Fixed Assets Analysis and Its Inventory of Management and Use of Assets in the Government of East Jakarta City 2013-2016

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Abstract—The purpose of this study was to determine the implementation of management of property regions/fixed assets in East Jakarta Administration City Government. Report Accountability for fixed asset management and what obstacles are encountered in the implementation of the management of regional/fixed assets, so this research will later give results about whether fixed asset management is on East Jakarta Administration City Government is in accordance with Ministerial Regulation Domestic No. 19 of 2016 concerning Technical Guidelines for the Management of Property What are the areas and constraints faced in the implementation of management. So can be useful for Property Managers (BPKAD) in an effort to pay more attention to the management of regional property/fixed assets. In this study using a descriptive-qualitative approach. In collecting data using observation, interviews, literature study, documentation, and internet searching. Data collection in this research was conducted by going down directly to the location of the study and reviewing it with studies existing library. The results of this study indicate that the management of fixed assets/property regions conducted by the East Jakarta Administration City Government the whole has been done to the maximum and in accordance with the management cycle regional property as regulated in PERMENDAGRI No. 19 years 2016. Although not everything has been done to the maximum such as delays submission of reports at the level of goods users (SKPD), Utilization of goods regional ownership is only limited to the use and use of loans and safeguards conducted BPKAD East Jakarta City Government did not do legal safeguards. Reporting accountability to BPKAD East Jakarta Administration City Government has been implemented in accordance with applicable provisions this can be seen from the evidence of the implementation of the inventory such as the recording documents. Inhibiting factors in the implementation of the Cycle regional property management is a factor in human resources, commitment leaders, and fixed asset valuation factors.

Keywords: management of fixed assets, inventory of fixed assets, factors fixed asset blocker

I. INTRODUCTION

A. Background of the Problem

Regional autonomy has the consequence that the role of the central government will be smaller, on the contrary the role of the regional government is greater in the development of the region. Local governments are required to have independence in financing most of the development budget. The implementation of regional autonomy is a bright hope for the implementation and overall development where each region has the opportunity to manage, develop and develop their respective regions according to their needs and potential. To realize the implementation of regional autonomy, the Regional Representative Council (DPR) has enacted Law No.23 of 2014 on regional government. To realize the implementation of Regional Autonomy, a new paradigm change in the management of fixed assets (State Property) was recognized, marked by the issuance of Government Regulation No.6 of 2006 concerning the State Treasury and Management.

Professional and modern fixed asset management by prioritizing good governance on the one hand is expected to be able to increase the trust in the management of the State finances from the public or stakeholders. Regional assets are an important resource for local governments as the main support finances from the public or stakeholders. Asset Management in the sense referred to in PP No. 6 of 2006 is not just administration, but is more focused in handling regional assets, by increasing effectiveness, efficiency and creating added value in managing regional assets.

In a Government Regulation it is explained that what is meant by regional property is all goods purchased or obtained at the expense of the Regional Revenue and Expenditure Budget or derived from other legitimate acquisitions [1]. The scope of the management of property belonging to this area includes planning, needs and budgeting, procurement, use, administration, assessment, utilization, security and maintenance, transferring, annihilation, deletion, as well as guidance, supervision and control.

Based on the description above, the authors are interested in conducting research with the title "Fixed Assets Analysis and
Inventory of Management and Use of Assets in the Government of East Jakarta City 2013-2016”.

B. Formulation of the Problem

Based on the background above, the main problems in this study can be formulated:

- How is the management of fixed asset inventory in the East Jakarta City Government?
- How is the reporting of liability for fixed assets to the Government of the City of East Jakarta?
- Constraints and obstacles in managing fixed assets and their inventory in the East Jakarta City Government?

II. THEORETICAL FRAMEWORK

A. Theoretical Basis

1) Definition of assets: Assets are economic resources that are controlled or owned by the government as a result of past events and from which future economic or social benefits are expected to be obtained, both by the government and the community, and can be measured in monetary units, including non-financial resources that are treated for providing services to the general public and resources maintained for historical and cultural reasons [1].

