



Progress of Transfer Fund on Metro City, East Lampung Regency and Central Lampung Regency on 2022

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Abstract: The transferred fund 2022 consists of village funds and physical special allocation funds and Non physical special allocation funds (DAK Fisik, Non Fisik & Dana Desa), the source of funds the Central Government provides to support Regional Government Development. In 2022 in 3 Sub Regional/Local Governments within the scope of the Metro KPPN payment area, there are still obstacles to the distribution of DAK Fisik where the 3 Regions, the average Realization and Absorption for DAK Fisik was only 97,79% 2022 of the available ceiling fund in 2022. The biggest distribution obstacle in 2022 is Recovery from the COVID-19 pandemic, leadership and world economic conditions and Russia's war with Ukraine which affected economic activity with impacts from upstream to downstream.

Keywords: Transfer Fund; Obstacle factors; DAK Fisik; Dana Desa; Central Lampung Districts; East Lampung Districts; Metro City

Article History:

Received on 20 Feb 2023

Revised on 14 March 2023

Accepted on 7 Apr 2023

Doi: 10.37479

Indexing:

Google Scholar; Asean Citation Index; Copernicus Garuda; SINTA 3 (Science And Technology Index).

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INTRODUCTION

Following the mandate of Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments (*Undang Undang No 1 Tahun 2022 Tentang Hubungan Keuangan Pusat Dan Daerah*, n.d.), Special Allocation Funds (DAK) or specific purpose grants are funds originating from APBN revenues which are allocated and distributed to Regional Governments with the aim of funding programs, certain activities, or policies that are national priorities and assist the operation of public services, the use of which has been determined by the Government, and with Law Number 6 of 2014 concerning Villages, the allocation of Village Funds is funding from the APBN earmarked for Villages that is transferred through the district/city APBD and is used to finance government administration, development implementation, community development, and community empowerment.

Government financial reports are a form of government accountability to the public in running the wheels of Government. The theoretical basis for government financial reporting activities is contained in government regulation 71 of 2010 concerning government accounting standards (LKPP, 2020). In order to help smooth the distribution of Physical DAK, Non-Physical DAK, and Village Fund transfers from the central Government to regional and village governments, the Metro State Treasury Service Office as the KPA for Physical DAK Distribution and Village Funds distributes transfer funds in the form of: (1) Physical DAK (in the form of: DAK Physical Regular and DAK Physical Assignments), (2) DAK Non-Physical (in the form of: DAK Non-Physical School Operational Assistance Funds (BOS Funds); DAK Non-Physical Operational Assistance Funds for Early Childhood Education (BOP PAUD Funds); and DAK Non-Physical Assistance Funds Operational Implementation of Equality

Education (BOP Fund for Equality Education) and (3) Village Funds, in accordance with Minister of Finance Regulation (PMK) Number 198/PMK.07/2021 concerning Management of Special Physical Allocation Funds, PMK Number 128/PMK.07/2022 regarding changes to PMK Number 190/PMK.07/2021 concerning Management of Village Funds, and PMK Number 119/PMK.07/2021 concerning Management of Non-Physical Special Allocation Funds. Transfer of Physical DAK, Non-Physical DAK and Village Funds, KPPN as KPA of Physical DAK Distribution and Village Funds prepare financial reports at the UAKPA BUN level Transfer of Physical DAK and Village Funds.

The significance of this research is that it will add to the literature regarding how to transfer funds to the regions are carried out, especially in the 3 KPPN Metro partner regions, namely Metro City, East Lampung Regency and Central Lampung Regency. as well as examining how other factors affect the disbursement of village funds on 2022. Besides that, not many papers thoroughly discuss the implementation of the distribution of regional transfer funds. This article is also a comprehensive presentation on distributing physical DAK, profit-sharing funds and village funds consisting of direct cash assistance and village funds.

METHODOLOGY

This paper on Transfers of Physical DAK and Village Funds for Fiscal Year 2022 is a general purpose on the distribution of transfer funds in the form of (1) Physical DAK (in the form of Regular Physical DAK and Assigned Physical DAK), (2) Physical DAK Non-physical (in the form of: DAK Non-Physical School Operational Assistance Fund (BOS Fund); Non-Physical DAK Fund for Operational Assistance for the Implementation of Early Childhood Education (BOP PAUD Fund); and DAK Non-Physical Operational Assistance Fund for the Implementation of Equality Education (BOP Fund for Equality Education)); and (3) Village Funds, which are assigned to the Metro State Treasury Service Office as the KPA for the Distribution of Physical DAK and Village Funds.

