
Mediaty¹*, Ruslan², Akbar Ulman³, Mahfud⁴, ST. Faizah Ridwan⁵
¹-⁵ Faculty of Economics and Business, Hasanuddin University, Indonesia
Email: Albiatma81@gmail.com¹*

ABSTRACT

Clear Description about regional wealth and basis for preparing financial report can be accomplished by good implementation of Regional Asset Management Practices. This research aim to assessing problem on regional asset management in the Provincial Government of West Sulawesi. The Research Method using quantitative analysis from data representation dan qualitative analysis from Permendagri No.19/2016. Conceptual analysis is carried out to data that show the weakness of asset management practices in The Provincial Government of West Sulawesi. These weaknesses include unoptimal of administration implementation by asset users and administrators, the potential loss of official vehicles that are still controlled by moved officials, not documented asset need in the RKBMD, unpaid vehicle taxes, the absence of decree for asset usage, and undocumented asset maintenance by regional asset maintenance cards.

Keywords: Asset Management; Regional Asset; Provincial Government.

INTRODUCTION

One of important element on governance, development, empowerment, and service to the community are Regional Asset. Therefore, implementation of maintenance must be done well and correctly, prioritizing functional principles, legal certainty, transparency, efficiency, accountability, and value certainty (Daraba et al., 2018; Djafar et al., 2019a, 2019b; Gul & Ahsan, 2019; Lay, 2017; Mishra et al., 2021; Naz et al., 2019; Nur et al., 2022). Common perceptions and integrated steps from all parties will optimize the management of regional asset. The government has issued and ratified Minister of Home Affairs Regulation Number 19 of 2016 concerning Management of Regional Asset, after previously issuing Government Regulation Number 27 of 2014 concerning Management of State/Regional Asset, along with other improving regulations in the field of management of Regional Asset. According to Minister of Home Affairs Regulation Number 19 of 2016, management of Regional Asset includes all Requirement planning and budgeting activities, procurement, use, utilization, security and maintenance, assessment, transfer, destruction, deletion, administration, guidance, supervision and control. This regulation also state that all government asset includes all asset that purchased or obtained by APBD expense or from ather legal acquisition.

West Sulawesi Inspectorate’s comprehensive supervision report on the management aspect regional asset at 2022 state that Regional Asset Management Practices in The Provincial...
Government of West Sulawesi cannot be implemented optimally because there are still weaknesses in management process. According to another research, by Sumampow (2015) dan Listyanti (2016). Sumampow (2015) research is about implementation of regional asset management policy at Education, Youth, and Sport Office at Sigi Regency to know the implementation of regional asset management policy. Result of research show that the implementation have not done well because there are four causative aspects there are: lack of socialization communication aspects, resources aspects include human resources and inadequate budgets, disposition aspect that show the lack of responsibility in managing regional asset, and bureaucratic structure aspects that don’t have SOP for managing regional asset. Next research by Listyanti (2016) about assessing the regional asset of Cilacap Regency. Research purpose is to know the compatibility regional asset management on Cilacap Regency with Permendagri No.19/2016, identify factors that caused the lack of regional asset management on Cilacap Regency, and obtain recommendations to improve the management of Regional Asset in the Regency.

Achieved purpose in this research is to assessing the compatibility of regional asset management system with Minister of Home Affairs Regulation No 19 of 2016, what are the weaknesses and efforts made to improve Regional Asset Management Practices in The Provincial Government of West Sulawesi.

METHOD

The qualitative analysis method is used to describe the results of the presentation of APIP supervision report documents for 14 (fourteen) Work Units and the quantitative analysis method is carried out by calculating the number of inspection results records for each management process which is a weakness in the management aspect of Regional Asset.

The purpose of this research is to analyze the suitability of the management process for managing regional Asset with the Minister of Home Affairs Regulation Number 19 of 2016 in several Regional Work Units of West Sulawesi Province. Data collection uses document study techniques resulting from Inspectorate supervision of 14 (fourteen) work units. Yin (2014) states that there are six sources of evidence that can be used as a focus for case study data collection carried out by document study, archival recordings, interviews, direct observation, actor observation and physical equipment.

Data source

The data required in this research is in the form of the 2020 Inspectorate Inspection Report document, Minister of Home Affairs Regulation Number 19 of 2016 about Guidelines for Management of Regional Asset, Regional Regulations and Governor Regulations related to Management of Regional Asset as well as other supporting documents related to Management of Regional Asset.

Analysis Techniques and Models

The analysis model in this research begins by examining the problems of managing Regional Asset in each management process in the APIP inspection results records, then
comparing it with the management of Regional Asset which refers to Minister of Home Affairs Regulation Number 19 of 2016, then compiling a description and narrative to be included in the discussion of research report.