Regionally owned goods are all goods purchased or obtained at the expense of APBD or originating from other legal acquisition. In the administration of State/regional government, assets are one of the important elements that must be managed well to support government operational activities [2].

Government goods/services are all objects both tangible and intangible, movable or immovable, which can be traded, used, used or utilized by users of goods [3].

Based on the Government Accounting Conceptual Framework (KKAP), assets are classified into current and non-current assets:

- Current assets include cash and cash equivalents, short-term investments, receivables and inventories.
- Non-current assets include long-term assets, including long-term investments, fixed assets, reserve funds and others.

What is meant by this Regional/State Property is:

- State-owned goods are all goods purchased or obtained at the expense of the APBN or derived from other legal acquisition.
- Regionally owned goods are all goods purchased or obtained at the expense of APBD or derived from other legal acquisition [4].

2) Fixed assets: Fixed assets are tangible assets that have a useful life of more than 12 months to be used in government activities or utilized by the general public. Fixed assets are often a major part of government assets and are therefore significant in preparing a balance sheet.

Included in government fixed assets are:

- Fixed assets owned by reporting entities but utilized by other entities, for example other government agencies, universities, and contractors.
- Land rights. Not included in the definition of fixed assets are assets held for consumption in government operations, such as materials and supplies [1].

Fixed assets are classified based on similarities in nature or function in the entity's operational activities consisting of: Land, Buildings, Equipment and machinery, Roads, irrigation, and networks, Other fixed assets, Construction in progress.

3) Asset management: Government Asset Management is carried out by taking into account the following principles of regional property management: the principle of legal certainty, the principle of legal certainty, the principle of transparency, the principle of accountability and the principle of certainty of value [5].

The aim and goal of asset management is to achieve the best fit/suitability between the existence of assets and the entity’s strategy (organization) effectively and efficiently. This covers the entire life cycle of an asset from planning and budgeting to coaching, monitoring and controlling as well as managing the risks and costs associated during the asset life cycle.

4) Management of fixed assets (regional property): Regional property is one of the important elements in the framework of organizing government and service to the community. Therefore, good management of regional property will reflect good regional financial management.

Article 48 paragraph (2) and explanation of article 49 paragraph (6) the scope of management arrangements for state or regional property in Government Regulations covers the sale of goods through auctions and exclusions, planning needs, procedures for use, utilization, maintenance, administration, evaluation, deletion and transfer [2].

Article 1 Paragraph 28, Management of Regional Ownership is the whole activity which includes:

- Planning and Budgeting.
- Procurement.
- Usage.
- Utilization.
- Maintenance and Security.
- Rating.
- Transfer.
- Annihilation.
- Deletion.
- Administration and Management.
Guidance, Control and Supervision [5].

5) Optimization strategy for regional asset management: Sources obtained from the strategic objectives that must be achieved by the region in managing regional asset management policies, include:

- The realization of administrative order in the management of regional wealth.
- The creation of efficiency and effectiveness in the use of regional assets.
- Safeguarding regional assets with the availability of accurate data / information.

Strategies for optimizing the management of regional assets (assets) include:

- Identification and Inventory of the value and potential of regional assets.
- Comprehensive regional asset management information system.
- Supervision and control over the utilization of regional assets.
- Involvement of appraisal services.

B. Previous Research Review

Administration and Preparation of Treasurer Accountability Reports and Submission to the Regional Financial and Asset Management Office of the District of Bolang Mongondow "the purpose of this study is to find out and analyse the appropriateness of treasurer accounting reports and accountability with applicable regulations. The research method uses qualitative methods. From the results of the discussion, the PPKAD of Bolaang Mongondow Regency was in accordance with applicable regulations. However, there are still often some obstacles encountered, such as delays in submitting accountability reports, recording errors, and also procedural errors [6].