The method is generated through the Agency Level Financial Application System (SAKTI), which is an application built to support the implementation of treasury and budgeting systems, commitment modules, payment modules, treasurer modules, inventory modules, fixed assets modules, accounting and reporting modules by utilizing resources and Information Technology.

Accounting Base & Accounting Policy on UAKPA - BUN Level Financial Statements Physical DAK Transfers and Village Funds apply the accrual basis in the preparation and presentation of the Balance Sheet, Operational Reports, and Reports of Changes in Equity, and apply the cash basis for the preparation and presentation of the Budget Realization Report. The accrual basis is the basis of accounting that recognizes the effects of transactions and other events, regardless of when cash or cash equivalents are received or paid. At the same time, the cash basis is the basis of accounting that recognizes the effect of transactions or other events when cash or cash equivalents are received or paid. It follows Government Accounting Standards (SAP), stipulated by Government Regulation 71 of 2010 concerning Government Accounting Standards.

Measurement establishes a monetary value for recognizing and including each item in the financial statements. The basis of measurement applied in preparing and presenting financial Statements at the UAKPA - BUN Level of Physical DAK Transfers and Village Funds is to use historical acquisition values (*Kantor Pelayanan Perbendaharaan Negara*, n.d.) Assets are recorded at the expenditure/use of economic resources or at the fair value of the consideration given to acquire these assets. Liabilities are recorded at the fair value of the economic resources used by the Government to fulfil the related obligations. Measurement of financial statement items using the rupiah currency. Transactions using foreign currencies are translated in advance and expressed in rupiah.

The preparation and presentation of UAKPA - BUN Level Financial Reports Transfer of Physical DAK and Village Funds as of 31 December for the 2022 Fiscal Year Unaudited refer to Government Accounting Standards (SAP). Accounting policies are the specific principles, foundations, conventions, rules and practices adopted by a reporting entity to prepare and present financial statements. In addition, in its preparation, the principles of sound financial management have been applied in the government environment. Important accounting policies used in the preparation of UAKPA - BUN Level Financial Reports Transfer of Physical DAK and Village Funds as follows:

1. Income- LRA

- a. LRA income is recognized when cash is received at the State General Treasury (KUN).
- b. LRA-income accounting is carried out based on the gross principle, namely by recording gross receipts and not recording the net amount (after compensation for expenses).
- c. LRA income is presented according to the classification of sources of income.

2. Revenue- LO

- a. LO revenue is recognized when the right to income arises or income is realized, i.e. there is an inflow of economic resources.
- b. LO-income accounting is carried out based on the gross principle by recording gross receipts and not the net amount (after compensation for expenses).
- c. Income is presented according to the classification of sources of income.

3. Shopping/Transfers

- a. Expenditure is recognized when cash disbursement from KUN or approval from the State General Treasurer/Proxy of the State General Treasurer.
- b. Returns on spending for the realization of expenditure for the current fiscal year are recognized when cash is received at the State General Treasury or approval from the State General Treasurer/Proxy of the State General Treasurer and reduces the value of the realization of expenditure for the current fiscal year.
- c. Returns on spending for the realization of the previous fiscal year are recognized when cash is received at the State General Treasury or approval from the State General Treasurer/Proxy of the State General Treasurer and presented as other income for the current fiscal year.
- d. Expenditure is presented according to economic classification/type of expenditure, and further classification based on organization and function is disclosed in the Notes to the Financial Statements.

4. Expense

- a. Expenses are recognized when liabilities arise and asset consumption occurs, a decline in economic benefits or service potential.
- b. Expenses are presented according to economic classification/type of expenditure or transfer and are disclosed in the Notes to the Financial Statements.

