

## **Educational Financing Management in Public High School: A Multi-sites Study of Three Public Senior High Schools in Malang)**

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### **Abstract:**

This study was aimed at describing educational finance management at high schools in Malang, East Java Indonesia. The focuses of this study were (1) the educational fun raising sources, (2) the educational activities and budgeting plan, (3) Budget Expenses and Finalization, and (4) Financing Report. This study employed descriptive qualitative approach with Multi-sites Study Design. Subjects of this study were three High Schools in Malang, East Java, Indonesia. Data were collected by using observation, interview, and documentation and analyzed interactively (Miles and Huberman, 1984) by using Modified Analytic Induction (Bogdan and Biklen, 1982). Results of this Study revealed that (1) The main and potential sources of public high school financing was the government in the School Operational Assistance Program, parents in the tuition fees scheme, public donations, Company Social Responsibilities Program, and Sponsors, (2) The school activities and budgeting plan includes the planning of activities and details of the budget in the form of the so-called RKAS (*Annual School Activities and Budgeting Plan*), (3) The budget expenses was strictly guided by the principal, done according to the principal's leadership style, and governed by general government regulations, and each school regulations, (4) The financing report must have been managed by project leaders to be reported to the school treasurers and principals and by the school management to be reported to financing sources.

### **Keywords :**

Educational financing, Financing Management, Public Senior High School

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## **INTRODUCTION**

Educational investment is an alternative investment which is profitable for a nation. It has been found consistently from various studies on many countries that human resource investment through educational system has played a crucial role. This can be seen from the nation's rate of return (Suryadi, 1999: 248). As a component of public goods and services, the characteristics of educational investment are essentially no different from investments in other public infrastructure. A finding indicates that the economic benefits of "rate of return" on investment in education are higher than physical investment with an average of 15.3% and 9.1%. These points indicate that investment in education is profitable both socially and economically (Akdon dkk, 2015:85).

Improving the quality of education is expected to bring benefits in the form of improving the quality of human resources. On the other hand, the priority allocation of education financing should be oriented to overcome the problems in terms of accessibility and capacity. Therefore, in measuring the effectiveness of educational financing, there are a number of requirements that need to be met so that the available budget allocations can be used appropriately.

Educational investment by the government includes the construction and maintenance of school buildings, classrooms, the provision of school equipment, teacher salary payments, and much more. The development of the education sector by the government is still regarded as a public service that tends not to be "profit centered" so it is not surprising that until now the government budget for education is still relatively low compared to the education budget of other countries (Suryadi, 1999: 190-191 dalam Akdon dkk, 2015:85—86).

The fact in Indonesia shows that, not everyone can get a decent education, because of various factors including the cost of education that is not reached by the community, although the education budget from year to year is increasing and subsidies for underprivileged people continue to be disbursed. It is this condition which then encourages the causal inclusion of education in the 1945 constitution amendment. The Constitution mandates the government's obligation to allocate education costs of 20% of the state and regional revenue and expenditure budget so that the public can obtain proper educational services. This provision provides an opportunity for budget allocations that are surely used for the provision of education.

All of public school's funding in Indonesia in the 2015-2016 funding period is supported by state funding sources through state revenue and expenditure budget as mandated by constitution number 14 of 2015 about state budget revenues and expenditures in 2016. The Education Budget is planned at Rp419,176,412,756,000.00 (four hundred nineteen trillion one hundred seventy six billion four hundred twelve million seven hundred fifty six thousand rupiah). Of the great numbers of fantastic money above maybe now is the time to think again. Is it true that the government has not been able to provide the best in terms of educational financing? Of course we need to think also that the financing of education is not a one-stop system but rather a grooved chain system to implement the amount of funds – which amount is not small – that the government has sacrificed to finance education. In addition to the distribution chains of funds from state and local government pockets and the role of various stakeholder agencies within the state government, the role of school

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management as the implementer of the use of educational funds is also worthy of the spotlight.

Schools through school-based management have a big role in carrying out the mandate of the state and society to provide education by utilizing the available funding sources. Implementing school-based management means implementing a systematic, systemic, and comprehensive cooperation process in order to realize the goals of national education (Gaffar, 1989 dalam Mulyasa, 2009:19—20 ). In this school-based management a manager (principal) with his staff plays an important role to manage the components of the school ie : 1) curriculum and teaching program, 2) education personnel, 3) student, 4) finance and financing, 5) education facilities and infrastructure, 6) school relations with the community, and 7) special services. Focusing on financial and financing points, this point deals with many other points.

Finance and financing is one of the resources that directly support the effectiveness and efficiency of education management (Mulyasa, 2009:47). We should also remember that the source of funding for education is actually the participation of the community through the payment of taxes that are included in the government's expenditure budget. Even decentralized education finance also puts the role of community empowerment as a direct support of education funding. With this fact, school-based management, led by principal's management and staff, is required to be able to plan, implement and evaluate and account for transparent management of funds to communities and governments.

Financing education in high school would require a large enough cost for the quality of education to meet the required standard of higher education services. Financing in terms of human capital is as an element of educational capital is calculated itself as a determinant of one's success, both socially and economically (Bastian, 2006:160). The value of education is a moral asset, knowledge and skills gained in education are considered as fund raising efforts for operational and educational development expenses.

Almost no educational effort can ignore the role of cost, so it can be said that without cost, the education process will not work. Costs have a broad scope of meaning, ie all types of expenditures related to the administration of education, in the form of money or goods and energy (which can be priced with money).

Financing management includes overall planning, monitoring, use, oversight and accountability activities. Sanusi (in Fattah, 2006) points out, "that if determined to launch a better quality, more productive and professional policy or educational program, then proportional cost management is a must." The management of the intended educational costs is the overall planning, organizing, implementing and supervisory / controlling activities in order to regulate the acceptance, use (allocation), and financial / fund accountability to support the implementation of education and teaching programs.

Financing management includes planning, financing, implementation, and control. Financial planning is an activity to coordinate all available resources to achieve systematically desired goals without adverse side effects. While the execution of finances or budgets is activities based on the plans that have been made and the possibility of adjustment when necessary, while the control is the process of evaluating the performance of budget use towards the achievement of objectives.

