



Research Paper

## Analysis of Determinants in the Preparation and Determination of the Regional Budget (APBD) of West Sulawesi Province

Ari Ekawaty Nuhung<sup>1</sup>, Muhammad Yunus Amar<sup>2</sup>, Darwis Said<sup>3</sup>

1) West Sulawesi Government

2) Department of Management, Faculty of Economics and Business, Hasanuddin University

3) Department of Accounting, Faculty of Economics and Business, Hasanuddin University

**ABSTRACT:** This research aims to obtain empirical evidence related to the factors that are inhibiting and encouraging as well as effective strategies in the preparation of the APBD in West Sulawesi Province. This research was conducted in the West Sulawesi Provincial Government with a focus on the West Sulawesi Provincial Secretariat Office in February - March 2021. The population in this research were the parties involved in the preparation of the APBD. Sampling was done by using purposive sampling. The sample used is from the TAPD team and the Financial Agency. The data analysis used in this research is descriptive analysis. The results of the research proved that the inhibiting factors in the preparation and determination of the APBD are the relationship between the executive and the legislature, the intervention in the division of activities, institutional changes within the government of West Sulawesi Province, and the existence of interests. The driving factors in the preparation and stipulation of the APBD are good communication patterns between the legislature and the executive, laws and regulations related to the guidelines for the preparation of the APBD, and emergencies. The strategy for preparing the APBD that can be recommended is the preparation of a performance-based APBD.

**KEYWORDS:** Preparation and Determination of APBD, Pushing Factors, Inhibiting Factors, Strategy

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### I. INTRODUCTION

Regional Revenue and Expenditure Budget (APBD) is the annual financial plan of the Regional Government approved by the Regional House of Representatives. APBD is determined by Regional Regulation. The APBD budget year covers a period of one year, starting from January 1 to December 31. The APBD consists of the Regional Original Revenue Budget (PAD) which includes regional taxes, regional levies, the results of regional wealth management, and other revenues, the balancing fund portion, which includes Revenue Sharing Funds, General Allocation Funds (DAU) and Special Allocation Funds, Other legitimate income such as grants or emergency funds. Regional budgets are used for the purposes of implementing government tasks in the regions (Moha et. al., 2019). The determination of the APBD must be carried out on time so that the planned activity and development programs are realized in the fiscal year so that the provision of public services to the community can run smoothly. However, local governments have not been able to meet the deadlines as stipulated above. It was recorded that in the 2012 fiscal year, there were 234 regencies and cities that experienced delays in determining the APBD and in the 2013 fiscal year, there were 185 regencies and cities that experienced delays. In addition, in the 2012 fiscal year, there were 16 regencies that set their APBD late and were subject to sanctions for delaying balancing funds and 16 regencies and one city were imposed with sanctions for postponing balancing funds in 2013. As a result of the delay in determining the APBD, the economic movement of the regional government will be hampered, because the APBD is an important stimulus for regional economic growth.

## **II. THEORETICAL AND LITERATURE REVIEW**

### **2.1. Regional Revenue and Expenditure Budget (APBD)**

The Regional Revenue and Expenditure Budget (APBD) is the annual financial plan of the regional government which is discussed and jointly approved by the regional government and the regional House of Representatives, and is stipulated by a Regional Regulation. APBD is a form of regional financial management which is determined annually by regional regulations. APBD is a detailed list of regional income and expenditure within one year that has been ratified by DPRD.

Thus, the APBD is a very important tool in the local government environment. Dobell and Ulrich (2002) as quoted by Latifah (2010), state that the budget or APBD is the government's main tool to carry out all its obligations, promises, and all its policies into concrete plans and integrated in what actions will be taken, what results. to be achieved, at what cost and who will pay these costs.

### **2.2. The Process of APBD Composition**

APBD preparation is a regional budgeting process which conceptually consists of budget policy formulation and budget operational planning (Darise, 2008). The APBD, which is presented annually by the executive, provides detailed information to the DPR/DPRD and the community about what programs the government plans to improve the quality of people's lives, and how these programs are financed (Marno, 2019). According to Marno (2019), the stages involved in the preparation of the public sector budget are as follows:

#### **1. Preparation and Budgeting Stage**

At the stage of preparation and preparation of the budget, an estimated expenditure is made on the basis of the estimated available income. Related to this problem, what needs to be considered is that before approving the estimated expenditure, a more accurate income estimation should first be carried out, besides that it must be realized that there is a problem that is quite dangerous if the revenue budget is estimated at the same time as making decisions about the expenditure budget.