5. Asset

- a. Receivables from Physical DAK Transfers and Village Funds are recognized when the DAK Physical Transfer funds and Village Funds disbursed by the Central Government exceed the amount that belongs to the Regional Government or Village in the relevant fiscal year and has been determined as transfer receivables to regions and village funds based on the document for determination of over disbursement or overpayment following the Minister of Finance Regulation regarding the management of transfers to regions and village funds or equivalent documents.
 - b. The value of receivables for transactions above DAK Physical and Village Fund transfer channels is not calculated for allowance for uncollectible accounts. It is based on the consideration that the emergence of receivables is due to the recognition of receivables by the Central Government, which has gone through a process regulated in laws and regulations, and the control to collect by the Central Government is very large.
6. Obligation; Transfer Debts to Regions and Village Funds are short-term obligations that are recognized when Transfer funds to Regions and Village Funds disbursed by the Central Government are less than the amount that belongs to the Regional Government in the relevant fiscal year and has been designated as Debt Transfers to Regions and Village Funds based on the document determining the under disbursement or underpayment according to the Minister of Finance Regulation regarding the management of transfers to regions and village funds.
7. Equity; Equity is the difference between assets and liabilities in one period. Further disclosure of equity is presented in the Statement of Changes in Equity.

RESULTS

Income

Realized income for the period ended 31 December 2022 and 31 December 2021 Unaudited amounted to Rp. 0.- and Rp. 0.- respectively, which were the return on transfer spending of Physical DAK, Non-Physical DAK or Village Funds from the realization of the Fiscal Year ago, with details as follows:

Table 1. Income Realization

Revenue	2022	2021	Increase/ (Decrease)	%
Physical Special Allocation Fund (DAK Fisik)	0	0	0	0 %
Non-Physical Special Allocation Fund - School Operational Assistance Fund (DAK Non Fisik - Dana BOS)	0	0	0	0 %
Village Fund (Dana Desa)	0	0	0	0 %

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Revenue realization for the period ended 31 December 2022 decreased by Rp. or Village Fund 31 December 2022 Fiscal Year. The realization of the budget for distributing Transfer funds to the Regions and Village Funds in the form of Physical DAK, Non-Physical DAK, and Unaudited Village Funds for the 2022 Fiscal Year as a whole, as presented in Table 1 is IDR 1,292,929,105,990, - or 99.79% of the budget ceiling of IDR 1. 322,113,777,000,-

Realization of the budget for distributing Transfer funds to the Regions and Village Funds in the form of Physical DAK, Non-Physical DAK, and Village Funds for the 2022 Fiscal Year did not reach 100%, among others, due to:

- Need to improve coordination between APIP and the service or OPD.
- As of 31 December 2022, obstacles were still found related to the procurement of goods and services during the contract settlement process, resulting in not maximizing the distribution of Physical DAK, especially at the one-time-recommendation stage, resulting in 2 (two) Physical DAK contracts not being distributed.
- There were 2 (two) contracts with "local government-approved" status were not disbursed worth IDR 1,512,280,000, - because the local Government did not submit distribution documents to the OMSPAN application.
- 2022 will be the first year for KPPN Metro to distribute Non-Physical DAK (BOS and BOP Funds), so in the implementation of Non-Physical DAK distribution, there are still obstacles in the field, including the Regional Government and KPPN are still adapting to changing business processes and regulations in terms of Non-Physical DAK distribution which caused returns for non-physical DAK distributions to appear due to errors/inaccuracies in inputting school account details into the BOS Channels application. KPPN Metro has coordinated with the District Education and Culture Office in the working area of KPPN Metro.
- There was a non-distribution of village funds in one of the villages due to problems with village officials (the village head was involved in the process of criminal prosecution).

Realization of Distribution of Physical DAK Transfer Funds, Non-Physical DAK, and Village Funds for the 2022 Fiscal Year

Table 2. Realization of Distribution

Description	2022		
	Budget	Realization	% Real from budget
- (631111) Regular Physical DAK	287.025.671.000	272.252.489.436	94,85%
- (631212) DAK Physical Assignments	51.544.469.000	49.552.693.125	96,14%
- (63131) DAK Physical Affirmation	-	-	
DAK Physical	338.570.140.000	321.805.182.561	95,05%
Return of DAK Physical this year	-	-	
Net Physical DAK	338.570.140.000	321.805.182.561	95,05%
- (654311) BOS Funds	338.946.700.000	327.834.882.423	96,72%
- (654911) BOP PAUD Funds	38.498.400.000	38.110.624.000	98,99%
- (654912) BOP PK Funds	7.904.700.000	7.793.250.000	98,59%
BOS TAB Refund	-	(1.894)	
BOP TAB Refund	-	(11.039.000)	
Net Non-Physical DAK	385.349.800.000	373.727.715.529	96,98%
- (66211) Village Fund Transfers	598.193.837.000	597.396.207.900	99,87%
Village Fund Returns TAB	-	-	
Net Village Fund	598.193.837.000	597.396.207.900	99,87%
Total Physical DAK and Village Funds	1.322.113.777.000	1.292.929.105.990	97,79%