RESULT AND DISCUSSION

Data representation of Inspectorate inspection report at 2022 on the Regional Asset Management Aspects in 14 The Provincial Government of West Sulawesi by using quantitative analysis to count the number of problems in each regional asset management process, therefore we obtained the following data:

<table>
<thead>
<tr>
<th>Sample</th>
<th>Plan</th>
<th>Use</th>
<th>Benefit</th>
<th>Administrative</th>
<th>Security and Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPD 1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>OPD 2</td>
<td>1</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>OPD 3</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 4</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 5</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 6</td>
<td>1</td>
<td>2</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 7</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 8</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>OPD 9</td>
<td></td>
<td>2</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 10</td>
<td></td>
<td>2</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>OPD 11</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>OPD 12</td>
<td></td>
<td>1</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OPD 13</td>
<td></td>
<td></td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>OPD 14</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>4</td>
<td>2</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>Percentage</td>
<td>13.64</td>
<td>9.09</td>
<td>4.55</td>
<td>38.64</td>
<td>34.09</td>
</tr>
<tr>
<td>Average</td>
<td>0.43</td>
<td>0.29</td>
<td>0.14</td>
<td>1.21</td>
<td>1.07</td>
</tr>
</tbody>
</table>

Based on the identification of problems in 14 (fourteen) West Sulawesi Province Work Units as stated in the 2022 Inspectorate inspection report, it was found that the results of the Administration process in 14 Work Units were the part with the highest level of problems in the BMD management process. A total of 44 records in 2022 from the OPD sample, 17 problems of which are in the administration process or around 38.64%, in the security and maintenance process, namely 15 problems or 34.09%, Planning 6 problems or 13.64%, use of 4 problems or 9.09%, and Utilization 2 problems or 4.55%.
Regional Asset requirement planning

Requirement plan is an activity that aims to formulate in detail the Requirement for regional asset to align previous procurement of asset with current conditions as a basis for future actions. The implementation of regional asset Requirement planning in the Provincial Government of West Sulawesi follows the annual Work Plan guidelines which include the preparation of a Regional Asset Requirement Plan (RKBMD) and a Regional Asset Maintenance Requirement Plan (RKPBM). This process is based on proposals from each Sector/Section in the SKPD, taking into account the Requirement of the SKPD tasks and functions as well as the availability of existing asset, then submitted to the Governor through the Regional Secretary as Asset Manager and Financial Agency no later than mid-January one year before the planned need for the asset. Once approved, the proposal is included in the Budget Requirements Plan (RKA) in the SKPD. Based on the Inspectorate's inspection report, the Requirement planning and budgeting process in The Provincial Government of West Sulawesi is generally in accordance with regulations. However, research shows that the implementation of regional Asset Requirement planning is still not optimal. Of the 14 Work Units, it was found that 6 OPD had not prepared Regional Asset Requirements Plans (RKBMD) and Regional Asset Maintenance Plans for the current year. This problem has been communicated to the parties responsible for preparing the RKBMD at the OPD level, including Asset Users and Asset Managers. Before the end of the fiscal year, these weaknesses were followed up.

A proper planning can produce a budget that is accurate and not excessive. Implementing Regional Asset Management policies requires cooperation between related parties, so good communication is needed. Communication in organizations is a complex process (Edwards III, 1980 in Juanda, 2011). For effective implementation, responsible parties must understand whether they can implement the decision. Policy implementation must be accepted and clearly understood by all personnel. Lack of communication to policy implementers can seriously affect implementation.

This is also supported by one of the functions of the logistics process according to Subagya (1996: 10), namely the function of planning and determining Requirement which includes activities in setting targets, guidelines and measuring the implementation of logistics. Determination of Requirement is a detail of the planning function, and all factors that influence the determination of Requirement must be taken into account. Each stage and step in logistics procurement activities must receive proportional attention to support the performance of each work unit as well as the effectiveness and efficiency of the organization as a whole.

Use

Use of asset is an activity carried out by the asset user to manage and record regional Asset in accordance with the duties and functions of the SKPD concerned. In The Provincial Government of West Sulawesi, use of asset is carried out by the asset user submitting a request for determination of usage status to the Asset Manager through the Assets Division, accompanied by the documents underlying the acquisition of the asset. The Assets Division then examines the proposal to determine the use status of the asset. Once approved, a Letter of Approval or Decision Letter is issued. Determination of the status of use of Regional Asset is adjusted to the tasks and functions of the SKPD. According to the Inspectorate's inspection report, in general, the Requirement planning and budgeting process in The Provincial Government of West Sulawesi
has been carried out in accordance with the provisions. Based on Minister of Home Affairs Regulation Number 19 of 2016, the status of Regional Asset is determined by the Governor to support the duties and functions of SKPD, and can be used by other parties to support public services. However, this research found that of the 14 OPDs, there were 3 OPD that were not optimal in implementing the use of regional Asset. Responsibilities for implementing the use of asset have not been fully implemented, such as proposing SKs for asset users. This issue has been followed up by the relevant OPD by proposing and issuing a Decree on Regional Asset Holders.