#### **2. The Budget Ratification Stage**

A stage that involves a fairly complicated and quite heavy political process. Executive leaders (regional heads) are required not only to have "Managerial Skills" but also to have adequate "Political Skills," "Salesmanship," and "Coalition Building". Integrity and high mental readiness of the executive is very important in this stage. This is important because at this stage the executive leadership must have the ability to answer and provide rational arguments for all questions and objections from the legislature.

#### **3. The Budget Implementation Stage**

After the budget is approved by the legislature, the next stage is budget implementation. At this stage, the most important thing that must be considered by the public finance manager is the possession of an accounting (information) system and a management control system. The public finance manager in this case is responsible for creating an adequate and reliable accounting system for planning and controlling the budget that has been agreed upon, and can even be relied on for the budgeting stage of the next period.

#### **4. Budget Reporting and Evaluation Phase**

The final stage of the budget cycle is budget reporting and evaluation. The budget preparation, ratification, and implementation stages are related to the operational aspects of the budget, while the reporting and evaluation stages are related to the accountability aspects. If at the implementation stage it has been supported by a good accounting system and management control system, then at the budget reporting and evaluation stage usually there will not be many problems (Marno, 2019).

### **2.3. The Process of APBD Determination**

According to Nurhasanah et. al. (2018) The process of determining the APBD is through the following stages:

1. Submission and Discussion of the Raperda on APBD According to the provisions of Article 104 of the Minister of Home Affairs No. 13 of 2006, the Regional Government Meeting (Raperda) and its attachments that have been prepared and disseminated to the public to be further submitted by the regional head to the Regional People's Representative Assmby (DPRD) no later than the first week of October of the previous budget year from the planned budget year for mutual approval. This joint decision-making must have been carried out no later than 1 (one) month before the start of the relevant fiscal year. On the basis of this mutual agreement, the regional head prepares a draft regional head regulation on the APBD which must be accompanied by a financial memorandum. The APBD Raperda includes, among other things, a mutually agreed expenditure plan. This Raperda APBD can only be implemented by the region/city government after obtaining approval from the relevant Governor. Furthermore, according to Article 108 paragraph (2) of Ministry of Home Affairs Regulations (Permendagri) Number 13 of 2006, if within 30 (thirty days) after the submission of the Raperda on APBD the Governor does not ratify the Raperda, then the regional head (Regent/Mayor) has the right to stipulate the Raperda as a Regulation of the Regional Head.

2. Evaluation of Raperda on APBD and Draft Regional Head Regulation on Elaboration of APBD The approved Raperda on APBD of district/city governments and draft Regional Head Regulation on Elaboration of APBD before being stipulated by the Regent. The mayor must be submitted to the Governor for evaluation within a maximum of 3 (three) days working days. This evaluation aims to achieve harmony between regional policies and national policies, harmony between public interests and the interests of the apparatus, as well as to examine the extent to which district/city APBD do not conflict with public interests, higher regulations and/or other regional regulations. The results of this evaluation must be stated in the governor's decision and submitted to the regent/mayor no later than 15 (fifteen) working days from the receipt of the Raperda APBD.

3. Stipulation of Regional Regulations on APBD and Regional Head Regulations on Elaborating APBD, after that, the Regional Regulation and Regional Head Regulation regarding the elaboration of the APBD is submitted by the Regent/Mayor to the relevant Governor no later than 7 (seven) working days after the date of stipulation (Nurhasanah et. al., 2018).

## **2.4. Pushing and Hampering Factors of APBD**

### **2.4.1. Competence Factor**

According to Wibowo (2007), competence is an ability to carry out or perform a job or task based on knowledge and skills and supported by the work attitude required by the job. Competence shows skills or knowledge that are characterized by professionalism in a particular field as the most important and superior thing in that field.

### **2.4.2. Coordination and Communication Factor**

The working relationship is a form of administrative communication that supports the achievement of coordination. Therefore, it is said that the end result of communication (work relations) is the achievement of coordination in a way that is effective and efficient (effective and efficient). According to Islamiyah (2014), coordination is an activity to bring order to all management activities and activities with one another so that they are not confusing, not contradictory, and can be directed to the waypoints of achieving goals efficiently.