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Physical Transfer Non-Tax Revenue (Pnbp Receivables)

Unaudited non-Tax Receivables as of 31 December 2022 and 31 December 2021 amounted to Rp.0.- and Rp.1,411,494,400.-, respectively. Non-Tax Receivables are receivables for excess channel transfers of Physical DAK, Non-Physical DAK, and Village Funds following the document for determining overdrafts or equivalent documents.

During the period of the 2022 Fiscal Year, there was a mutation/change in the value of non-tax receivables in the form of a mutation of fewer receivables, as detailed below:

Table 3. Mutation/change in the value of non-tax receivables

Receivable Type	2022			2021 Fiscal Year
	End	Addition	Subtract	
Physical Special Allocation Fund (DAK Fisik)	0	0	0	0

Non-Physical Special Allocation Fund - School Operational Assistance Fund (DAK Non Fisik - Dana BOS)	0	0	0	0
Village Fund (Dana Desa)	0	0	1.411.494.400	1.411.494.400
Total	0	0	1.411.494.400	1.411.494.400

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Movement of less physical DAK receivables of IDR 0.- based on:

Table 4. Movement of DAK Receivables

Mechanism	Rp
Deposit through the State Revenue Module	0
SPM/SP2D Discount for Transfer Distribution	0
KMK of the DAU/DBH Budget, which accounts for receivables (and equity)	0
Total	0

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Movement of non-physical DAK receivables of IDR 0.- based on:

Table 5. Movement of non-DAK Receivables

Mechanism	Rp
Deposit through the State Revenue Module	0
SPM/SP2D Discount for Transfer Distribution	0
KMK of the DAU/DBH Budget, which accounts for receivables (and equity)	0
Total	0

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Movement of fewer receivables from the Village Fund of IDR 1,411,494,400, - based on:

Table 6. Movement of fewer receivables from the Village Fund

Mechanism	Rp
Deposit through the State Revenue Module	0
SPM/SP2D Discount for Transfer Distribution	0
KMK of the DAU/DBH Budget, which accounts for receivables (and equity)	1.411.494.400
Total	1.411.494.400

Source: * KMK Number 16/KM.7/2022

The addition of Physical DAK receivables of IDR 0.- (no additions) comes from the reclassification of adjustments to the transfer of Physical DAK transfers for the 2022 Fiscal Year based on the following:

Table 7. Reclassification of adjustments

KMK Nomor 10/KM.07/2022 on 2022	Rp0,-	expense Adjustment
Minutes of Reconciliation in 2022	Rp0,-	expense Adjustment

Source: * KMK Number 16/KM.7/2022

The addition of Non-Physical DAK receivables of IDR 0.- (no additions) came from the reclassification of equity adjustments to the Non-Physical DAK transfer expenses for the previous fiscal year based on:

Table 8. Reclassification of adjustments

KMK Nomor 10/KM.07/2022 on 2022	Rp0,-	expense Adjustment
Minutes of Reconciliation in 2022	Rp0,-	expense Adjustment

Source: * KMK Number 16/KM.7/2022

The addition of village fund receivables amounted to IDR 0.- (no additions) originating from the reclassification of equity adjustments to the village fund transfer burden for the previous fiscal year of IDR 0.- and the reclassification of adjustments to village fund transfer expenses for the 2022 Fiscal Year of IDR 0.- each based on:

Table 9. Reclassification of adjustments

KMK Nomor 16/KM.07/2022 on 2022	Rp0,-	expense Adjustment
Minutes of Reconciliation in 2022	Rp0,-	expense Adjustment

Source: * KMK Number 16/KM.7/2022

The details of the Rp0.- PNPB receivable balance as of 31 December 2022 Unaudited by recipient area and type of transfer are presented as follows:

