties. Even one of the officials of the Head of Operations of the blue leaf SKPD said:

In compiling the budget in Budget Ceiling List (PAK), there is a lot of intervention from the decision makers so that the implementation in the field is delayed, even up to the eighth month, we cannot confirm which activities are included in the Budget Ceiling List (PAK). But if it is already in the ninth month, our opportunity to carry out physical activities is impossible, because the contract

documents have not been prepared yet, and it is already close to the end of the fiscal year ... what can we do?

Base on the interview above, it can be concluded that the budget planning in the Budget Ceiling List of SKPD “Biru Daun” is not on time. Consequently, the physical work will not be completed until the end of the fiscal year. The same thing is conveyed by partners. They complain a lot when the implementation in the field is very close to the end of fiscal year:

I am also confused. The work package in the Changes in Financial Budget (PAK) is no longer effective. How can I finish my job, this is already in the tenth month. Moreover, there are still many things I have to do, such as managing the administration in the office, preparing in the field, buying materials, etc ... We can only complete 30% to 40%, the rest must be re-scheduled in the next year ...

The above interview proves that the activity budget planning at SKPD “Biru Daun” has been delayed due to the short time in the implementation of physical projects budgeted in Budget Ceiling List (PAK). If this happens continuously, the projects in the SKPD “Biru Daun” tend to be forced so that the budget absorption until the end of the year is less than optimal. Even the commitment-making

officials (PPK) often complain the physical activities that are budgeted in the Changes in Financial Budget (PAK) are too many so that the implementation in the field is not effective and the results of work in the field are no longer optimal, especially from the tenth month to the end of the year is the rainy season:

I'm also confused about the planning in Budget Ceiling List ... why there is a lot of physical work to be budgeted, after all it will definitely be rescheduled in the next year ... it's not longer efficient ... what can I do, it has already been the decision of the boss ... if I don't follow, he will think I'm not loyal to the boss ...

The results of interview with the Commitment-making Officials of SKDP “Biru Daun” also support the statement of partners as the implementers of physical work activities in Changes in Financial Budget (PAK). They also complain the lack of time in the field implementation so that the work will not be completed until the end of the fiscal year.

If the physical work that is still not budgeted can be budgeted for the following year, or when it is forced in the Changes in Financial Budget (PAK), the work tends to be unfinished until the end of the fiscal year. The Changes in Financial Budget (PAK) should concentrate on non-physical activities only that do not need much time, such as environmental cleaning activities, or the procurement of office equipment to support public services such as the purchase of a Computer, laptop, etc. Physical work must be analyzed and progressed in advance whether the work can be completed or

not. Planning without progress makes the work planning tend to be forced for the sake of budget absorption without considering the maximum outcome and benefit to the community.

The implementation of Auction at SKPD “Biru Daun”

There is often a delay in the implementation of auction at SKPD “Biru Daun”, especially related to the completeness of the tender participant documents. They assume that the completeness can be submitted later. The most important thing is that they have already got the project. The result of interview with the auction committee is also in line with the comment of the partners:

We, as auction committee, only give an announcement when and where the auction will be held. After all the auction winner has already been determined ... what can I do.... and all partners already know it ... they also have associations ... so as if they were the ones who set the auction winner, and got the project each year ... but don't let the boss hear it, he will be angry with me

The above interviews reflect the process of auction at SKPD “Biru Daun” which is not transparent and accountable. So the programs existing at SKPD “Biru Daun” are prioritized only to a group of individuals without considering public interest. The theory of performance-based budgeting that puts forward efficient and economical program is no longer happening. The auction committee has directed the winner of the auction to one partner

because they have got intervention from the policy makers.

Then the researchers conducted an interview with the Technical Executives of Activities (PPTK). They said that this work seemed to be daily routine. A lot of work was delayed and not according to the schedule. And even they said, while sitting relaxed accompanied by a cup of coffee and a pack of cigarettes:

We are here just waiting for orders. ... the partners already know that the Budget Ceiling List (DPA) is still not fixed for immediate execution due to a tug of interest on the top level, ... if we ask the Boss a lot ... we will get the impact of not getting a job..

The above interview proves that in the implementation of auction, there is no coordination with the elements existing in the SKPD “Biru Daun”. The implementation of the work is only waiting for orders from local government policy holders. The same thing was conveyed by the partners:

I took part in this auction. I already have a warrant from the boss, so only left the company name. The completeness of the document will follow later... the auction committee knows that it's the boss' project ...

The Accountability of SKPD “Biru Daun”

Based on the observations, there are many financial reports that are not in accordance with the Financial and Asset Management Agency

(BPKA) as a regional financial reporting data center. So this is an obstacle in the accuracy of time in completing the financial statements at SKPD “Biru Daun”. The delay in the issuance of Warrant for Disbursement of Funds (SP2D) also affects the budget realization at SKPD “Biru Daun”. Especially, at end of fiscal years there are many SP2D which are published in January of the following year.

Even the Financial Management Officer (PPK) of SKPD “Biru Daun” said that the delay in financial reporting was caused by a lack of an online financial application system between Financial and Asset Management Agency_(BPKA) and SKPD “Biru Daun” that was computer-based. The officer said:

If we can maximize the existing technology, I am sure that the financial statements will be completed on time. We cannot lose to other SKPDs that have used computer-based applications. Moreover, our budget is above 100 billion ... Please remember, don't tell the boss ... He will get angry with me...