### **2.4.3. Organizational Commitment**

Hian Ayu (2010) states that organizational commitment is the identification of individual strengths in relationships with organizations which include the values of organizational goals. The stronger the organizational values that are maintained by employees and the stronger the employee's desire to achieve the goals set by the company also shows a high organizational commitment.

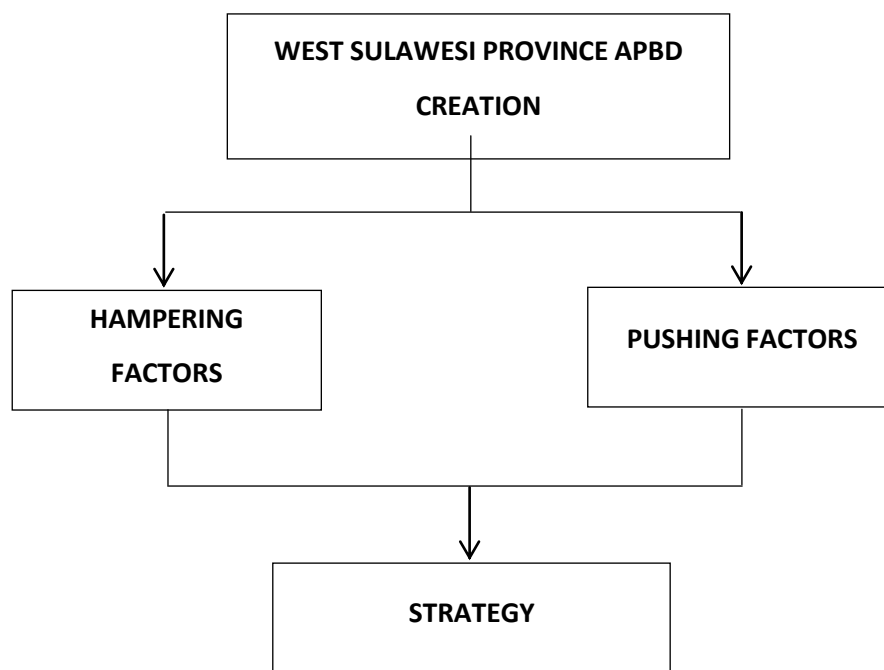
### **2.4.4. Interest Factor**

Politics is very synonymous with the word interests. Pericles in the quote above has emphasized his opinion that even if there are people who are not interested in politics, interests (and political-editor's life) will still exist and influence the daily life of everyone in every country. The course of political life itself is colored (or even determined) by the existence of political actors. Therefore, it is difficult to deny that political interests and actors are two things that cannot be separated from each other and are important studies in political science. The Journal of Politics itself notes that at least two articles have been published that specifically hint at the relationship between political actors and the workings of interests in influencing this relationship (Kosandi, 2015).

## **2.5. Good Governance**

Good Governance is defined as the mechanisms, practices and procedures of government and citizens to manage resources and solve public problems. In the concept of governance, the government is only one of the actors and is not always the decisive actor. The implication of the government's role as development as well as providers of services and infrastructure will shift to become a driving force for the creation of an environment that is able to facilitate other parties in the community. Governance demands a redefinition of the role of the state, and that means a redefinition of the role of citizens. There are greater demands on citizens, among others, to monitor the accountability of the government itself (Sumarto, 2003).

### III. CONCEPTUAL FRAMEWORK



### IV. RESEARCH METHOD

#### 4.1. Research Design

This research is qualitative. Sugiyono (2015) explains that qualitative research methods are research methods based on the philosophy of positivism, used to examine the conditions of natural objects, (as opposed to experiments) where the researcher is the key instrument, sampling of data sources is carried out purposively and snowball, the technique merging with triangulation (combined), data analysis is inductive/qualitative, and qualitative research results emphasize meaning rather than generalization. The object of research is the preparation and determination of the APBD. The researcher describes the process of preparing and determining the APBD and the factors that hamper and push the preparation and determination of the APBD in West Sulawesi Province.

#### 4.2. Research Time and Location

This research was carried out in the West Sulawesi Provincial Government with a focus on the Regional Secretariat Office of West Sulawesi Province where there are 6 Bureaus consisting of the General Bureau, Equipment and Protocol, Ekbang Bureau, Welfare Bureau, Legal Bureau, Ortala Bureau, and Administration Bureau related to the implementation of the preparation and Determination of APBD in West Sulawesi Province with a study in the Planning Sub-Section. This research was conducted in February - March 2021.