Table 10. PNPB receivable balance

Receiving Area	Physical Special Allocation Fund (DAK Fisik)		Non - Physical Special Allocation Fund (DAK Non Fisik)			Village Fund	Sum
	Regular	Assignment	BOS	BOP PAUD	BOP PK		
Metro City	-	-	-	-	-	-	0
East Lampung Regency	-	-	-	-	-	-	0
Central Lampung Regency	-	-	-	-	-	-	0

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Third-Party Debt

Transfer Expenses

Transfer expenses up to 31 December for Fiscal Years 2022 Unaudited and 2021 amounted to IDR 1,292,929,105,990 and IDR 832,843,703,023, respectively, an increase of 55.24% to IDR 460,085,402,967. Transfer expenses of IDR 1,292,929,105,990, as shown in Table 9, are transactions for the realization of the transfer budget for DAK Physical, DAK Non-Physical and Village Funds (gross) amounting to IDR 1,292,940,146,884, - along with the realization of transfer returns for the current fiscal year amounting to IDR 11,040,894. (disclosed in letter F other important disclosures).

Table 11. Comparison of Transfer Expenses for Fiscal Years 2022 and 2021 Unaudited (in Rupiah)

Description	2022	2021	change	
			Up / (Down)	%
Realization of Transfer Expenditures				
- (631111) Regular Physical DAK	272.252.489.436	158.424.951.766	113.827.537.670	71,8%

- (63121) DAK Physical Assignments	49.552.693.125	80.100.515.057	-30.547.821.932	-61,6%
- (63131) Physical DAK Affirmation	-	-	-	-
Gross Physical DAK	321.805.182.561	238.525.466.823	83.279.715.738	34,9%
Physical DAK Return TAB	-	-	-	-
Net Physical DAK	321.805.182.561	238.525.466.823	83.279.715.738	34,9%
- (654311) BOS Funds	327.834.882.423	-	327.834.882.423	100,0%
- (654911) PAUD BOP Fund	38.110.624.000	-	38.110.624.000	100,0%
- (654912) BOP PK Funds	7.793.250.000	-	7.793.250.000	100,0%
Gross Non-Physical DAK	373.738.756.423	-	373.738.756.423	100,0%
Return of Non-Physical DAK TAB	(11.040.894)	-	-	-
Net Non-Physical DAK	373.727.715.529	-	373.738.756.423	100,0%
- (66211) Village Fund Transfers	597.396.207.900	594.318.236.200	3.077.971.700	0,5%
Gross Village Fund	597.396.207.900	594.318.236.200	3.077.971.700	
Village Fund ReturnsTAB	-	-	-	-
Net Village Fund	597.396.207.900	594.318.236.200	3.077.971.700	0,5%
Physical DAK, Non-Physical DAK and Gross Village Fund	1.292.940.146.884	832.843.703.023	460.096.443.861	55,24%
Shopping Returns Transfer TAB	(11.040.894)	-	-	-
Net Transfer Shopping-LRA	1.292.929.105.990	832.843.703.023	460.085.402.967	55,24%
Transfer Load Adjustment :				
Transfer load addition adjustment	-	-	-	-
Underload transfer adjustment	-	-	-	-
Load Adjustment Amount	-	-	-	-
Transfer-LO Expense	1.292.929.105.990	832.843.703.023	460.085.402.967	55,24%

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

No under-adjustments or additional adjustments to transfer expenses occurred on 31 December, Unaudited for the 2022 Fiscal Year (Ashfahany et al., 2020). A comparison of the difference between realized net transfer spending and transfer expenses – LO for the distribution of DAK Physical, Non-Physical DAK, and Village Fund transfers for the 2022 fiscal year is presented in Table 10 and Graph 2 as follows:

Table 12. Comparison of Expenditure Realization (Net) and Distribution Expenses for Physical DAK, Non-Physical DAK, and Funds Village 31 December Fiscal Year 2022 Unaudited

Description	Expense Net	Expenditure	Difference
Physical Special Allocation Fund (DAK Fisik)	321.805.182.561	321.805.182.561	0
Non-Physical Special Allocation Fund - School Operational Assistance Fund (DAK Non-Fisik - Dana BOS)	373.727.715.529	373.727.715.529	0
Village Fund (Dana Desa)	597.396.207.900	597.396.207.900	0
Total	1.292.929.105.990	1.292.929.105.990	0