Research with the title "Research and Application of Engineering Progress Management System Based on the Fixed Assets Traceability Concept". With research results based on modern project management theory as a guiding ideology, introducing the whole life cycle concept of fixed asset management, each based on cash flow and material flow as a vertical line with a horizontal line to control engineering project management. The concept of fixed assets can be traced back management is always the main path throughout the project. Investment planning, project procurement, inspection and acceptance, operations management and state management all complement each other [7].

III. METHODS

A. Research Strategies

This research strategy uses a qualitative descriptive method, in which research methods that seek to express solutions to existing problems are based on actual data, namely by collecting data, analysing and interpreting it. Qualitative understanding is a type of research whose findings are not obtained through statistical procedures. And this research has characteristics: very descriptive reports, prioritizing processes and products. The function of this research is for evaluation purposes, for qualitative research, understanding the complex issues of a process [8].

B. Place of Research

The author conducted research at the East Jakarta Administration Office located at DR. Sumarno street No. 1, Pulo Gebang Subdistrict, Cakung, East Jakarta City.

C. Research Data and Samples

1) Primary data: Primary data obtained from the author's research object is through interviews directly to the object of research, in this case conducting interviews with parties or employees of the Government of the City of East Jakarta.

2) Definition of assets: Secondary data is a change from primary data that has been further processed. Secondary data includes; Goods A-F Inventory Card data and regional regulations on fixed assets.

D. Data Collection Technique

1) Interview: To obtain information, the authors conducted direct interviews with employees or related agencies that can provide information about the management of fixed assets in the Government of the City of East Jakarta. Researchers use semi-structured interview techniques with this technique interviews conducted using interview guidelines, but interviews can be developed according to the existing conditions.

2) Observation: In this study, researchers conducted observations on the management and use of fixed assets in the East Jakarta Administration City Government. The observation used in this study was nonparticipant observation. In non-participant observation researchers are not fully involved in the activities of the people being observed. Direct observation of the documents used in order to collect data in a study [9].

Documents obtained from the results of this study include:

- The legal basis of the management of fixed assets in the East Jakarta Administration City Government in the form of Government Regulations on the management of regional assets as technical and administrative guidelines in the management of regional assets, Minister of Domestic Regulations concerning Guidelines for Regional Asset Management, Government Accounting Standards on Fixed Assets.
- Goods Inventory Card A-F for the 2013-2016 fiscal year East Jakarta Administration City Government.

3) Literature method: To obtain a strong foundation and concept in order to solve the problem, the authors conducted a library research by studying and collecting data from books, fixed asset journals, literature, articles, local fixed asset
management laws, data from the internet and reading related to research.

E. Data Analysis Methods

The data analysis method used by the author in analysing is descriptive qualitative method. To analyse the data that has been collected, by calculating figures relating to the management and use of fixed assets from 2013-2016.

Furthermore stated with qualitative data to interpret the results of the calculation data, to accompany and complete the picture obtained from the analysis of qualitative data in solving the problem under study. Finally, it will draw conclusions from processing the data. This study uses the Microsoft Excel 2013 program. Qualitative data analysis is performed by describing descriptively about the problem under study. Data analysis begins by conducting in-depth interviews with key informants, namely someone who truly understands and knows the essence of the sentence is obtained, but the language is in accordance with the language of the informant.

