



Resisting and Boosting Factors of Municipal Government Asset Management (Study towards the Government of Pangkajene dan Kepulauan District)

***Mursalim, Alimuddin, Andi Kusumawati, Sabir, Wardhani Hakim, Wahda, Haeriah Hakim, dan
Insany Fitri Nurqamar***

Faculty of Economy and Business, Universitas Hasanuddin Makassar, Indonesia

Abstract

Regional Financial Management is a series of stages consisting of planning, implementation, administration, accountability, and reporting. Planning is important and strategic in realizing the creation of regional financial management that is accountable, transparent, participatory, and democratic. However, to realize these hopes, local governments such as Pangkajene Regency and the Islands are still facing several problems, including limited resources for managing regional property according to their needs.

Evaluation of the success of the UNHAS Community Service Program - Regional Partnership Program by comparing the results of the pre-test and post-test assessments. Based on the results of the tests carried out, the mean value of 82.50 percent correct for the pre-test increased to 96.52 percent after the post-test was carried out.

Introduction:-

Municipal autonomy has given high authority to municipalities to set and manage its government affairs. Moreover, municipal autonomy also gives wide autonomy to regions in municipal financial management so that it can be managed independently to be able to pay governance and municipal development. For municipal government, this has to be put into good use, especially those related to the efforts of putting sources of municipal income into good use, apart from central government's intervention. This means that the wider administration of government functions, which is organized by municipal governments will only run if supported by adequate sources of financing. In fact, between one region and the other, the sources of income are different. Some regions with adequate resources can run municipal autonomy. Meanwhile, on the other side, some regions with limited resources are facing troubles running municipal autonomy. Therefore, the creativity of the district head and other leadership elements are needed to manage the potential sources of the region's income other than municipal taxes and municipal retribution for example municipal asset management, or as known as municipal property management. Municipal property management is a process in managing the wealth that has existed before or was obtained on state budget (APBD) burdens or other legit gains that could be used in government as well as public activities. According to Mardiasmo (2002), executing municipal wealth management has to fulfill the following aspects: a) Law Accountability; b) Process Accountability; c) Professional Human Resources; d) Budget; e) Supervision.

Municipal asset management is one of the keys to success in municipal economy management. The importance of managing the assets correctly and usefully, based on efficiency and effectivity management principle, is expected to give strength to the Municipal Government to finance its region's development. Management of the country's assets professionally and modernly by prioritizing good governance on one side is expected to increase trust in the country's finance management from the people. (Noviawati, 2016)

To realize optimal asset management, the government still faces a variety of problems that have a significant influence. One of the main problems in municipal asset management is the disorder of the administration in controlling asset stocktaking since asset stocktaking is an essential thing in the cycle of asset management. The asset is fixed as the main component from municipal assets, that Municipal Government has to use as a productive and useful asset so that it could impact positively in the development of municipal economy, and people's well being.

Pangkajene dan Kepulauan District (Pangkep), South Sulawesi Province, Indonesia, is one of the municipalities that has received the unqualified opinion 8 times in a row. The Audit Board's unqualified opinion for municipal government is not a guarantee that a municipality is free of asset management problems. Frequently, a municipality has received an unqualified opinion, but some assets with problems related to usage, security, administration, and utilization are still found.

The archipelago of Pangkajene dan Kepulauan District is a territory that has a regional complexity that is urgent to be discussed. The archipelago of Pangkajene dan Kepulauan has a huge area potential to be developed more optimally, to support the development of the territory of Pangkajene dan Kepulauan district. The sub-districts that are located there are Liukang Tupabiring, North Liukang Tupabiring, Liukang Kalmas, and Liukang Tangaya. With those geographical conditions, the responsibility of the government becomes more important, especially in building trust and justice among the territories spread between land and islands. Every development activity frequently causes the production of municipal assets that is obtained from municipal capital expenditures.

This study will analyze some boosting and resisting factors that are faced by the government of Pangkajene dan Kepulauan District in managing assets, especially municipal property (BMD).

Literature Review:-

Municipal Otonomy

Municipal Otonomy is a realization of the execution of government affairs based on the decentralization principle. Decentralization, according to Ahmad Yani (2002) is a delegation of one of the municipalities to take care of business that produces income to Municipal Government and potencies to be developed in the digging of new income resources for the municipality concerned.

The success of the execution of municipal autonomy is inseparable from the municipality's potential to improve its finance. Optimization of the municipality's finances and asset becomes two critical issues as a supporting factor in the municipality's income source. Asset as one of the most important elements to administer governance and public services must be managed well, efficiently, transparently, and accountable.

Management of Municipal Property (BMD)

The Management of Municipal Property is critical to do so that municipal government can know the clarity of the municipal property ownership status, stocktaking of the municipality's wealth and its usage time from Municipal Property, the existence of usage and utilization optimization to increase municipal income, anticipate Municipal Property's condition in public service function, the existence of municipal property's security as a base in balance sheet preparation, and to report the condition and value of municipal property periodically. Remembering the importance of asset management for government and municipal government as well as the size of spending related to the management of the assets, therefore it is a must for the government and municipal government to manage the assets/property of the national/municipality professionally, effectively, and prioritize economic aspects so that the expenses could be on point, properly used, and properly utilized, therefore corresponding to the prevailing laws and regulations.