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

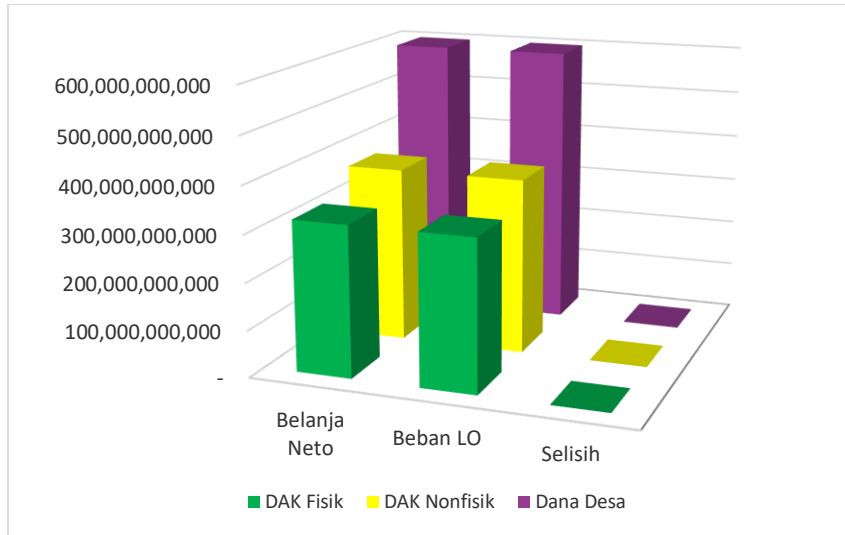


Figure 1. Comparison of Expenditure Realization (Net) and Fund Distribution Expenses Transfer of Physical DAK, Non-Physical DAK, Village Fund 31 December, Fiscal Year 2022 Unaudited

Explanation of Statement of Changes in Equity Items

Initial Equity

The initial equity value on 1 January 2022 and 2021 amounted to IDR 1,411,494,400 and IDR 1,411,494,400, respectively, representing the previous fiscal year's equity value.

LO surplus (deficit)

Total LO deficit for the period ending 31 December 2022 Unaudited and 2021 is a deficit of (Rp.1,292,929,105,990.-), and (Rp. 832,843,703,023.-) is a deficit from activities in the Operational Report. Other corrections in the Unaudited 2022 Fiscal Year of (Rp 1,411,494,400,-) are adjustments, reclassifications or corrections to asset and liability account values in the Balance Sheet or LO-income and expense account values made in adjusting journals manually by involving equity accounts that have an impact on the presentation of equity values. Details of other corrections amounting to (Rp 1,411,494,400) are as follows:

Table 13. Miscellaneous Corrections

Mechanism	Rp
Adjustment of undervalued equity and understated receivables	1.411.494.400
Adjustment of the added value of equity and added receivables	0
Total	1.411.494.400

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

The value of Inter-Entity Transactions for the periods ended 31 December 2022, and 2021 amounted to IDR 1,292,929,105,990, - and IDR 832,843,703,023, respectively, which were transactions involving two or more different entities, namely KPPN as UAKPA BUN Transfer DAK Physical and Village Funds and KPPN as BUN Authority. Details of Inter-Entity Transactions as of 31 December 2022 Unaudited consist of:

Table 14. Transactions Between Entities

Transaction Between Entities	Value
Received from Other Entities (DDEL)	0
Billed to Other Entities (DKEL)	1.292.929.105.990
Transfer In	0

Transfer Out	0
Total	1.292.929.105.990

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

The DKEL value of IDR 1,292,929,105,990 is a transaction of realization of transfers of Physical DAK, Non-Physical DAK and Village Funds following the SPM/SP2D or return of transfers of Physical DAK, Non-Physical DAK and Village Funds in the current period through SPM deposits or deductions /SP2D, with details as follows:

Table 15. Billed to Other Entities

Billed to Other Entities (DKEL)	Value
Physical Special Allocation Fund (DAK Fisik)	321.805.182.561
Non-Physical Special Allocation Fund - School Operational Assistance Fund (DAK Non-Fisik - Dana BOS)	373.727.715.529
Village Fund (Dana Desa)	579.396.207.900
Amount	1.292.929.105.990

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

The equity value on 31 December 2022 Unaudited and 2021 amounted to IDR 0.- and IDR 1,411,494,400, respectively, which are the net value of the entity's assets in the context of channelling funds for DAK Physical transfers, DAK Non-Physical –BOS Funds, and Village Funds.