Furthermore, not all schools are sufficient for their financing needs from the state. Some schools need to develop their financing income from non-government sources. One of them is the participation of the community, especially the parents of the school through the tuition fee (in the form of Education Development Contributions / *Sumbangan Pembinaan Pendidikan* / SPP and Contribution of Education Investment Fund / *Sumbangan Dana Investasi Pendidikan* / SDIP). Besides that, in accordance with the mandate of government regulation No.48 / 2008 Article 2-3 on point C on the role of society in financing education, the state opens more opportunities for schools to increase their financing income.

Nyandoro, Mapfumo, & Makoni (2013) call this practice a decentralized form of educational financing. They do research on the management of school finance in developing countries to increase funding for school financing. From the results of this study it was concluded that schools in countries that implement centralized education funding severely restrict the efforts of schools to increase the income of funds, especially for primary schools. Even if there is a school that raises its income independently is a secondary school. Whereas in countries implementing decentralization, funding management in all schools is possible to seek funding outside sources of funds from the government and parents (in the form of payment of education costs).

If you look at the facts in Indonesia, some schools may not be allowed to take "levies" to the community with the regulation of some local governments who feel able to finance the entire school needs. But in some other regional governments, especially Malang (which is the location of this study), primary schools are not allowed to take the cost of education from parents, but in high school, it is legitimate. For other donations, CSR, and sponsorships, the school is free to obtain as long as it is based on the correct motive for funding purposes, or does not indicate crime and money politics.

In addition to the role of government, schools also rely on the role of local communities around the school. Local communities around the school can be personal / individual, foundation or social-community organizations, to private agencies and companies. Stoops uses examples of school funding systems in the states of America. Every element of the community / locals there participates in the financing of education through property taxes paid from various taxable objects in accordance with the prevailing rules of taxation. This property tax is also referred to as an educational tax because most of its use is for education. In addition to government-administered tax revenues for educational funding allocations, communities also participate through school fees (Stoops, et al, 1980: 112).

To increase fund revenues, schools can utilize resources such as donations, industrial sponsorships, and sales proceeds from the business sector and business schools (Nyandoro, Mapfumo, & Makoni, 2013 : 266—267). Indonesia uses a decentralized system, but does not recommend public schools to engage in profit-based activities, entrepreneurship, business, etc. The remaining opportunities for public schools in Indonesia to increase their revenues are from donor sources and industrial roles in the form of CSR and sponsors.

Next is related to the implementation of school financing. Tuition fees are affirmed in Government legislation No. 20 of 2003 Article 46 (2), which reads "education funding is a shared responsibility between the government, local government and the community".

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Furthermore, for the provision of educational financing should also be supported by a proper management, by empowering the functions formulated by Terry that includes planning, organizing, implementation and supervision (Siagian, 1996: 56). This is in accordance with the mandate of the Government Regulation No. 17 of 2003 on State Finance, in the elucidation of Article 3 (1) that "Every state organizer is obliged to manage state finances in an orderly manner, obedient to law, efficient, economical, effective, transparent and Answer with due regard to sense of justice and propriety".

Educational financing does not only involve the analysis of the sources of the costs generated, as well as the effective and efficient use of funds. The more efficiently the educational system is implemented, the more cost-efficient it will take to achieve its goals (Zymelman, 1995). Furthermore, presented by Akbar (2009), the effectiveness of education describes the level of conformity between the amount of output generated with the targeted amount. The issue of cost effectiveness of education has a direct connection with efforts to find out whether a certain cost can produce a predetermined education. Something is said to be effective if something is done properly and achieve the goals set.

The final stage of financing management in school-based management ends at the reporting stage. The report on the implementation of financing refers to two interests: evaluation and accountability. Evaluation evaluates the principles of assessment of the effectiveness and efficiency that have been made during the implementation and financing of educational programs. Accountability puts forward the principle of accounting for accountability and transparency of fund disbursement and expenditure in the financing of educational programs.

All the above financing management stages are the focus highlight that has been tried to explain in this research. This research was conducted to describe the practices conducted by various school stakeholders, especially the role of a manager (principal) in implementing the management of financing education in the public high school. The researcher assigned four research concerns related to financing management, divided into each stage starting from 1) extracting sources of financing, 2) planning activities and financing, 3) financing implementation, and last stage 4) financing report.

In addition to describing the practices undertaken in running education finance management in state high schools, researchers also analyzed cases to find a description of the external-internal conditions of organizing school financial management through a SWOT analysis. The results of this analysis continue to map the SWOT matrix to develop good strategy and practice concepts to achieve a satisfactory and better school financing management implementation for the future. Not only apply to research subjects, the concept of strategy and good practice is also applicable to all stakeholders of finance management in other schools in general.

### **STUDY METHODOLOGY**

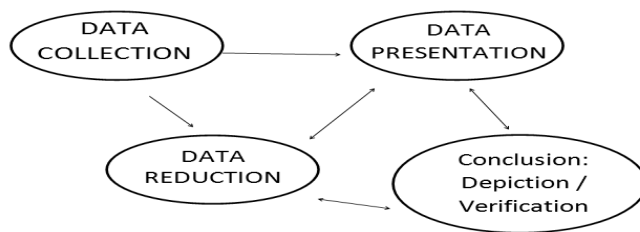
This study observed three sites sites namely SMA Negeri 1, SMA Negeri 3, and SMA Negeri 5 Malang. All three are located in the center of Malang, East Java, Indonesia. All three schools have relatively similar characteristics: with a relatively close distance (approximately 5km), built in the center of the city, bearing credibility as a national-grade school and accredited A, providing education for senior high school, obtaining a major funding source from the government, And other legitimate alternative sources, and

allocate the funds to accommodate the 8 (eight) national education standards (under Government Regulation No. 32 of 2013).

From the three schools the researchers obtained research data in the form of various descriptive qualitative information about financing, planning activities and financing, implementation of financing, and reporting financing in public high schools. Information was obtained from various sources such as random sample interviews with some school residents (students, teachers, and employees), intensive interviews focused on key informants (principals, vice principals, and school treasurers), sources of documents related to (School profile, work plan and school budget / RKAS, school development plan / RPS, sample of activity cost / activity budget plan, and sample of financial report from various funding and fund source Sampling by purposive sampling technique, internal sampling and time Sampling (Bogdan & Biklen, 1992).