#### 4.3. Research Informant

This research uses primary data that was obtained from informant who comes from related parties in the making of APBD, such as:

1. Executive, such as : The Regional Government Finance Team (TAPD)
2. Legislative, such as : Financing Body

#### 4.4. Data Types and Sources

##### 4.4.1. Data Type

The data used in this research is qualitative data. Qualitative data is data that is presented in the form of verbal words not in the form of numbers (Muhadjir, 1996). Qualitative data in this study is a general description of the object of research.

#### **4.4.2. Data Source**

1. Primary Data, which is data directly collected by researchers (or officers) from the first source. The primary data sources in this study are goods management officers who are in bureaus, offices, and agencies within the government of West Sulawesi Province.
2. Secondary Data, namely data directly collected by researchers as a support from the first source. It can also be said that data is arranged in the form of documents. In this study, documentation and questionnaires are secondary data sources.

#### **4.4.3. Data Gathering Technique**

1. Observation, which is the instrument used to make direct observations of phenomena that are related to the problems to be discussed in this study, for example how to respond to the preparation of the APBD carried out by the Government in West Sulawesi Province.
2. In-depth Interview towards TAPD team, budget section in DPRD of West Sulawesi. The researcher will also conduct interviews with the heads of the Planning sub-section in every bureau in the West Sulawesi Provincial secretariat and several staff or operators at the West Sulawesi Provincial Secretariat Bureau who are directly involved in the Preparation and Determination of the West Sulawesi Provincial Budget.
3. Documentation, which is a way to collect the required data, both written data, as well as images and sound. This documentation is carried out by collecting existing data such as written documents in relation to the required data. Data collection will be carried out through interviews conducted by researchers themselves to those who are authorized and involved in the preparation of the APBD.

#### **4.4.4. Data Analysis**

The data analysis used in this research is descriptive analysis. Descriptive research (descriptive research) is a research method aimed at describing existing phenomena, which are currently or in the past.

## **V. RESULTS AND DISCUSSION**

### **5.1. Research Results**

In the preparation and determination of the APBD in West Sulawesi Province, it has been carried out in accordance with the regulations that have been set. According to respondents:

*“My opinion regarding the preparation of the APBD in West Sulawesi Province has been running according to the regulations that have been set. However, sometimes it is still constrained by various policies from the leadership so that sometimes in the determination of the APBD there is a tug-of-war due to political interests”*

(Interview with Respondent A, 2021)

*“The preparation and determination of the APBD in West Sulawesi Province in accordance with the provisions stipulated in Permendagri No. 13 of 2006 and the APBD is set on December 31 of the current budget year”*

(Interview with Respondent B, 2021)

*“The APBD is determined annually by a regional regulation (PERDA) which is discussed and approved jointly by the Regional Government and the Regional People's Representative Council (DPRD). The APBD is prepared according to the needs of government administration and the capacity of regional revenues. The preparation of the West Sulawesi provincial budget is guided by the regional government work plan (RKPD) in order to realize services to the community in order to achieve the goals of the state.”*

(Interview with Respondent C, 2021)

*“The preparation and stipulation of the APBD in West Sulawesi Province still needs improvement in every process because there are still frequent delays in its stipulation”*

(Interview with Respondent D, 2021)

The procedures for the preparation and determination of the APBD, according to the respondents, are:

*“The preparation and determination of the Regional Budget in West Sulawesi has been carried out based on Law Number 23 of 2014 concerning Regional Government and Minister of Home Affairs Regulation Number 64 of 2020 concerning the Preparation of the 2021 Regional Revenue and Expenditure Budget, as well as Government Regulation Number 12 concerning Regional Financial Management as a reference preparation of the 2021 APBD”*



(Interview with Respondent A, 2021)

*“The stipulation is carried out in accordance with the mechanism set forth in the Invitation Law.”*

(Interview with Respondent B, 2021)

*“Preparation and determination of the Provincial Budget. West Sulawesi based on Government Regulation Number 58 of 2005 concerning regional financial management.”*

(Interview with Respondent C, 2021)

*“Procedures for Preparation and Mapping of Regional Budgets In accordance with PP 58 of 2005 concerning regional financial management:*

