

ANALYSIS OF THE IMPLEMENTATION OF CASH DISBURSEMENT SYSTEMS AND PROCEDURES OF MAGELANG REGIONAL PEOPLE'S REPRESENTATIVE COUNCIL (DPRD) SECRETARIAT

Abim Aulya¹⁾, Suci Nasehati Sunaningsih²⁾

¹Accounting Study Program, Universitas Tidar Magelang
email: abimaulya12@gmail.com

²Accounting Study Program, Universitas Tidar Magelang
email: sucinasehati@untidar.ac.id

ABSTRACT

Cash disbursement is a series of financing issued for activities that benefit the instance. This study aimed to determine the cash disbursement systems and procedures at the Secretariat Office of the Regional People's Representative Council (DPRD) of Magelang City. The object of this research is the Magelang City DPRD Secretariat. This study used a descriptive method to reveal facts, circumstances, phenomena that occur by comparing the cash disbursement systems and procedures at the DPRD Secretariat with the theoretical concepts of cash disbursement effectiveness. The cash disbursement procedure at the Magelang City DPRD Secretariat is effective and following applicable regulations. The obstacle faced during the cash disbursement process is the sketchy accountability letter (SPJ) submitted for cash disbursement.

Keywords: System, State finances, Cash disbursement

1. INTRODUCTION

The financial statements are a means to convey financial information about the accountability of managers and the performance carried out in one period. The importance of financial statements is also as evaluation material in the next period. Therefore, in making financial statements, appropriate procedures and implementation must be used to create good and orderly financial statements.

In the financial statements, some transactions result in cash outflows, both cash and bank accounts owned by the company, commonly referred to as cash disbursement. Cash is described as a means of payment that is ready to finance the company's activities.

In public sector accounting, the regional cash disbursement system is a system used to record all regional cash disbursement activities. Cash administration is a series of activities that include receiving, depositing, paying, submitting, and being accountable for spending money under the management of SKPKD (Regional Financial Management Working Unit) and/or SKPD (Regional Working Unit)

Cash disbursement accounting systems and procedures consist of 4 subsystems, namely: (1) Accounting for Cash Disbursement on Money Supply Charges (UP) Subsystem; (2) Accounting for Cash Disbursement on Money Supply Replacement (GU) Subsystem; (3) Accounting for Cash Disbursement on Additional Money Supply Charges (TU) Subsystem; and (4) Accounting for Cash Disbursement on Direct Charges (LS) Subsystem.

The procedures for the subsystems of cash disbursement consist of: (1) Issuance of Provision of Funds Letter (SPD); (2) Submission of Payment Request Letter (SPP); (3) Issuance of Payment Statement Letter (SPM); (4); Issuance of Fund Disbursement Order (SP2D); (5) Issuance of Accountability Letter (SPJ); and (6) Control of Provision of Funds Note (NPD).

The Magelang City DPRD Secretariat is a government instance tasked with administering secretarial and financial administration, supporting the implementation of the tasks and functions of the Magelang City DPRD, and providing and coordinating experts needed by the Magelang City DPRD in carrying out their functions and functions as needed.

This study aimed to determine the implementation of cash disbursement systems and procedures and analyze whether the implementation of cash disbursement systems and procedures at the Magelang City DPRD Secretariat follows applicable regulations.

2. RESEARCH METHOD

This research method was taken to reveal whether the implementation of the cash disbursement system and procedures at the Magelang City DPRD Secretariat Office is according to regulations. The type of research used is the descriptive qualitative method. This research produced descriptive data in written or spoken words from people or behaviors to be observed.

This research took place at the Magelang City DPRD Secretariat Office, located on Jl. Jend. Sarwo Edhie Wibowo, Banyurojo, Mertoyudan District, Magelang, Central Java. The time required to conduct this research, from data collection to data management, was carried out after the researcher completed their internship at the Magelang City DPRD Secretariat Office on April 13 until completion.

The type of data that will be used by the researcher is qualitative. The data is in the form of documents and information related to the cash disbursement systems and procedures at the Magelang City DPRD Secretariat. The data of this study consisted of primary and secondary data. Primary data is data obtained directly through interviews and direct observation. Secondary data is data obtained through literature books, journals, and all information materials related to research information.

In this study, there are two techniques used in data collection, namely: (1) Interview is a data collection technique done by communicating directly to the object to be studied through the employees (financial department) of the Magelang City DPRD Secretariat; and (2) Observation is a data collection technique done by direct observation in the field of the research object.

The technical analysis used in this study is a descriptive method to reveal facts, circumstances, phenomena that occur by comparing the cash disbursement systems and procedures at the DPRD Secretariat with the theoretical concepts of cash disbursement effectiveness.

3. RESULTS AND DISCUSSION

Cash disbursements accounting procedures include a series of processes from recording, classifying and summarizing financial transactions, and/or events and financial reporting in the context of accountability for implementing APBD related to cash disbursements. The Magelang City DPRD Secretariat cash disbursement systems and procedures are guided by the Magelang City Mayor Regulation No. 60 of 2016. The documents used in the cash disbursement accounting procedures for Regional Apparatus (PD) and/or SKPKD consist of:

- (1) Provision of Funds Letter (SPD) is a document made by the Regional Financial Management Officer (PPKD) as a document showing the availability of funds to be absorbed/realized.
- (2) Payment Statement Letter (SPM) is a document issued by the Budget User to apply for a Fund Disbursement Order (SP2D) to be issued by the Regional General Treasurer (BUD).
- (3) Payment Receipts and Other Payment Proofs are documents as proof of payment.
- (4) Fund Disbursement Order (SP2D) is a document issued by BUD to withdraw money at a designated bank.
- (5) Transfer Proof is a document or proof of regional expenditures transfer.
- (6) Bank Debit Note is a document or evidence from a bank that shows a transfer of money out of a regional treasury account.
- (7) Cash disbursement journal is a record maintained by the Financial Education Center and Local Government (PPK-PD) and/or PPKD to record and classify all transactions and/or events related to cash disbursements.
- (8) Ledger is a record maintained by PPK-PD and/or PPKD to record postings for each account of assets, liabilities, fund equity, income, expenditure, and financing.
- (9) Subsidiary ledger is a record maintained by PPK-PD and/or PPKD to record transactions and/or events containing details of general ledger accounts. Subsidiary ledger as a crosschecking tool and completeness of certain account information if deemed necessary.