Benefits

Utilization of regionally owned asset is an effort to utilize asset that are not used to carry out SKPD duties and functions, or optimize regionally owned asset without changing their ownership status. Utilization procedures such as renting, borrowing, KSP, BGS, BSG, and KSPI have been implemented in accordance with Minister of Home Affairs Regulation Number 16 of 2019, with the approval of the Governor and Asset Manager, ensuring that they do not interfere with the implementation of the duties and functions of work units. Juanda's research (2011) states that optimizing asset utilization can be done through investment to market potential regional government assets and collaborate with investors. This includes creating and unifying a Memorandum of Investment (MOI) between local governments and investors, as well as providing consultation services to local governments regarding cooperation with these investors. Thus, this will not burden the regional budget, especially maintenance costs and the risk of third party encroachment and can generate original regional income. This research shows that the use of regional Asset in The Provincial Government of West Sulawesi in the form of borrowing and using official vehicles from other work units has not been completed with loan-to-use documents, so it is noted as a weakness in the process of utilizing regional Asset in one of the OPDs in the research sample. Data shows that the relevant OPD has followed up on this problem before the end of the year.

Security and maintenance

Minister of Home Affairs Regulation Number 19 of 2016 states that Asset Managers, Asset Users, and/or Proxy of Asset Users must safeguard Regional Asset under their control. This security includes physical, administrative and legal security. For administrative security, an administration system is needed that is capable of creating control over regional Asset. However, research shows that the security and maintenance process in The Provincial Government of West Sulawesi is not optimal because there are still problems. Based on the results of a study of APIP monitoring report documents on 14 OPD, weaknesses were found in this process, with 15 of the 44 problems (34.09%) related to physical and administrative security. These problems include the risk of losing asset such as official vehicles which are still controlled by officials who have moved, as well as administrative weaknesses such as vehicle tax arrears and the absence of asset maintenance cards. Suwanda (2013:296) defines maintenance as activities or actions to ensure that all regional Asset is in good condition and ready to be used effectively and efficiently. This shows non-compliance by Asset users, especially Asset managers, with regulations. Actions that have been taken by regional officials in accordance with recommendations from the inspection results
include vehicle withdrawal, settlement of vehicle tax arrears, and creation of asset maintenance cards to record and document the orderly maintenance of asset. Document study shows that there are actions to correct weaknesses by the work unit in accordance with APIP recommendations.

Administration

Administration is a series of activities that include accounting, inventory and reporting of regional Asset in accordance with statutory provisions. In The Provincial Government of West Sulawesi, asset administration is carried out by Asset Users and Asset Managers through the creation of Asset Inventory Cards (KIB), Room Inventory Cards (KIR), as well as preparation of asset administration reports on a semi-annual and annual basis. To ensure that the recording and reporting of regional Asset is carried out in an orderly manner, the West Sulawesi Provincial Government has implemented SIMDA BMD effectively since 2012 and carries out a regional Asset census every five years, with the first census carried out in 2013. Based on research through document studies resulting from APIP supervision, it was found that the administration process at The Provincial Government of West Sulawesi level in 2020 was the area that faced the most problems. Of the 44 weaknesses found, 17 of them (38.64%) were related to administration. Each OPD from the 14 Work Units sampled has the same weaknesses in the administration process, such as procurement results that have not been inventoried, labels for regionally owned asset that have not been installed, no KIR, mutation reports for asset that are not available, and irregularities in the implementation of asset administration. This shows that the implementation of functions is less than optimal at both the Asset User and Asset Management levels. Orderly administration will produce precise and accurate data, which will have an impact on the availability of an adequate database for Requirement planning and budgeting, as well as producing accurate asset reports on the balance sheet. Edwards III (1980) in Juanda (2011) stated that implementation will be effective if the policy measures and objectives are understood by the individuals responsible for achieving them. Therefore, policy measures and objectives need to be communicated clearly to implementers. Commitment and responsibility are needed to overcome this problem from officials to implement policies to achieve organizational goals in every task and function carried out. The study shows that there are efforts by several work units to improve administrative weaknesses, create KIR, and inventory regional Asset before the end of the 2022 fiscal year.

CONCLUSION

Based on analysis result, it can be concluded that Regional Asset Management Practices in The Provincial Government of West Sulawesi has complied with Permendagri No.19/2016. Although several weaknesses were found in document study, all the weakness are the responsibility of the respective regional asset management office. Human resources and commitment are main key to improving and organizing the management of regional assets at both the OPD and Provincial Government levels of West Sulawesi. To increase the competency, commitment and understanding on managing regional asset, government need to provide socialization, guidance and technical training; involve the assets division in the requirement planning and budgeting process in SKPD; commitment and involvement of leaders and also supervisory and control function of work unit must be optimized especially in the administration, security and maintenance process.
REFERENCES


Inspektorat Sulawesi Barat. 2022. Laporan Hasil Pengawasan atas pelaksanaan Pengelolaan BMD, Keuangan, Tugas Fungsi dan Sumberdaya Manusia, Mamuju Sulbar