Data analysis activities include: organizing, sorting, grouping, coding, and categorizing with the aim of finding findings (Moleong, 2000). This research uses 2 (two) data analysis that is data analysis in case and cross-case data analysis (Yin, 1984).

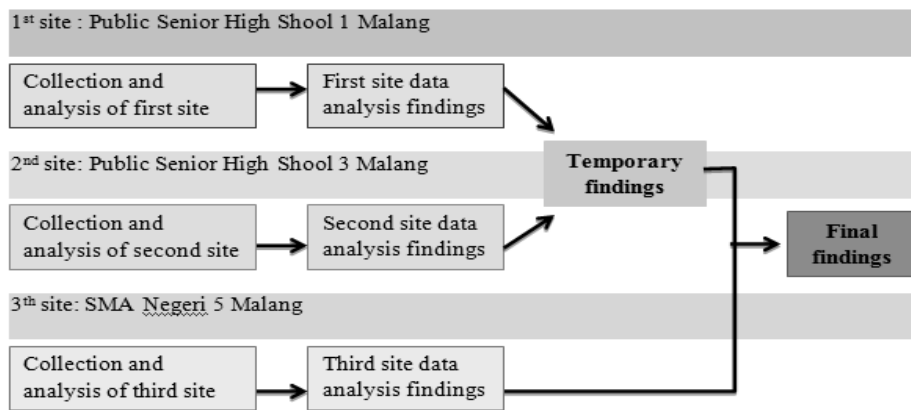
Referring to the opinion of Miles and Huberman (1994), that this research is conducted interactively and continuously so that the data to the point of saturation. The process of this research in the form of cycles include data collection, data display, data reduction, and withdrawal of conclusions / verification as shown in the following figure:



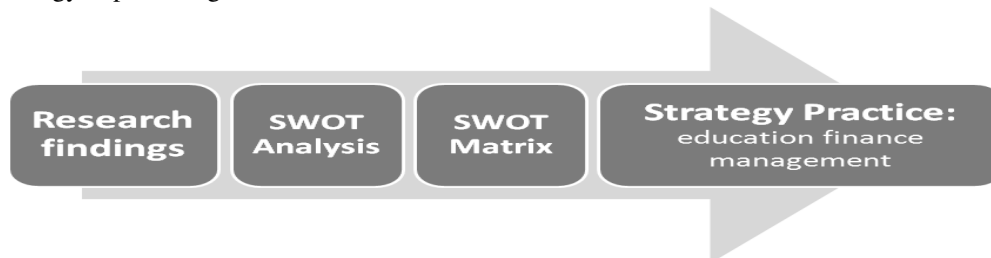
Data Analysis Interactive model adopted from Miles and Huberman (1984)

Attempts to compare findings in the three primary schools can explain the following case studies: First, based on the findings generated in the first case formulated the working hypothesis, then the hypothesis is tested through findings obtained in the second cases and third. Further, the hypotheses supported by the findings in the second and third cases were raised as the theoretical results of this study.

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The research findings contain descriptions of practical patterns, constraints / cases, and important points of concern by school management in carrying out the financing of education in public high schools. Furthermore, to realize practical theory related to practical strategy in carrying out financing of education in public high school, the researcher continued research findings on SWOT analysis to map the external-internal condition and SWOT matrix map to formulate management of education financing strategy in public high school.



### RESULTS AND DISCUSSION

#### 1. Source of Education Financing

School financing sources, especially in government schools in Indonesia, come from three sources of financing, namely government, parents and community, and private or state enterprises. Government funding sources can be School Operational Assistance (*Bantuan operasional Sekolah/BOS*) funds and Blockgrant funds that are competitive and are obtained from proposal submission of assistance by schools to central and local government. Sources of parent funding are realized in the form of Education Development Contributions (*Sumbangan Pembinaan Pendidikan / SPP*) and Education Investment Fund (*Sumbangan Dana Investasi Pendidikan / SDIP*). Sources of funding from the community, can include financing assistance from school alumni, surrounding communities, and foundations or community organizations. Sources of financing from private or state-owned companies can be in the form of assistance from state-owned or private agencies, companies and entities.

In general, all public school's funding in Indonesia in the 2015-2016 funding period is supported by state funding sources through state revenue and expenditure budget as mandated by constitution number 14 of 2015 about state budget revenues and

expenditures in 2016. The Education Budget is planned at Rp419,176,412,756,000.00 (four hundred nineteen trillion one hundred seventy six billion four hundred twelve million seven hundred fifty six thousand rupiah). The percentage of education budget is 20.0% (twenty point zero percent), which is the ratio of education budget allocation to total state budget of Rp2,095,724,699,824,000.00 (two quadrillion ninety five trillion seven hundred twenty four Billion six hundred ninety nine million eight hundred twenty four thousand rupiah).

In addition to being supported by the central government through the State Revenue and Expenditure Budget, in accordance with Government Regulation No.48 / 2008 Article 2-3, education funding becomes a shared responsibility between the Government, local government and the community. Society includes: a. Organizers or educational units established by the community; B. Learners, parents or guardians of learners; And c. Parties other than those mentioned in letters a and b that have a concern and role in the field of education. This regulation shows that the government opens opportunities for decentralization of education funding sources.

Of the three schools that are the subject of the study (Public Senior High School 1, 3, and 5 Malang), the researcher finds that school funding sources are: 1) State fund in the form of School Operational Cost (BOS) fund, 2) Fund from country through Ministries in the form of Blockgrant funds, 3) Funds participation of parents / guardians in the form of SDIP and SPP, 4) Donations from parents, associations or individual alumni, or the surrounding community, 5) CSR (corporate social responsibility) from the company or agency agency State-owned enterprises, such as a service company, a company or a regional company, and 6) event sponsorships. These six sources of funds are acknowledged by resource persons at each research site with varying degrees of potentiality with the subjectivity of each resource. BOS funds from state governments are more often recognized as potential sources.