- 1. Preparation of RKPD (Local Government Work Plan) by BAPPEDA (Regional Development Planning Agency);*
- 2. Drafting of General Budget Policy (KUA);*
- 3. Determination of Priority and Temporary Budget Ceiling;*
- 4. Preparation of SKPD Work and Budget plans;*
- 5. Preparation of the Regional Budget Draft;*
- 6. Determination of APBD.*

*For the Provincial Government of West Sulawesi, the preparation and determination of the APBD is in accordance with existing regulations and laws:”*

(Interview with Respondent D, 2021)

In the preparation and determination of the APBD in West Sulawesi Province, there are several things that are considered in the preparation of the APBD, according to respondents, are:

*“Fiscal capacity program.”* (Interview with Respondent B, 2021)

*“APBD is prepared in accordance with the needs of regional government administration; APBD must be prepared in a timely manner according to the stages and schedule; The preparation of the APBD is carried out in a transparent manner, which makes it easier for the public to know and get access to the widest possible information about the APBD; The preparation of the APBD must involve community participation; APBD must pay attention to the sense of justice and propriety; and the substance of the APBD is prohibited from conflicting with the public interest, higher regulations and other regional regulations.”*

(Interview with Respondent C, 2021)

*“PAD (Regional Original Income) PAD is income that is sourced and collected by the local government itself, the amount of PAD owned by a region, the region itself is free to accommodate the interests of the community; DBH (Hasi Sharing Fund) DBH sourced from taxes (PBB, PPH, and BPHTB); DAU (General Allocation Fund) Represents regional revenue sourced from the APBN which is allocated with the aim of Equitable Financial Capability between regions to finance regional expenditure needs as an effort to decentralize; DAK (Special Allocation Fund) Special Allocation Funds are funds sourced from APBN revenues allocated to certain regions, with the aim of helping to fund special activities which are regional affairs in accordance with national priorities.”*

(Interview with Respondent D, 2021)

In the preparation and determination of the APBD in West Sulawesi Province, there are several obstacles faced. According to the respondents, these obstacles are:

*“Constraints faced in the preparation of the APBD are usually an inappropriate planning process that sometimes does not accommodate the interests of the community, delays in preparing the APBD so that the regional head is late in submitting it to the DPRD. The DPRD does not carry out its budget function properly. DPRD's involvement in the preparation of the APBD has gone too far to the point that the type of activity, the size of the budget, and the location of the program become tug-of-war due to political interests. In addition, in determining the APBD there is a tug-of-war between the executive and the legislature due to political interests”*

(Interview with Respondent A, 2021)

*“Delayed feedback from OPD; development of discussion of programs and activities; and regulatory changes are so fast that it takes a long time to adjust”*

(Interview with Respondent B, 2021)

*“The process of determining the APBD is a political process with quite complicated stages and contains a high political nuance, where there is a bargaining process between the executive and the legislature, and is a reflection of the relative strength of the various parties involved in the process, each of which has different interests in the APBD. The stipulated budget is seen as a work contract between the legislature and the executive so that the relationship between the regional head/executive and the DPRD/legislature must be good and harmonious, but if the relationship is not harmonious, it will become an obstacle in determining the APBD of West Sulawesi Province. Permendagri No. 3 of 2006 has provided a time limit for each stage in the preparation of the APBD. The political dynamics that occurred resulted in the tug of war between the regional heads and the DPRD which ultimately slowed down the process of determining the Regional Budget Ramperda into APBD. If the agreement between the regional government and the DPRD does not occur, it is not impossible that the APBD regional regulation will experience delays in enacting”*  
(Interview with Respondent C, 2021)

*“Lack of understanding of laws and regulations; Applications that change frequently from year to year; and APBD discussions between the executive and the legislature which often run tough”*  
(Interview with Respondent D, 2021)

In the preparation and determination of the APBD in West Sulawesi Province, the role of the public can be one of the considerations because according to respondents:

*“In my opinion, public participation in the discussion and determination of the APBD draft is the main thing in the public policy formulation process. Community involvement is possible to participate both in the process of drafting regulations to the enactment of a regulation. It is feared that the discussion of the APBD draft that is not open and far from public access will trigger budget irregularities. The public plays an important role for the government as an effort to improve the flow of information, accountability, provide protection to the public, and give a voice to those affected by public policies implemented in the preparation of the APBD that are not open and far from public access, it is feared that it will trigger budget fraud. Public awareness to fight for their right to the budget has grown. One of the indicators is the increasing number of demands or lawsuits submitted by the community to the DPRD or executive institutions related to budget matters.”*  
(Interview with Respondent A, 2021)