IV. RESULTS AND DISCUSSION

A. East Jakarta City Government’s Fixed Asset Inventory

Fixed Assets /Regional Property Very important in terms of obtaining opinion or BPK audit results. So the need for an effective, efficient, accountable and transparent fixed asset management. The Fixed Assets managed by the Regional Government are as follows:

| TABLE I. FIXED ASSET VALUE PERIOD 2013-2016 EAST JAKARTA CITY GOVERNMENT |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Source: East Jakarta City Government Goods Inventory Card Inventory Card. |
| 2013  | 2014  | 2015  | 2016  |
| Land  | 76,977.948 | 76,977.948 | 76,977.948 | 162,181.73  |
| Intangible Assets | 131.849.50 | 136,799.50 | 136,799.50 | 136,799.50  |
| Building | 324,000.01 | 338,421.57 | 338,529.37 | 338,529.37  |
| Equipment and Machinery | 57,211.631 | 57,604.676 | 59,913.693 | 59,920.009  |
| Roads, Irrigation & Networks | 30,379.789 | 30,379.789 | 30,543.139 | 30,543.139  |
| Other Fixed Assets | 1,682,794.700 | 1,682,794.700 | 1,682,794.700 | 1,682,794.700  |
| Amount | 490,385.03 | 505,203.58 | 507,783.75 | 592,993.85  |

B. The Fixed Asset and Document Management Cycle

1) Source documents

| TABLE II. LIST OF SOURCE DOCUMENTS IN THE FIXED ASSET MANAGEMENT CYCLE |
| No  | Information                        |
| 1   | Regional Ownership Needs Plans     |
| 2   | Regional Needs Maintenance Plans   |
| 3   | List of Regional Property Needs    |
| 4   | List of Regional Property Maintenance Needs |
| 5   | List of User Items / List of User Authorized Items |
| 6   | Goods Inventory Card              |
| 7   | List of Regional Property         |
| 8   | Inventory Book and Inventory Main Book |
| 9   | Semester and Annual Goods Report  |
| 10  | Regional Property Report          |
| 11  | Borrowing and Letters of Agreement |
| 12  | Proof of Ownership on Behalf of Local Government |
| 13  | List of Product Maintenance Results |
| 14  | Decree on Removal                 |
| 15  | SK of Transfer                    |
| 16  | Decree on the Use of Regional Property |

Source: Regulation of the Minister of Home Affairs Number 19 of 2016.

2) Fixed asset management cycle

a) Need planning and budgeting: Planning for the needs of regional property is prepared by taking into account the needs of carrying out the tasks and functions of the SKPD and the availability of existing regional property. When asked about the needs planning mechanism carried out by the East Jakarta City Government to the Head of the Asset Field, it was explained, that the SKPD as the user of the goods first planned and compiled the needs of the goods by taking into account the standards of the established facilities and infrastructure and the availability of goods to be delivered to the manager through management assistant who is then examined, and compiled into a list of goods needed for the implementation of the annul budget which serves as a guideline in the implementation of procurement and maintenance of fixed assets / goods belonging to the region (Interview on May 10, 2018).

This is in accordance with the mechanism of needs planning and budgeting regulated in PMDN Number 19 of 2016 concerning Guidelines for Management of Fixed Assets (Regional Property).

b) Procurement: The results of an interview with the Head of the Asset Division of the Regional Asset Financial Management Agency (DPKAD) of the East Jakarta City Government clearly explained the mechanism for procuring regional property. The procurement of regional property is carried out by the goods and services procurement committee determined by the regional head, but can also be delegated to the Regional Work Unit (SKPD) to form a procurement committee. Even though it has been delegated to the SKPD, the regional head still has a large share in the procurement of fixed assets to approve the implementation of the procurement of regional property to determine their use status by referring to the legislation (Interview May 10, 2018).

The procurement of goods and services of the Regional Financial and Asset Management Agency (BPKAD) is
effective and in accordance with the relevant regulations in this
case Minister of Home Affairs Regulation No. 19 of 2016
concerning Guidelines for Management of Fixed Assets (Regional Property).

c) Usage: Submission of applications is made after receipt of regionally owned goods based on document of receipt of goods in the relevant fiscal year. Furthermore, the property manager conducts research on the application for determining the use status of regional property from the property user to see the completeness and suitability of the required documents. From the results of the interview with the Head of the Asset Sector explained that "All activities must be approved by the regional head in accordance with the Decree on the appointment of their respective duties. Then the research is carried out for the Property Manager to determine the status of the use of regional property" (Interview on May 10, 2018).