The next potential source of funds is the participation of parents / student representatives received by schools in the form of SPP and SDIP. SPP is a mandatory tug form as the fee charged to the student's parents. SPP is used to support school needs in funding regular activities in the provision of education. While the SDIP is an incidental fund that is charged differently according to the economic ability of the parents of the students. SDIP is used to support school needs in completing infrastructure, investment and inventory needs of learning support equipment, maintenance and repair of fiscal means, and procurement or construction of fiscal means.

There are not many sources who believe in the potential of external funding sources. But the principal of Public Senior High School 3 Malang gave a different view. For him, external sources are one of the potential sources to encourage school development and development. Principals of Public Senior High School 3 Malang utilize the support of external funding sources to carry out their vision, mission and innovation. Sources of alumni donation funds, parents, and CSR are potential sources capable of supporting their strategic innovation plan in spurring the development of school infrastructure.

From the exposure of data related to sources of funding obtained by the school above, then researchers can conclude several important cases related to the source of funds. The problems that are found related to funding sources are at least 5 related issues: 1) lack of



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funds, 2) uncertainty of receipt of funds, 3) lack of scope of school capability to capture potential sources of funding, 4) importance of trust fund sources to school financial credibility, 5) the opportunity for schools to be able to capitalize on the advantages of greater amounts of financing for parents who are considered more economically viable, 6) the problem of possible negative motivations behind funding.

### **2. Activity and Budgeting Plans**

In general, schools implement a traditional "budgeting style". Budgeting is always easily fixed with a very traditional process which is always repeated every year without any significant change or improvement. In general, budgeting in the public sector can always be resolved by repeating the previous year's implementation by considering available information on the inflation and deflation conditions.

In its development, schools began to think of budgeting that is not simply repeating experience and fixing past mistakes. The school runs a more progressive budgeting system by continuing to put innovation in developing work programs and budgeting, as well as referring to quality improvement targets and school development. In the results of this study Public Senior High School 1 and 5 tend to run programs and budgeting traditionally. While Public Senior High School 3 has already applied innovative budgeting and future development targets, it is evident from their efforts to innovate activities and in digging external sources of funds to spur school development (discussed in the previous section).

Related to the work program and budgeting system, Public Senior High School Negei 1, 3, and 5 are seen to concentrate on efforts to improve the quality of schools in administering public services in education. School work and budgeting plans (RKAS) refer to plans for the implementation of activities that can be implemented by schools within the next year. The school implements a performance-based budgeting management system. The actual target of high school finance management is not to build infrastructure and see if the funds received sufficiently to implement each program and activity, but how schools can carry out activities as closely as possible by seeking every available funding source for the development of school performance in implementing public services at education field. Their budgeting approach is Zero Based Budgeting (ZBB).

The leadership style, organizational climate, and school organizing culture conducted by a principal greatly influences the way schools plan activities and finance. Preparation of work plan and financing is done with 8 stages. The eight phases are 1) preparation, 2) workshops, 3) fund offering and drafting, 4) review, 5) revising ), 6) fund offering, 7) constructing budgeting program (RKAS), and 8) legalization and approval. The eight stages above involve the role of headmaster, team of work plan and financing specially designated by principals, committees, supervisors and deputy heads on each division (administrative organizer, curriculum program division, student program division, and division of responsibility Procurement of facilities and infrastructure) along with their respective staff, and also involves various other supporting elements such as the head of the Lab and a teacher's representative from each course. The principal acts as the person in charge of the preparation of the work plan and the financing. The Committee acts as a member of the drafting team as well as authorizing the results of the RKAS. School supervisors act as controls for the preparation of work plans and financing. Deputy headmasters acted as members of the drafting and appointment team as well as the divisions that will carry out the work plan and financing results for the year.

When entering the stage of submission of draft activities and funding proposals, the researcher found that this stage can be done with two modes ie top-down or bottom-up mode. In top-down mode the principal through the RKAS Team develops a program unit based on previous years' experience. This program is then offered to each division to be considered and agreed upon. In the bottom-up mode, the division proposes a program unit that has developed an activity plan and budgeting in its division conveying the outline of the budget to the drafting team of the work plan and the financing. Divisions should refer their proposed budgeting activities to last year's work planning and financing as a basis for thinking, with the principle of a particular approach to improvement, improvement and development of divisions and schools in general.

In general, the preparation of work plans and financing is prepared by the School Development Team and the principal of the cooperation of the various divisions of the field that exist in the school organization. The Developer Team and the principal have policy control, but school development innovations come from different directions, especially from different divisions that have different tasks and work functions. Schools implement multi-divisional structured financing organizations. This is in line with the characteristics that schools have divisions that operate separately to manage their human and financial resources. In implementing leadership strategies, school leaders are assisted by several departmental staff (divisions) working in their respective functional areas. However this does not make the process of policy making and program planning work can be taken over by every department. Although the department is divided into specialties, the process of policy making and program planning work is central.

From the exposure related to funding sources obtained by the above schools, the researcher can then summarize the findings and issues related to the budgeting mechanism. Key findings and problems found in relation to budgeting mechanisms are at least 10. 1) School difficulties in mapping budgeting based on objective characteristics and funding criteria from each source of funds. 2) Budgeting is done from zero (Zero Based Budgeting) so that the financing in each division is considered repeating and starting from the beginning. 3) Schools have to map out financing based on priority and urgency criteria so that some plans or programs submitted by each division are rejected (must be postponed or canceled) if the funding source is deemed incapable of fulfilling. 4) Budget price adjustment and emphasis should be made since the preparation of the work plan and financing to avoid overbudgeting. 5) The budgeting stage should be returned at the stage of funding source search if the school has a program that is unlikely to be funded from existing sources, to seek alternative sources of funding. 6) Some divisions may feel dianaktirikan as a result of school efforts to divide budgeting according to criteria of priority scale and urgency of each division needs. 7) The division does not only act as a fund-raiser, but also the parties who contemplate the resilience of school financing by considering the assumption of effectiveness and efficiency aspects, as well as the availability of funding sources from the programs it proposes. 8) Schools are more oriented towards short-term plans than the medium or long term. 9) Preparation of work plans and financing accompanied by the role of the committee to support transparency. 10) Principal leadership style is very influential on the pattern of implementation of the program submission.