The same thing was expressed by the financial report maker of SKPD “Biru Daun”, while sitting casually saying:

If the report is made manually, it will take along time ... especially when entering the Warrant for Disbursement of Funds (SP2D), we have a lot of activities. Many activities liquid close to

*the end of the fiscal year. How could the financial report of SKPD “Biru Daun” be on time... if we use computer-based financial report application, it might be on time as long as there is no problem with the computer, because it has to go online with **Financial and Asset Management Agency**___ (BPKA) ...*

Based on the above statement, it turns out that one of the obstacles to the financial report of SKPD “Biru Daun” is the lack of use of computer technology so that the financial statements of the SKPD are delayed until March. So, until March of the following year, we still complete the previous year’s work. If this is allowed to happen, budget absorption will be delayed, perhaps until the first semester, especially in the implementation of capital expenditure on goods and services that are related to infrastructure development.

There is even a Warrant for disbursement of funds (SP2D) that just came out in February because of an error in the supporting documents of minimum service standards. Moreover, the minimum supporting standard was published at the end of the year, whereby at the end of the year there have already been many minimum supporting standards from other services that had already accumulated in Financial and Asset Management Agency_(BPKA). This is caused by the lack of use of computer technology in the form of online services between offices in the “Singgasana” government environment.

Based on the interview with the Head of SKPD “Biru Daun”, he also complained about the process of making financial statements that experienced delays until March. He said:

I have often conveyed in the meetings of the heads of SKPDs in the government “Singgasana”, that the use of computer technology will have enormous benefits. One of them is for the smoothness of the management of regional finances and the creation of regional financial reports and at SKPD levels.

The same statement was also conveyed by the secretary of SKPD “Biru Daun”, who also complained about the obstacles in budget absorption. One of which was in the process of making SPM which was not based on online computer applications with Financial and Asset Management Agency (BPKA). He said:

If we use the online application with BPKA, of course the budget absorption process will run smoothly ... we just complete the supporting documents in the disbursement of budget funds .. moreover the process in making financial report will be faster and easier, especially in making corrections.

Based on the above interview, computer technology has not been utilized by SKPD “Biru Daun” starting from budget planning until the implementation of budget absorption and financial reports. So, delays often occur in the field. Moreover, the financial statements

are always late in their implementation. Even until the following year, we are still struggling to consolidate with Financial and Asset Management Agency (BPKA) because there is no alignment between the data in the SKPD “Biru Daun” and the data that enter BPKA.

CONCUSION AND SUGGESTION

Conclusion

The results of the research related the budget planning at SKPD “Biru Daun” show that the budget planning process is not in accordance with the flowchart of the Local Government planning and budgeting process, where the planning must involve the community in the Development Planning Deliberation forum. But in reality, the implementation is only a formality. There are many interventions in the budget planning at SKPD “Biru Daun”, especially from the policy makers, and the Head of “Singgasana” Regency. Based on the interview with the Commitment-Making Officer, it turned out that the priority activities are suddenly replaced with other activities.

The entrusted program from the executive and legislative parties turned out to be included in the Changes in Financial Budget (PAK), so the implementation in the field tends to be forced because the time is too close to the end of the fiscal year. The budget planning at SKPD “Biru Daun” does not create a public space where the public must be involved both directly and indirectly from budget planning to budget oversight. The budget planning at SKPD “Biru Daun” is not in favor of the community at large, and is more inclined to the entrusted program from both executive and legislative parties.

The auction process at SKPD “Biru Daun” is not transparent. The auction committee tends to direct the auction winner to one partner who is close to the policy makers at SKPD “Biru Daun”. The implementation of physical program auction is often delayed due to the intervention of policy holders and

the tug of interest between the executive and legislative parties.

There are many obstacles in the implementation of budget accountability due to lack of coordination with Financial and Asset Management Agency (BPKA), especially in entering Warrant for disbursement of funds (SP2D) data. Moreover, the activities at SKPD "Biru Daun" tend to accumulate at the end of the fiscal year. In addition, the lack of use of computer technology in making financial reports also hampers the completion of budget accountability.

The limitations of this study include (1) Researchers only examine within the scope of the SKPD "Biru Daun" and do not cover all regional governments. So, it is expected that further research broaden the scope of research. (2) Researchers get difficulties in collecting the data needed in the field in the form of the reports on the work results of the Technical Executives of Activities (PPTK), which is usually used to assess the progress of physical work each month (3) Researchers have not conducted interviews with all elements at the SKPD "Biru Daun", but only with the planning officials of SKPD "Biru Daun". So, it is expected that further researchers develop the existing informants. The constraints in budget planning are the factors that influence the delay in DPA SKPD to be validated.

Suggestion

The results of this research show that there are still a lot of fraudulent acts in the budget absorption at SKPD "Biru Daun", where the proposed work from the development planning deliberations is still not accommodated maximally by the local government. Some suggestions put forward are:

1. SKPD "Biru Daun" should maximize the participation of the community in the annual work plan of the SKPD so that the community can conduct supervision

from the implementation to the budget accountability reporting at the SKPD "Biru Daun".

2. SKPD "Biru Daun" should provide rewards and punishment for employees in order to be motivated in carrying out tasks.
3. SKPD "Biru Daun" should build a strong commitment to the leadership to always perform performance improvements, starting from budget planning, implementation, to budget accountability, so that it can be implemented optimally and timely.
4. The regional government should not intervene in the implementation of the budget in the SKPD, so that the budget absorption can be carried out properly and does not experience delays.
5. It is suggested that further researchers increase theoretical studies on the good implementation of public sector budget.

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