*“The preparation and determination of the APBD in West Sulawesi Province is appropriate because this is a public service to the community and a public service to the government. The public plays a role in the planning series because of the involvement of stakeholders in planning documents, including public consultations, musrembang, and technical forums and several sectors such as the economic sector and others.”*  
(Interview with Respondent B, 2021)

*“The budget prepared must be used by government administrators in accordance with the needs of the region. The preparation of the APBD of West Sulawesi Province has taken sides or for the benefit of the community, this can be seen from the process of preparation to the determination of the APBD, if the draft has been made then it is agreed with the DPRD of West Sulawesi Province as a representative or representative of the community so that it is hoped that every budget spent is truly true for the interests of the people of West Sulawesi. The role of the public in the process of preparing the APBD is still being debated everywhere, on various occasions, various parties often criticize the role of the public/community in the process of preparing the APBD. The regional musrembang forum is expected to be a forum for channeling people's aspirations so that the supervision carried out by the DPRD is optimal and focused on the needs of the region and the community.”*  
(Interview with Respondent C, 2021)

*“Yes, in accordance with the regulations from the Director General of Financial Considerations of the Ministry of Finance of the Republic of Indonesia, namely the education budget allocation of 20%; Health budget allocation of at least 10%; Regional infrastructure spending that is directly related to the acceleration of the development of public and economic service facilities in order to increase job opportunities, reduce poverty is 25%; and Village Fund Allocation is 10%”*  
(Interview with Respondent D, 2021)

In the preparation and determination of the APBD, what can be the driving factors according to the respondents are:

*“One of the driving factors is the existence of urgent needs and emergencies that were not budgeted for in the previous APBD. Local governments schedule program achievements, activities and sub-activities to prioritize the use of certain budget allocations (refocusing), for example, APBD revisions due to the Covid-19 virus or other emergencies. In addition, the APBD is a guideline for the West Sulawesi Provincial government to regulate regional revenues and expenditures”*  
(Interview with Respondent A, 2021)

*“Policy support regulation; punctuality; and legislative support.”* (Interview with Respondent B, 2021)

*“Dissemination of laws and regulations by the Ministry of Home Affairs regarding regional financial management to local governments so that local governments better understand the stages of preparation and stipulation of APBD”*  
(Interview with Respondent D, 2021)

After the determination of the APBD in West Sulawesi Province, revisions were made for certain reasons. According to respondents, the revision was done because:

*“The APBD revision in West Sulawesi Province was carried out because of the need for changes or a revision to the Permendagri. In addition, factors such as natural disasters (earthquakes) and changes in leadership policies”*  
(Interview with Respondent A, 2021)

*“The APBD revisions have occurred because of changes to the revised regulation of Permendagri Number 81 article 343 of 2017. In addition, because of natural disasters and policy changes”*  
(Interview with Respondent B, 2021)

*“In 2020, the West Sulawesi Province Budget Expenditure Budget has been amended. The volume of the 2020 regional budget revenue expenditure decreased by Rp. 263 billion or 11.83% of Rp. 2.220 trillion to Rp. 1.956 trillion. Changes in the regional income budget for the province of West Sulawesi were carried out based on the consideration of the condition of the regional fiscal capacity and taking into account the provincial budget. Sulbar in 2020, especially the impact of Covid-19 on various sectors so that the provincial budget changes are made. South Sulawesi 2020”*  
(Interview with Respondent C, 2021)

*“Yes, one of them was an extraordinary event, that is the COVID-19 pandemic, so it was necessary to revise the budget in the context of handling the pandemic and refocus 50% of the APBD which was allocated to the Health Office and Hospital to accelerate the handling of the COVID 19 pandemic.”*  
(Interview with Respondent D, 2021)

In the preparation and determination of the APBD, there are several things that become determinants, including:

*“The success of the APBD preparation process in a region cannot be separated from the working relationship between the executive and the legislature in the region. In addition, other factors such as regional income, regional expenditure, regional financing, schedule and stages of the preparation process, discussions in the preparation of the APBD according to the time limit of authority, priority program allocations that have a direct impact on the community, measurable performance reporting, and the success of the APBD preparation process. in an area cannot be separated from the working relationship between the executive and the legislature in the region”*  
(Interview with Respondent E, 2021)