### 4. Budget Expences

Of the three schools that were the subjects of the study (Public Senior High School 1, 3, and 5 Malang), the researcher found that budget disbursement was done in 8 stages including 1) reviewing the activity position in the work plan and financing, 2) reconsidering the budget in Work plan and financing or drafting a budget proposal, 3) efficiency efforts in the implementation plan, 4) organizing program executors and responsibilities, 5) disbursement, 6) implementation of activities, 7) efficiency efforts in implementing activities, 8) reporting And refund of the remaining funds.

The issue of the implementation of financing is not only related to how to distribute the costs provided by each data post to meet the needs of project performance and activities in schools. More than that the main concern is about reconsideration of the value of urgency, priorities, importance / assessment of impact, and cost effectiveness that is channeled to realize the quality of education services in schools. If a program is deemed to have no urgency, priority, importance / assessment of impact, and effectiveness on the quality of education in schools, it is unnecessary for any project value and material gains to be gained by agencies and individuals in school management.

In response to this in the implementation of financing, principals will always control the value of urgency, priorities, interests / assessment of impacts, and effectiveness of programs to be implemented and financed school. Even though the activity has been listed in a series of work plans and financing (*rencana kegiatan dan anggaran sekolah/ RKAS*). The RKAS is just a guide to the various activities that the school will undertake in one year. In fact, every planning needs to be re-analyzed according to the current state of the financial and school situation. It may be that a program already in the work plan and financing is canceled or should be reviewed the value of urgency, priorities, importance / assessment of impact, and effectiveness in accordance with the current state of the school. In contrast, an unplanned program in the work plan and financing can be implemented if it has an urgency, priority, importance / impact assessment, and effectiveness according to the current state of the school. To prepare for this the performance of the plan planner work and financing greatly determine the smooth implementation.

The review process and re-analysis of the programs to be funded is characterized by the preparation of the budget plan by the program implementer / responsibility before applying and disbursing the program funds. Before approving the proposed financing of an activity at the school, the principal must understand what the cost objectives are, how much will be needed, and what kind of program that needs to be financed. With so financing will be able to run effectively, efficiently, and certainly can be accounted for. Through the budget plan submission, the principal can see efficiency opportunities. The executor of the activity must submit funding in the budget plan with the same funding nominal with the project price in the work plan and financing. It is rare for budget plan to exceed budget in the work plan and financing except on priority activities such as the implementation of the final assessment which is often the change of specification so as to affect the needs of expenditure. Related to efficiency efforts in the implementation of financing, efforts to analyze the efficiency of education financing can be grouped into two types, namely internal efficiency and external efficiency.

Internally, the principal can lower the budget price proposed on the budget plan to reduce the expenditure figures and encourage the responsible / executing activities to find other

external funding sources such as sponsors and donors. Trimming against this financing can be done by cutting costs on various shopping specifications listed in the budget plan. Externally, the principal can assess the social-organizational impact that arises as output for the implementation of the activity. The principal may revise some of the design activities to encourage the responsible / executing activities to carry out more useful activities and bring benefits to the educational services in schools.

In the process of submitting and approving this budget plan, the principal analyzes the effectiveness and provides the policy for the efficiency of financing. The principal will approve the budget after considering the effectiveness and efficiency of the financing, usually the principal will reduce up to 30% of the proposed financing. Even for certain activities that require large funds (eg art shows to invite national / international artists, this event spends up to hundreds of millions of rupiah) schools may only provide 30% of all financing needs with internal funds, the rest are responsible / executing activities Must find their own sources of financing outside school dependents.

Efficiency efforts in the planning period of program implementation are conducted to assume emphasis on absorption of funds under the budget already provided. Some of the efforts undertaken are: 1) reviewing the current price conditions to re-adjust the stated price already budgeted in the proposal and pressing the price markup; 2) reviewing the assumptions of the effectiveness of the work program by assessing the impact scale and the importance of each set of activities in the proposal; 3 ) Seeks savings through external participation, 4) diversifies funding, and 5) increases the volume of activities.

With regard to the disbursement of funds, the school has a school treasurer team headed by a treasurer's coordinator and is assigned several treasurers according to the funds he holds. The division of the finance division or treasurer of this school is based on the main funding source of the BOS treasurer, the treasurer of the SPP, the treasurer of the SDIP, and the public treasurer. For funding sources such as blockgrants and CSR, schools set up a special team of responsible persons and treasurers for each of the blockgrant / CSR programs implemented, drawn from members of the school divisions that are carrying out the program's duties.

Disbursements are made from the treasurer who has been divided from each different funding post. Each fund item has different liquefaction rules and percentages to fund certain types of programs. This is adjusted to the characteristics of each rule of use of those funds. BOS funds, for example, are often focused on use in learning-based activities such as learning, assessment, stationery for learning, and power and service subscriptions (electricity, telephone, internet and water). SDIP funds for the purposes of procurement and maintenance of school investments such as the provision of classrooms, benches, tables, electronics, and so forth. SPP funds for student activities outside BOS-funded activities, general activities, extra / noncurricular students, teacher and employee honoraria, and so on. Funds such as blockgrants and CSR are used only for the purpose of the fund being derived (as per the blockgrant / CSR project agreement). Internal financing posts that are relatively flexible in use are SPP and SDIP funds.

Of the three schools that were the subject of the study (Public Senior High School 1, 3, and 5 Malang), the researchers found findings that there were several important cases experienced in the financing process at school. The problems that are often experienced by

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schools in the implementation of the budget are 1) Activities outside planning, 2) Price increases, 3) Increase in project specification, and 4) Budget deficit caused by the previous 1, 2 and 3 points. Beyond scheduled and budgeted activities in workplans and financing, schools often experience the execution of activities outside of the planning that require special allocation of funds for such activities. However the activity must be run and the school must spend funds for it. Prices are always fluctuating and tend to rise. Economic conditions at a time very much affect the smooth implementation of the program in accordance with the budget cost that is provided. Budgets that are usually calculated since the beginning of the year (even in the previous year) are likely to swell larger. Although previously the budget has to take into account the price increase. In addition to rising prices, an increase in the need for budget funds beyond the planned budget may also occur due to the addition of project specifications. The three problems above will result in the budget deficit. The nominal discrepancy between spending budgeting between budget planning and implementation of overbudgeting budgeting results in disruption to the availability of funds. Although admitted by the school that the budget deficit does not occur significantly to disrupt the implementation of other programs, this should still be considered as an important issue.