Based on the results of the interview above the use of assets that occurred in the City Government of East Jakarta has met the mechanism of the use of assets listed in the Minister of Home Affairs Regulation No. 19 of 2016 concerning Guidelines for Management of Fixed Assets (Regional Property) and has recorded the assets / goods belonging to the region used by each user of goods according to Table 2.

d) Utilization: Utilization is the utilization of regional property which is not used in accordance with the main tasks and functions of the Regional Apparatus Work Unit (SKPD) in the form of leases, loans to use, cooperation for utilization, building for handover and building for handover by not changing ownership status. BPKAD The City Government of East Jakarta only does one type of use, namely borrow and use. This is seen from the source documents and statements from the results of interviews with the asset field analysis Section which states "utilization of fixed assets here is only borrowing, this makes it easier for the regional government because this borrowing use maintenance costs are charged to the user" (Interview on May 10, 2018).

The lease-to-use agreement is followed up with the surrender of the object of use-and-use loan from the property user to the use-borrower as outlined in the minutes of handover (BAST). The results of the interview with the asset analysis section explained "the user of the goods must submit a request for approval to the manager and then be examined by the manager before being submitted to the regional head and then the regional head issues a letter of approval or refusal to use loans" (Interview on 10 May 2018).

e) Security and maintenance

- Security. The security carried out by the Regional Financial and Asset Management Agency of the East Jakarta City Government as stated by the asset analysis section "there are three types of safeguards, but what is generally done at BPKAD is physical and administrative safeguards. Physical security is like giving a nameplate of ownership and fencing and administrative security is like recording, labelling" (Interview on May 10, 2018).

- Maintenance. Maintenance is an activity or action taken so that all items belonging to the region are always in good condition and ready to be used in an efficient and effective manner. A statement from the asset sector analysis section that is in line with the purpose of maintenance which states "every asset purchased needs to be maintained so that the existing assets are maintained and can be used according to their economic age, if done well the regional assets will be more efficient in their management" (Interview on May 10, 2018).

f) Rating: Decisions regarding the revaluation of the value of regional property are carried out based on policies determined by the Governor/Regent/Mayor based on national government regulations. The explanation above is in accordance with the statement of asset analysis section which states "asset valuation is very difficult to carry out, therefore the valuation must involve an independent appraiser in this case the inspectorate and the BPKE are not only assessed by the goods manager (Interview on May 10, 2018).

g) Transfer: Relating to the handling of regional property carried out by BPKAD, it can be seen from a number of informant statements by the Kabid asset stating "the transferred goods are goods that are not used or are not needed anymore for the implementation of regional government tasks. The forms of alienation are such as sales, grants, exchanges and capital participation of regional governments (Interview on May 10, 2018).

The same thing with the Kabid asset, stated by the analysis section of the asset field, which explains "transferred goods are goods that have been deleted from the inventory of goods, but goods that still have value can be transferred with the approval of the DPRD. So we don't mess around when we do an item valuation" (Interview on May 10, 2018).

h) Extermination: The statement stated by Kabid asset "implementation of the destruction carried out if it has received approval from the regional head. Before the annihilation of the goods manager submit an application to the regional head. Similar to the transfer, elimination of use and all matters relating to the management of property belonging to the region, must be with the approval of the regional head. If the destruction itself is done by burning or destroying. Termination is done when the assets still cannot be used anymore" (Interview on May 8, 2018).

i) Deletion: Based on the results of an interview with the Kabid asset that states "implementation of the removal carried out by BPKAD by identifying the items to be removed and the reasons such as the state of the asset is no longer optimal in its use. Next, ask for approval from the regional head in the form of proposals and follow up on regional property that will be deleted according to the regional head's decree. And then take notes" (Interview on May 8, 2018).

j) Administration: The results of an interview with the asset sector analysis section stated that there are three assets administered by BPKAD, namely bookkeeping, inventory and reporting. Based on PERMENDAGRI 19 2016 which was
Previously revised is PERMENDAGRI 17 of 2007 concerning guidelines for the Management of Regional Property” (Interview on May 10, 2018).