Asset Management is an inseparable part of financial management and is generally related to the administration of municipal development, especially those related to asset values, asset utilization, asset value recording in the balance sheet, as well as the organizing priority in development.

Municipal Property Management and Municipal Government's Performance.

Municipal Government's performance in Indonesia is always related to the opinion that is announced by the Audit

Board (BPK). The ability of a municipal government as well as the government in managing its finance and assets following the laws and regulations could be measured by the opinion received. The Audit Board (BPK) according to law no. 15 the year 2006, is a state institution in charge of checking the management and responsibility of the country's finance as regulated in the 1945 Constitution of Indonesia. The Audit Board is a free and independent state institution based in the capital city and has representations in every province. Based on law no. 15 the year 2006, the tasks of the Audit Board includes checking of finance, performance, and certain goals (Natta Sanjaya, 2006). Those are reflected in generated financial reports. Therefore, a reliable and trustable financial report is needed to display the financial resources of a region with the management of the region's financial resources analysis (Bastian in Darmansyah 2005). Referring to the Government Accounting Standard (SAP) Government Regulations no. 71 the year 2020, the qualitative characteristic of a financial report is normative sizes that need to be realized in accounting information so that it can fulfill its purposes. These four characteristics are normative preconditions needed so that the municipal government's financial report could fulfill the desired quality; a) Relevant, b) Reliable, c) Comparable, and d) Understandable. The better the stocktaking of municipal property (BMD), the better the quality of the municipal government's financial report will be (Ningsih, 2002). Therefore, the municipal government also has to manage assets seriously by studying asset management. Moreover, asset management is related to how to manage fixed assets, so that they could be inventoried, estimated, served, and revealed and suffice, following the constitutions (Cris Kuntadi, 2009)

Research Methods:-

Research Method

Location and Time

This study, which is in service form, was done in Pangkajene dan Kepulauan District, focusing on the caretaker in every regional working unit and Bungoro Subdistrict. The activity was done for 8 months.

Population and Sample

The population of the study is every caretaker of the Regional Working Unit (SKPD). Sampling was done by the census.

Data type and source

Data that was used as primary data, directly from the Regional Working Unit caretaker.

Data analysis technique

To analyze the data that was obtained from the focused group discussion, force field analysis was used. Force field analysis is one of the analysis tools used to identify various problems in achieving a target and to identify various possible causes, and to obtain solutions from a problem.

Results and Discussion

Results

The informant in this study is 65% caretakers that have worked in the field for more or less 2 (two) years, 1% caretakers that have worked for more or less 1 (one) year or 6 (six) months, and 33% caretakers that have worked for more than 2 (two) years. The variety of the duration worked as a caretaker affects their knowledge and skills in managing Pangkajene dan Kepulauan's municipal property.

Academic backgrounds indirectly become a supporting factor in improving employee's performance. So do caretakers. Academics, especially technical academics, become a supporting factor to realize optimal municipal property management. Of all informants (Regional Working Unit caretakers), 98 percent of them have a bachelor's degree, and 2 percent are diploma graduates.

Discussion

Government Regulations no. 27 the year 2014 states that Municipal Property (BMD) is every item purchased or obtained on state budget (APBD) burdens or other legit gains. Government Regulations no. 71 the year 2010 stated that an asset is an economic resource that is conquered and/or owned by the government as a result of past events from where the benefits of economics and/or social in the future could be obtained both by the government as well as people and could be measured in nominal units of money, social, and politics. For accounting information users, the value of Municipal Property/Asset which is presented in the government's financial report will be used to analyze the government's financial condition. If the municipal property/asset is already broken and not used

anymore, or properties that are lost but still reported in the financial report, then the decision-making based on that information is not correct at all.

To support the management of municipal assets efficiently and effectively, and to create terms of municipal asset management transparency, then the municipal government has to have or develop a management information system that is comprehensive and reliable, as a tool to produce accountability reports. Moreover, the system information also can be used as a base in decision-making related to item needs and an estimate of development spending needs in organizing the state budget, and to obtain municipal asset management information, a base of adequate asset wealth management is needed, which according to Mardiasmo (2002:87) there are three basic principles in asset wealth management, that is: (1) proper planning, (2) efficient and effective utilization, and (3) monitoring.

The results of the interview and focus group discussion towards the 25 Pangkajene dan Kepulauan government caretakers, boosting, and resisting factors of effectivity in managing the municipal property was found. Those are:

Boosting factors

1. Regulation of municipal property management
2. Leaders' support
3. Commitment of caretakers
4. Routine training and socialization
5. Teamwork across institutions

Resisting factors

1. Caretakers' rotation
2. Caretakers' quality
3. Facilities and infrastructure
4. Data accuracy and item information
5. Coordination across Regional Working Unit (SKPD)

Conclusion

The success of Pangkajene dan Kepulauan District's government in receiving Unqualified Opinion from the Audit Board of the Republic of Indonesia seven times in a row is an achievement to be proud of, even though in some cases there are still some problems found in municipal asset management. Therefore, a series of activities is needed, such as technical guidance, independently or self-managed, as well as teamwork with universities such as UNHAS.

The successful evaluation of the UNHAS Service to the People Program - Municipal Partnership Program by comparing study results from pre-test and post-test. Based on the test results that were done, an average score of 82,50 percent true for pre-test increased to 96,52 percent after post-test was done.

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