Although not to interfere with the implementation of other programs, if the financial condition of the school is not healthy then the implementation of other programs though pressed as efficiently as possible. It will also disadvantage schools in terms of school opportunities to develop other programs or reduce the availability of reserve funds. So that in turn will increase the pressure of the challenge for the school if there are other programs that overbudget or the existence of programs outside the planning. Related to the budget deficit, there are several options that often exit the school. 1) The treasurer provides funds but with a sum of several percent of the total submissions, in accordance with the temporarily available funds, in order for the activities to continue. 2) The treasurer through the principal's policy of budget price cuts. 3) the principal cuts the budget price and asks the PJ to seek funding from alternative sources (sponsors, donations, CSR, or business), and 4) the executor of the activity to delay the implementation of the work program until there is a certainty of the availability of funds.

### **5. Funding Report on Activities and Use of Funds**

Each program / activity responsible person reports the use of funds and results of activities to the principal and the donor / source of funds. Each report on the use of funds is given 2 directions ie to the principal as a leader for the function of control and evaluation, and to the donor for the function of accountability. In the control and evaluation functions, each final outcome of the program is directly supervised by the principal as general manager at the school. It is intended to support the effectiveness of every program conducted in schools to always be in tune with the vision and mission and goals of school development. In the accountability function, the executor of the activity is fully responsible for every penny of the use of the funds it receives. Accountability must be accountable and transparent. Every expenditure should have evidence and be accountable. It is also intended to support the accountability of any financing programs undertaken in schools.

Of the three schools that were the subject of the study (Public Senior High School 1, 3, and 5 Malang), the researcher found that reporting the use of funds was done in two types: 1) reporting the use of funds by program implementers and 2) school financing reporting. Program executors prepare reports on the use of funds to account for the use of funds and

program implementation to schools. School prepares reports on the use of funds to account for the use of funds in each funding source.

Each report on the use of funds is given 2 directions ie to the principal as a leader for the function of control and evaluation, and to the donor for the function of accountability. The executor of the activity shall submit details of expenditure and proof of expenditure on the funds already received. Reports are given to the treasurer. The treasurer shall recover the report of the use of these funds together with reports on the use of funds in other activities to be reported to the principal and the source of funds on a regular basis in accordance with the applicable provisions. Therefore every expenditure must have evidence and be accountable. This supports the accountability of any financing programs undertaken in schools. The executor of the activity conveys the expenditure details, the proof of expenditure, and the outcome / outcome of the activity to the principal. The principal will evaluate the outcome of the activity and provide feedback on the outcomes that the implementer has achieved. The response of the principal will be the record of the implementer of the activity to develop and improve the quality of the program in the next implementation period. Each program implementation is directly supervised by the principal as general manager at the school. This supports the effectiveness of every program that is done in school to always be in harmony with the vision and mission and goals of school development.

Program executors prepare reports on the use of funds to account for the use of funds and program implementation to schools. Program executors prepare reports in 4 stages: 1) prepare recapitulation proof of expenditure of funds and tax, 2) compile total expenses, 3) prepare report of activity result or outcome of program, and 4) submit activity report to headmaster and save report As an archive.

The report on the use of funds is used as a reference of school management in evaluating the flow of funds expenditure that has been given to the executor of the activity. Any expenditure of funds, physical evidence in the form of records of goods purchase transactions must be clearly reported. This should be a concern considering the spending of money / funds is an important subject of financing. Any funds spent should be searchable for use.

In addition to the use of money, any tax payable by the executor of activities in accordance with the tax law should also be clearly reported. Taxes are important to note because the use of large amounts of money in an activity is regulated in legislation. Especially if the type of activities carried out by a state agency and financed by money from the treasury / state / central government / regional or general public. Some of the types of taxes normally included in financing are value added tax (value added law No.8 / 1983, value added law No.18 / 2000, value added law No.42 / 2009) and income tax (especially income tax Numbers 21 and 22). Expenditure reports and activity taxes can serve as guidance for school leaders in assessing the efficiency and effectiveness of the use of funds in such activities. Any goods that become the object of shopping activities need to be considered rationally.

Schools report the use of funds to account for the use of funds in each funding source. In general, the stage of reporting the use of funds in each funding source is the same ie 1) preparing complete financing details, 2) attaching reports of each program that has been

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implemented and funded (if the report consists of several programs), 3) submitting the financing report to stakeholders Relating to sources of funds, and 4) publicizing the outcomes of activities and financing details that have been made publicly.

From each implementer of the activities underneath, the school has obtained proof of documents and details of expenditure of funds and taxes. Schools are obliged to forward reports on the use of funds to sources of funds. Reporting can be done periodically for each post-implementation of activities, monthly, quarterly, or yearly, according to the demands of each different funding source. In addition to reporting the overall use of funds in the implementation of school work program financing, the school publishes all outcomes. If necessary, the financing details of each activity achievement are also published. Schools reported what has been done publicly and publicly. So school accountability and transparency can be directly examined even by the public in general. Especially considering the current society is very critical of cases of misappropriation of funds and very highlights the financial credibility of schools in managing the sources of funds obtained.

Accountability and transparency are useful for avoiding bad assessments of the quality of school finance management, in particular avoiding any indication of misuse of funding sources. Accountability and transparency are highlighted by outsiders to assess school performance as a whole. Moreover financial problems would be the case that disturbs the name of the school if the credibility of the school is confronted with indications and suspicions of the community on the misuse of financial resources. For the headmaster of Public High School 3 Malang, the effectiveness, accountability, and transparency that the schools put forward in managing the finances is not only a form of responsibility but also the strategies that schools use to attract external interests in contributing to fund the needs of school construction. Efficiency, accountability, and transparency will in turn be useful for increasing donor trust.