- **Bookkeeping.** Bookkeeping conducted by BPKAD. Stating "SKPD is required to register and record regional property goods in the User Property List (DBP)/User Property Authorization List (DBKP). In accordance with the classification and codefication of regional property inventory from (KIB) A-F.

- **Inventory.** After the registration and subsequent recording, an inventory is carried out with the aim to check the administrative data with the physical condition of the assets and to find out the quantity and value and the actual condition of the Regional Property.

- **Reporting.** The results of the census of regional goods from each user/user power, recapitulated into the inventory book and submitted to the manager, then the assistant manager recaps the inventory book into the inventory master book. The inventory master book is the initial balance on the list of mutations of goods the following year. Furthermore, for the following years the user/authority of the user and manager only makes a List of Movements of Goods (increasing and/or decreasing) in the form of recapitulation of regional property. Movements in goods increase and/or decrease in each SKPD every semester, recorded in an orderly manner in the Report of Movements of Goods and List of Movements of Goods. The Administration of Assets of the City Administration of East Jakarta has been carried out in accordance with applicable regulations, evident from the evidence of the implementation of the inventory such as the existence of recording documents, for example the inventory handbook, inventory book and KIB A-F. In addition, there are reporting documents such as inventory recapitulation list and goods mutation list.

  **k) Guidance, control and supervision:** The Head of the BPKAD office stated "coaching is often carried out such as training, outreach like yesterday, in the near future we will conduct socialization of asset administration and financial management and we will cooperate with the issuance of MOUs with training institutes".

  BPKAD has supervised and controlled regional property according to the statement of the Asset Kabid which stated "we have supervised and controlled regional property by monitoring and controlling and investigating in accordance with the Decree of the regional head. We also ask the government internal control apparatus in this case the inspectorate to conduct an audit of the implementation of the use, utilization and transfer of property belonging to the region as our follow-up as an assistant manager” (Interview on May 14, 2018).

  Based on the results of the interviews and explanations above, it is emphasized that there is a need for supervision to obtain organized activities. The development, supervision and control carried out by the BPKAD of the East Jakarta City Government is in accordance with established regulations. This can be seen from the evidence that the regional head’s decree has been issued for supervision and control.

V. **CONCLUSION**

Based on the results of research and discussion described in the previous chapter, the conclusion of this thesis can be drawn as follows:

- **Management of Fixed Assets/Regional Property carried out by the field of assets in the financial management body and regional assets as assistant managers have carried out the maximum and in accordance with the systems and procedures for the management of regional property cycles as stipulated in PERMENDAGRI No. 19 of 2016 concerning guidelines for the management of regional property but not all have been implemented to the maximum such as late submission of reports at the level of goods users (SKPD), utilization of regional property items BPKAD East Jakarta City Government Administration is limited to the use of borrow and use, safeguards carried out by BPKAD City The East Jakarta Administration does not conduct legal safeguards.

- **The implementation of accountability reporting to the BPKAD of East Jakarta Administration City Government has been carried out in accordance with applicable regulations. This can be seen from the evidence of inventory implementation such as the existence of recording documents, for example the inventory master book, inventory book and Inventory Card A-F. In addition, there are reporting documents such as inventory recapitulation list and goods mutation list.

- **Some of the obstacles or inhibiting factors encountered in the implementation of the management cycle of regional property are the human resources factor due to the need for knowledge and understanding of human resources in the management of fixed assets, the commitment of the leader due to the need for consistency in the organizational structure set by the leader and the need for attention or firmness of a leader and the assessment factor assets are also a problem, especially valuation of assets for which procurement is unknown.**

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