The documents used in the cash disbursement accounting procedure in PD and/or SKPKD for grants and social assistance are the same as the documents used in the cash disbursements accounting procedure above, plus the following documents:

- (1) Proof of money transfer for grants in the form of money or proof of handover of goods/services for grants in the form of goods/services.
- (2) Proof of transfer/handover of money for the provision of social assistance in the form of money or proof of handover of goods to provide social assistance in the form of goods.

Based on the evidence of cash disbursements transactions, PPK-PD and/or PPKD shall record them in the Cash Disbursements Journal. The recording of grants and social assistance transactions in the form of money is recorded by PPKD in the Cash Disbursement Journal in the Grant and Social Assistance Expenditure column on the debit side and Current Fund Equity (R/K Pemkot) on the credit side. Meanwhile, the recording of grant transactions in the form of goods and/or services and/or social assistance transactions in the form of goods is recorded by PPK – PD on the type of expenditure on goods and services on the debit side and Current Fund Equity (R/K Pemkot) on the credit side.

Cash Disbursement Journal (JKK) is a book used to record and classify financial transactions or events that result in cash expenditures. Evidence of cash disbursements transactions include:

- (1) Fund Disbursement Order (SP2D)
- (2) Proof of Transfer
- (3) Debit Note
- (4) Payment Statement Letter and/or Provision of Funds Letter
- (5) Payment Receipts And Proofs of Goods/Services Receipt
- (6) Other Expenditures Proofs

Proof of cash disbursements transactions for grants and social assistance are the same as proof of cash disbursements transactions plus the following completeness:

- (1) Grant
 - (a) Report on the use of grants;
 - (b) Accountability letter stating that the received grant has been used following the Regional Grant Agreement Document (NPHD); and
 - (c) Complete and valid proofs of expenditure following statutory regulations for grantees in the form of money or copies of proof of handover of goods/services for grantees in the form of goods/services
- (2) Social Assistance
 - (a) Reports on the use of social assistance by recipients of social assistance;
 - (b) Accountability letter stating that the social assistance received has been used following the proposal; and
 - (c) Complete and valid proof of expenditure following statutory regulations for recipients of social assistance in the form of money or a copy of proof of handover of goods for recipients of social assistance in the form of money.

After transactions or cash disbursements are recorded and classified into the journal, the next accounting process is the summary of financial transactions or events from the journal to the general ledger. PPK-PD and/or PPKD periodically or periodically post to the ledger.

The general ledger is basically a collection of accounts used to store the names of the accounts recorded and classified in the journal, which is the source of data for compiling financial statements. A subsidiary ledger is an accounting record whose function is to provide information and control of an account that is summarized in the general ledger. Considering the function of the subsidiary ledger as a cross-checking tool and the completeness of certain accounting information, if deemed necessary, the PD can make a subsidiary ledger. In addition, to facilitate the preparation of financial reports, PPK-PD and/or PPKD can prepare working papers.

Working papers are sheets consisting of columns to record and separate accounts in the general ledger and separate accounts in the general ledger into real and nominal accounts.

The recording of cash disbursements is done by the Treasurer of cash disbursements at the Magelang City DPRD Secretariat in recording cash disbursements without any problems, but sometimes the SPJ entered is incomplete, so it must be completed first or revised and then paid.

Reporting cash disbursements is divided into three parts, namely, monthly reporting, semiannual reporting, and annual reporting, which are described as follows:

- (1) Monthly report: Reports done in monthly period
- (2) Semiannual reports: Reports done every six months or two times a year, usually divided into first semester reports and second-semester reports
- (3) Annual Report: Reports done annually or once a year (usually at the end of the year)

4. CONCLUSIONS

Based on the results of the research conducted, we can draw conclusions that the cash disbursement procedures at the Magelang City DPRD Secretariat are effective and following applicable regulations. For grants and social assistance, additional documents are required in the form of proof of transfer of the grants and social assistance carried out. After the cash disbursements have subsequently been recorded and classified into the journal, the next accounting process is the summary of transactions or financial events from the journal to the general ledger. PPK-PD and/or PPKD periodically or periodically post to the ledger. The incompleteness of the accountability letter (SPJ) is one of the obstacles in the cash disbursement process. Cash flow reports are reported on a monthly, semiannual, and annual period.

5. REFERENCES

- Lahay, O. N. (2013). *Analisis Pelaksanaan Sistem Dan Prosedur Pengeluaran Kas Pada Dinas Pekerjaan Umum Provinsi Sulawesi Utara*. Emba.
- Republik Indonesia. (2005). *Peraturan Pemerintah No. 58 Tentang Pengelolaan Keuangan Daerah*. Jakarta.
- Republik Indonesia. (2016). *Peraturan Walikota Magelang No. 60 Tentang Sistem Dan Prosedur Pengeluaran Kas*. Magelang.
- Suryati, E. (2018). *Sistem Pengeluaran Kas Pada Kantor Sekretariat DPRD*. Menara Ilmu