Of the three schools that were the subject of the study, the researchers found findings that there were several important cases experienced in terms of reporting of financing and use of funds. Such as: 1) proof of purchase and payment of taxes is very important and must be considered to certify every rupiah issued, 2) reports should be given periodically and on time, delivered in both hard and soft copy, 3) The collected printed file is often not up to the hands of the finance inspector at the funding institution concerned; 4) school financial transparency and accountability are the main functions of the report; 5) the good reputation and credibility of school financial management are reflected through the financing report; and 6) the transparency and school financial accountability is a matter that is very often criticized by the community and very potential problems.

Accountability reports of the use of fees from government can be very unfair, unclear, and confusing for school management due to the complicated and less systematic reporting system to government designated departments. Reporting should be given in multiple forms: software files via online and Files printed via postal mail / courier. Often the problem of missing report data so that the management of the school must bear the consequences of delays in the channeling of funds and have to resend the data of the financing report.

### **6. Practical Strategy of Financing Management for Senior High School Education**

To deal with any issues of funding sources, schools need different forms of analysis and SWOT strategies to find the most appropriate step in exploring sources of funding and avoiding any problems. Some of the strategies that schools can do are: 1) Schools need to implement open funding policies, 2) Schools need to work to maximize the number of students received with the orientation of maximizing the revenue opportunities of BOS and SPP / SDIP funds; 3) Schools need to take advantage of the role of the committee, And student divisions to be able to socialize school funding needs and awareness of the importance of parent participation through SDIP, SPP, and donations 4) Schools set up special teams from facilities and infrastructure divisions to map school development / development plans based on priority scale and urgency 5) If schools only rely on BOS and SDIP / SPP, then schools need to capture other financing potentials such as donors, CSR, and sponsors, 6) To attract companies or individuals to provide CSR assistance, donations, or sponsorships, schools can forge partnerships, 7 ) SDIP and SPP funds that are fluctuating can be overcome by maximizing (8) Schools should optimize the role of financial staff and committees to examine the motivation of each funding source in providing funding to avoid negative issues, 9) Schools need to have funds Frozen or maximized receipt of funds from SDIP / SPP sources as savings to maintain financial stability, 10) School experience in obtaining funding and other school experiences in the vicinity should be a material for evaluating schools on the various causes of weaknesses and threats to the provision of resources , 11) Schools need to undertake workshops on funding sources and the role of human resources in capturing potential sources of funds to members of their divisions, 12) Schools need to maintain the stability of school funding through maximizing existing budgets to meet important needs (priority and urgency ), Pay attention to effectiveness And efficient use of funds, and maintaining accountability and transparency of reporting on the use of funds, 13) Schools need to implement financing austerity policies to generate financial savings, 14) In addition to exposing themselves to various potential sources of funds, schools also need to have special screening mechanisms against the funder's background , The form of funding, the origins of funds, and the motivation of sources of funds in providing fresh funds and project funding to schools to avoid the negative purpose behind fund disbursement (eg. Money laundering of corruption).

To deal with any issues in planning activities and financing requires SWOT analysis and strategies to find the most appropriate step in planning the activities, planning the financing and avoiding all the problems. Some of the strategies that schools can do are: 1) Schools need to prepare the work plan team and school budget to be able to assess the priority scale and urgency of the program, 2) The work plan and school budget preparation team need to understand the karkateristik of each source of fund especially on the sources The most potential and reliable such as BOS and SPP / SBPP funds; 3) The work plan and school budgeting team also comes from members / staff / department leaders so that each department has the opportunity to propose its programs in the preparation of work plans and school budgets, 4) Team The preparation of work plans and school budgets and programming departments should have a shared commitment to use the best possible sources of funding by taking into account the assumptions of the effectiveness and efficiency of program funding proposed in the preparation of work plans and school budgets; 5) the preparation of work plans and school budgets Gradually starting from exploring the potential sources of funding, programming arrangements (either by top-down or bottom-up), to determining activity plans and school budgets for one fiscal year



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ahead, 6) The drafting team of work plan and school budget using approach budgeting from zero / ZBB. This approach is advantageous if the work plan and school budgeting team can awaken each department to always prioritize innovation and program development, referring to previous program implementation experience, 7) Participation of committee representatives can support financing transparency since in the process of preparing work plans and school budgets 8 ) The implementation of last year's financing, especially the evaluation of the failure and financing issues should be a concern to anticipate future possibilities. 9) Schools need to be aware of the existence of unexpected programs in accordance with previous years' experience. Programs in the preparation of work plans and school budgets should be limited to control over the excessive use of funds, 10) Schools can apply strict BOS funding rules and are devoted to the vital objects of financing the educational process and its supporters 11) Schools may apply the rules of use of funds SPP is controlled and devoted to the implementation of non-funded education BOS, 12) Schools can apply strict SDIP funding rules and are devoted to financing school investment, 13) Schools can take a diversified funding strategy. Financing on a type of activity can be supported by several sources at once and not incriminating only one source.

To deal with any issues in the implementation of financing requires forms of analysis and SWOT strategy to find the most appropriate step in carrying out the financing and avoiding all the problems. Several strategies that can be done by the school are: 1) the work plan and budget must be arranged as possible by adjusting the opportunity of the budget source and the amount of funds that may be obtained in one year so it can be sure that the school has sufficient funds to finance the whole program, 2) Work plans and budgets should be arranged as best as possible by taking into account the possibilities of coming or follow-up activities based on the experience of financing in the previous year, 3) The treasurer's team, which is divided on the basis of funding sources and program implementers, should be committed to the fund Available should be spent effectively, efficiently, and in accordance with the characteristics of the allocation / financing objectives of each different funding post, 4) The school imposes a refund rule in case of a surplus. Centralized funding management is used knowledgeable and centered on the policy of the principal and administered by the treasurer, not the right of every division, 5) Any execution and disbursement of funds by the implementer of the program of activity / division should be through the submission of the budget plan, 6) The role of headmaster is one of the strengths in the implementation of financing. The disbursement of funds may be under submission in the budget plan in accordance with the principal's policies. This strategy aims to stimulate the implementation of the program to prioritize efficiency and financing alternatives, 7) To overcome the many programs outside the planning in the work plan and budget, the school can anticipate since preparing the work plan and budget. But if it is not contained in the work plan and budget, then the school should reduce the financing expenditure from other programs. In other words the school must press the implementer of the program to seek efficiency. In addition to reducing expenditure, efficiency can also be done by taking advantage of opportunities for external funding sources such as donatu and sponsors, 8) Schools need to maintain financial stability and financial resistance. This can be done by always monitoring through monthly reports and expenditure controls. Monitoring strategy can be done by requesting monthly report from each treasurer related to expenditure. Expenditure controls can be done through the implementation of policies for the preparation of recurrent post-implementation budget and disbursement of funds by program organizers. 9) In relation to the necessity of