## **5.2. Discussion**

### **5.2.1. Making and Determining APBD in West Sulawesi Province**

Table 1. Making and Determining APBD in West Sulawesi Province

Description	Time Target	Work Duration
Regional Government Work Plan (RKPD) creation	End of May	
Announcement of APBD General Policy (KUA) and Priority and Temporary Budget Ceiling (PPAS) by TAPD head to region head	1 <sup>st</sup> week of June	1 Week
KUA and PPAS announcement by region head to DPRD	Mid-June	6 Weeks



KUA dan PPAS is approved between region head and DPRD	End of July	
Region head's circular letter about Work and Budgeting Plans-Regional Work Unit (RKA-SKPD) Guidelines	Beginning of August	1 Week
Announcement and discussion of RKA-SKPD and RKA-PPKD as well as APBD draft creation	Beginning of August until End of September	7 Weeks
APBD draft announcement to DPRD	First week of October	2 Months
Joint decision making by DPRD and region head	1 (one) month before the relevant fiscal year at the latest	
APBD draft evaluation result	15 work days (December)	
Regional Regulation APBD determination and Regional Head Regulation APBD is appropriate to evaluation result	End of December (31 December) at the latest	

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### **5.2.2. Hampering Factors in Making and Determining APBD**

1. Relationship between executives and legislatives, there is a tug of war because of interest. This tug-of-war occurs because of the lack of harmony in the relationship between the legislature and the executive. One form of bad influence is the delay in the preparation of the budget. Because the APBD is prepared by 2 parties, namely the executive and the legislature, it is necessary to have good relations, smooth communication in the process of drafting, discussing and ratifying the APBD that is effective and efficient. However, the reality shows that between the executive and legislature have not communicated and coordinated effectively, and are less able to cooperate in budget preparation. Besides that, there is still an information gap between the two parties so that the division and delegation of tasks in preparing the APBD is not clear. A better and more harmonious relationship between the executive and the legislature can boost the preparation of an effective, efficient and timely APBD. However, if the relationship between the executive and the legislature of the APBD does not go well, it can hamper the preparation of the APBD.

2. Interventions in activities discussions, in regional expenditure activities, there are still programs that become priorities. The program will always be encouraged to be implemented because it can be used as a way to realize interests. Planning an activity, especially related to increasing development in all sectors in order to improve people's welfare, of course begins with planning based on existing guidelines including strategic plans that have been prepared for the next 5 (five) years without ignoring issues - existing strategic issues as long as they are related and have clear outputs. It will be very harmonious when all can refer to the existing guidelines and it will be very easy later in the monitoring and evaluation process. However, if the planning deviates from the strategic guidelines that have been set, the regions will face difficulties in planning programs and activities for the next one year.

3. Institutional Changes in the Scope of Government of West Sulawesi, institutional changes in SKPD in West Sulawesi created confusion, especially in administrative matters. Changes like this are feared to make the planned performance achievements not run optimally.

4. The existence of interests, the interests of those who compose and determine the APBD are the cause. The implications of different interests between the executive and the legislature as well as the negotiation between the two of them on the public interest are related to participation in budget preparation which has an impact on the community. Conflicts and differences in interests can also involve the philosophical and motivational aspects of the perda formulators. The Legislature is of the view that the motivation for formulating Perda is to be populist because of the high political value for their interests. This happened in the process of making local regulations in the province of West Sulawesi, where there were often things or problems that hindered the stipulation of local regulations.

### **5.2.3. Pushing Factors in Making and Determining APBD**

1. Legislation, in making Regional Regulations concerning APBD, rules are very important to be the guidelines for making them. In this case, the regulation regulates the actors, process, and schedule for making Regional Budget Regulations. Furthermore, the orderly formation of laws and regulations must be initiated from the time of planning, the process of making, and promulgation.

2. A good pattern of communication between the legislative and the executive, a good relationship at the formulation stage as well as the discussion and stipulation stage will give birth to a policy that is right on target. Seeing the communication that occurred in the two elements of government administration in the regions, namely the executive (local government) and the legislature in the formation of the APBD in West Sulawesi Province, it was in accordance with the portion of authority they had.