partnering with project implementers for a large total cost project, the school needs to have a reliable and well qualified permanent partner. It is important that the school can guarantee the implementation of the project well. 10) Schools should establish standard rules regarding business financing efficiency to program implementers. One of them by setting program implementation standards that the efficiency value is measured from the existence of the remaining funds or surplus of the total funds provided compared to the expenses pembiaayaan done. 11) Schools should establish standard rules regarding the effectiveness of financing to program implementers. Schools need to pay attention to the quantity and quality of outputs and outcomes generated from a program / project in order to measure the value of its effectiveness. 12) Schools establish specialized teams under the division or directly under the leadership command to carry out special programs such as grant programs / projects funded by single sources such as blockgrants and CSR.

To deal with any issues in the financing report requires different forms of analysis and SWOT strategy to find the most appropriate step in reporting the financing and avoiding any problems. Some of the strategies that can be done by the school are: 1) Every treasurer and activity committee (especially treasurer) has a treasurer needs to receive special training related to the importance of clear and valid proof of purchase invoice, tax administration, and various technical reporting of activity expenditures. 2) The effectiveness, accountability, and transparency applied in schoolroom management is a strength. Accountability and transparency are useful for avoiding bad assessments of the quality of school finance management, in particular avoiding any indication of misuse of funding sources. Accountability and transparency are highlighted by outsiders to assess school performance as a whole. Efficiency, accountability, and transparency will in turn be useful for increasing donor trust. 3) Program implementation difficulties problem in paying tax of value added tax and income tax can be overcome with ease of accessing taxation through e-filing and fund transfer through bank account. 4) Event meetings with the guardians is a moment that can be used to show the transparency and accountability of school finances to the public, especially parents / guardians who also provide funds through SPP-SDIP. 5) Web internet school profiles that can be accessed by the general public can be a container that can be utilized to demonstrate the transparency and accountability of school finances to the public. 6) In addition to the general publication, every treasurer must always be ready to be audited related to the credibility of accountable financial management with physical evidence of purchase invoices, taxes and other supporting clauses that strengthen the validity of data on the use of funds in schools.

## **CONCLUSION**

Finally, the management of financing at a public high school applies in accordance with each school principal's leadership style, system and organizational climate, and various government-imposed technical and regulatory provisions for financial management and education financing at the national, regional, to school levels. These three things greatly affect the implementation of financing management in public high schools.

In general there are many sources of financing that can be excavated by schools other than daa assistance from the government and parents. Other funding sources such as parent donations, alumni donations, donations of social foundations / community groups around schools, CSR programs from agencies and companies, to sponsors of any kind in exchange for promotional space. Alternative sources can be an effective priority source to

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support the progress of the school. This alternative source is limited and loose (can be used for various needs).

The planning of the activity goes according to the character of the school organization which is multidivided and centered on the principal's policies. Financing planning uses a performance-based and zero based budgeting / ZBB financing system. Financing concentrates on the efforts of organizing activities that must be fulfilled by schools and each division. The main concern of successful program planning and implementation is on outcomes, not outputs. ZBB provides more space for the program implementing divisions to develop new and innovative programs each year by utilizing a completely new budget system, not tangent to the financing of programs they have received in the past. Schools are easier to organize program development and financing educational programs in schools each year with ZBB. Effectiveness and efficiency are of concern in developing program planning and financing. Programs that have priority scale and urgency become the main target of planning. Next are past programs that still have good outcome evaluation and recommendations, as well as innovative new programs in line with the vision and mission of school development in the long term.

The implementation of high school education funding in high schools is conducted in accordance with the characteristics of multidisciplinary organizations and is centered on the principal's policies. The various activities to be funded must go through a "re-screening" process even though it is already listed in the annual planning and financing plans / RKAS. This re-checking process requires program implementers to reorganize a new budget plan (RAB) proposal in accordance with detailed spending requirements and program budgets to be implemented, for which they need to readjust the details in the work plan and budget with real needs and prices. The latest needs. Various efforts to contribute to the effectiveness and efficiency of financing are done in this stage, even the management must be aware of the various possible budget deficits in various ways so that the school program can continue to run and can be funded by the school.

Reports are made to report on the results of activities and accountability of the use of funds. Activity report is intended to evaluate the outcome and performance of program implementers in supporting the business effectiveness and efficiency of financing. The accountability report for the use of funds is intended to show evidence of financing to support business accountability and financial transparency. Various problems are experienced by school management in terms of reporting, particularly regarding the reporting system to relatively complex government financing sources. Nevertheless, the credibility of school management is at stake in this stage because the smooth flow of funding sources is also determined by assessing the source of funds on the credibility of school financial management.

Lastly as a suggestion, a school manager (headmaster/ principal) is an important milestone for successful financing management in a state high school, supported by the intelligent work of the staff and the various divisions under it. The principal should be able to bring the participation of the community into the management of school finance. In order to obtain more funding sources than simply channeling funds from the government, the school needs to have good social communication with the community regarding its needs. In addition, the school managerial credibility is also one of the bargaining values to attract public interest to support school finance. Not just to develop effective financing to achieve

the development of education services in schools or save on spending funds to implement a program, schools can also develop innovative plans. In implementing the financing, the principal performs the function of controlling the distribution of funds to program implementers through policy making. In the process of reporting the results of activities and the use of funds, the principal served as evaluator of the implementation of activities and the use of funds.

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