3. Emergency situations, the natural disaster that hit West Sulawesi Province had an impact on the preparation of the 2021 APBD. The budget for unexpected assistance was budgeted for unusual activities that were not expected to be repeated such as an earthquake, but the budget was not sufficient so that the 2021

APBD was budgeted. on the impact of the earthquake and a number of other development problems, priority and urgent programs and activities whose results can be felt directly and have benefits for the community. In addition to natural disasters, the handling of the Covid-19 pandemic is also a concern in West Sulawesi Province. Based on data, the number of Covid-19 cases recorded was 10,470 positive cases with 226 deaths and 8,340 recoveries. According to respondents, the Corona virus pandemic has a systemic impact on economic growth. This resulted in a decrease in the volume of the 2021 APBD, both in terms of regional income and expenditure. In the preparation of the 2021 APBD, the West Sulawesi provincial government allocated an adequate budget for handling the coronavirus pandemic. Among them, handling health, handling economic impacts to the provision of social safety nets.

#### **5.2.4. Strategy in Making and Determining APBD**

The strategies for the preparation and determination of the APBD in West Sulawesi Province that can be carried out to be more effective are:

##### **1. Making APBD based on Performance Budget**

The preparation of the performance budget based on the performance budget includes two main things, namely the preparation of the budget draft for each work unit and the preparation of the Regional Government APBD draft by the Executive Budget Team. In preparing the budget draft, each work unit makes a budget statement (PA) which contains a statement regarding the vision, mission of the work unit, description of the main tasks and functions (Tupoksi) of the work unit, program plans and work unit activities along with performance benchmarks, and targets. performance. The Budget Statements made by each work unit are evaluated by the Executive Budget Team. If the evaluation process is complete, the final results will be used as the basis for drafting the APBD. A high level of conformity describes the services provided by the government have been able to meet the needs of the community, this means that the aspirations and preferences of the community have been fulfilled – and vice versa if the level of conformity is low. In order for the level of conformity to be measured, every activity carried out must be accompanied by the establishment of minimum service standards. The implementation of government activities is expected to provide a high level of conformity by using certain financing, so that the costs incurred can be said to be effective. Activities that cause high costs with low suitability need to be avoided, while activities that have high costs with high suitability also need to be adjusted by trying to reduce costs through efforts to encourage activity efficiency. As for the activities with low cost and suitability, it is necessary to re-examine the setting of their goals and objectives, if they still do not show a better suitability then these activities can be abandoned.

## **VI. CONCLUSION**

### **6.1. Conclusion**

Based on the research results, the researcher has concluded the following:

1. The hampering factors in the preparation and determination of the APBD in West Sulawesi Province is the relationship between the executive and the legislature due to interests that hinder the process of preparing and determining the APBD. In addition, changes in regulations and SKPD have an impact because they cause changes in rules and make the process of preparing and determining the APBD become ambiguous.
2. The boosting factors in the preparation and stipulation of the APBD in West Sulawesi Province is a harmonious relationship between the legislative and executive parties that can facilitate communication and collaboration patterns in the preparation of the APBD. In addition, emergency conditions such as natural disasters and the Covid-19 pandemic.
3. The strategy for preparing the APBD that can be recommended is the preparation of a performance-based APBD so that each work unit makes a budget statement (PA) which contains a statement regarding the vision, mission of the work unit, description of the main tasks and functions (Tupoksi) of the work unit, program plans and work unit activities. the following performance benchmarks, and performance targets.

### **6.2. Research Implication**

The researcher hope that this research can have implications for improvements in the preparation and determination of the APBD in West Sulawesi Province. In addition, this research is also expected to be the main reference for students and the government in which there is material for the preparation and determination of the APBD. With a combination of theory and practice regarding the preparation and determination of the APBD as in this study, it can be a source of information for the community as well as a reference for the government in fixing the preparation and determination of the APBD to make it more optimal.

### 6.3. Limitations

There are several limitations in this research, including the subjectivity of respondents which makes the study vulnerable to bias in respondents' answers. In addition, the limited information from respondents is due to the fear of revealing too much information to the public.

### 6.4. Suggestions

Based on the research results and the conclusions in this study, the suggestions that can be given are as follows:

1. The government of West Sulawesi Province should pay more attention to the process of preparing the APBD so that it can be more in favor of the community, not prioritizing other interests.
2. The government of West Sulawesi Province should make rules that can regulate the implementation of the preparation and determination of the APBD.

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