DISCUSSION

From the explanation above, it can be seen that during transactions throughout 2022, we can conclude that all levels of channelling of transfer funds are working with the maximum effort so that these funds can reach those who are entitled to them with a distribution rate of 97.79%, different from the distribution in 2020 and 2021 which only reached distribution rates of 81.91% and 92.93% (Akbar, 2022). It is clear that all parties were maximizing their performance in 2022.

It needs to be appreciated by all parties and maintain the spirit of distribution to remain high, like in 2022. We may hope that all the central Government's dreams can improve welfare in the three partner areas of KPPN Metro, with distribution achievements at 97.79% being able to happen entirely. In previous research, it was known that from 2015 to 2018 it was said that the General Allocation Fund, which was part of the transfer funds to the regions, stated that the increase in funds led to an increase in economic growth (Ismail et al., 2019) in Indonesia, this supports the conclusions stated in this article.

Many factors influence this high level of disbursement. The author also agrees that the leadership of regional heads who apply transformational leadership (Akbar et al., 2016) is one of the factors that drive the level of realization of regional transfer fund distribution, plus other factors such as the ease of submitting distributions, good cooperation both between BPKAD and APIP and KPPN as well as other things that also affect the distribution. Hopefully, with the accuracy of this distribution, the people will get the most out of the State Revenue and Expenditure Budget, which is used for the greatest prosperity of the Indonesian people.

In addition to the conclusions that have been presented above, there are several interesting findings from the data on the realization of transfers to the regions in 2022, it is:

1. Following Minister of Finance Regulation Number Minister of Finance Regulation (PMK) Number 198/PMK.07/2021 concerning Management of Physical Special Allocation Funds, PMK Number 128/PMK.07/2022 concerning amendments to PMK Number 190/PMK.07/2021 regarding the Management of Village Funds, and PMK Number 119/PMK.07/2021 concerning the Management of Non-Physical Special Allocation Funds, the Metro State Treasury Service Office (KPPN) as the Budget User Authority for Distribution of Physical DAK Transfers and Village Funds distributes Physical DAK Transfers, Non-Physical DAK and Funds Village.
2. In 2022 the distribution ceiling was based on DIPA number DIPA-999.05.6.403610/2021 dated 28 January 2022 with an initial ceiling of IDR 1,326,108,477,000.- and a ceiling after revision of IDR 1,322,113,777,000.-.
3. Starting in 2022, KPPN Metro, as the Authority User for the Distribution of Physical DAK Transfers and Village

Funds, will start distributing Non-Physical DAK Transfers in the form of Non-Physical DAK for School Operational Assistance Funds (BOS Funds), Non-Physical DAK for Operational Assistance Funds for the Implementation of Early Childhood Education (BOP PAUD Funds), and Non-Physical DAK Operational Assistance Fund for Equality Education (BOP Fund for Equality Education), with an initial ceiling of IDR 389,344,500,000 and a ceiling after revision of IDR 385,349,800,000 or 29.15% of the total ceiling of DAK Physical, DAK Non-Physical, and Village Funds.

4. Distribution areas for Physical DAK transfers and Village Funds for the Metro State Treasury Service Office covering 3 (three) Regencies/Cities: Metro Municipality, Central Lampung Regency and East Lampung Regency. The addition of direct cash assistance funds can increase the independence of households still on the poverty line by opening a business according to the household's ability. There are seven successful sub-sectors in the Boalemo (Hinelo & Tantawi, 2022) area that the people of Metro City, Central Lampung Regency and East Lampung Regency.
5. In May 2022, there was a change in the Commitment Making Officer for the Distribution of Physical DAK and Village Funds, which was originally held by Mr Andi Kurnia (Head of the Bank Section Head of the Metro State Treasury Service Office), to become the new definitive official, namely Mrs Ellen Raduma.
6. Realization of DAK Physical, Non-Physical Dak and Village Fund transfers until 31 December 2022 Unaudited at the UAKPA BUN level from the budget ceiling allocation of IDR 1,322,113,777,000, -.
7. Correction: As of 31 December 2022, Unaudited, according to the Office Note of the Director of Budget Implementation Number ND-730/PB.D/2022 dated 25 July 2022 regarding Manual Journal of Village Fund Receivables, BOS Funds, and BOP Funds BUN Financial Report UAKPA Level Physical DAK Distribution and Funds Village Quarter III 2022, based on the Decree of the Minister of Finance Number KMK-16/KM.7/2022 concerning Amendment to KMK Number 13/KM.7/2022 concerning Withholding DAU FY 2022 for the Remaining Village Funds in the RKUD FY 2015 to FY 2019, has an adjustment journal for Village Fund Receivables amounting to Rp.1,411,494,400, - details as follows:

Table 16. Adjustment journal for Village Fund Receivables

Account and Description	Rupiah Debit	Rupiah Credit
391119 Other Correction (Debit)	1.411.494.400	
115239 Transfer Receivables to Regions and Other Village Funds (Credit)		1.411.494.400

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

This journal entry goes into Other corrections in the financial reporting period as of 31 December. Unaudited 2022 Fiscal Year of (Rp. 1,411,494,400, -) is an adjustment or correction to the value of the asset account in the form of village fund receivables and liabilities in the balance sheet or account value LO-revenues and expenses are made manually adjusting journals involving equity accounts that have an impact on the presentation of equity values (adjustment memo attached).

In the process of distributing Physical DAK, Non-Physical DAK and Village Funds for the 2022 Fiscal Year, there were several returns which had all been processed again before the set deadline of 20 returns with a total value of IDR 3,199,400,850, -, which consisted of 8 BOS Fund returns with a value of IDR 321,720,000, - 4 BOP Fund returns with a value of IDR 28,692,000, and 8 Village Fund returns with a value of IDR 2,848,988,400, - with the following details:

There are 8 BOS returns with a total value of IDR 321,720,000

Table 17. BOSS Return

Num.	Recipient's name	Amount	SP2D Description
1	69889010 SD AL QURAN MINHAJUTH THULLAB	45.630.000	Distribution of Regular BOS Funds KAB. LAMPUNG TIMUR Phase 1 for 747 schools according to recommendation letter number ND-59/PK.3/2022 dated 09-02-2022
2	10806516 UPTD SD NEGERI 1 SUMBERAGUNG	29,970,000	
3	10806517 UPTD SD NEGERI 1 SUMBERAGUNG	48,870,000	
4	10806183 UPTD SD NEGERI 5 BANDAR AGUNG	29,970,000	
5	69896325 SD AL QURAN MINHAJUTH THULLAB	48,870,000	
6	10806379 UPTD SD NEGERI 2 BANDAR AGUNG	77,220,000	

7	69913518 SD TUNAS BANGSA	35,910,000	Distribution of Regular BOS Funds KAB. LAMPUNG TIMUR Phase 3 for 748 schools according to recommendation letter number ND-690/PK.3/2022 dated 09-27-2022
8	10805869 SMP PGRI 2 BATANGHARI	5,280,000	
Total value		321.720.000	

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Most of the returns on BOS funds in the 2022 Fiscal Year were due to the similarity/similarity of school names, so the school accounts were switched. It was coordinated in FGDs and coordination meetings with the local Government and related agencies.

There are 4 BOS returns with a total value of IDR 28,692,000

Table 18. BOP Return

Num.	Recipient's name	Amount	SP2D Description
1	69971958 TK ANANDA	11,873,000	Distribution of BOP PAUD Funds KAB. TIMUR LAMPUNG Phase 1 for 847 education units according to recommendation letter number ND-169/PK.3/2022 dated 03-24-2022
2	69863073 MUTIARA JAYA	4,287,000	
3	69863326 TK SANTI ADNYANA	7,255,000	
4	69971528 TK ANANDA	5,277,000	
Amount		28.692.000	

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

The BOP Fund Return in the 2022 Fiscal Year was due to several things, including the similarities/similarity of school names, so the school accounts were switched. Besides, some schools were no longer active (closed) but were still included in the recipients of the 2022 BOP Funds.

There are 8 Village Fund returns with a total value of IDR 2,848,988,400

Table 19. Village Fund Returns

Num.	Recipient's name	Amount	SP2D Description
1	DESA TRIMULYO SEKAMPUNG	141,744,450	Village Fund Distribution KAB. EAST LAMPUNG Phase 2 of the 2020 FY for 263 Villages
2	KAMPUNG SURABAYA ILIR	199,262,400	Village Fund Distribution KAB. CENTRAL LAMPUNG Phase 2 FY 2020 for 301 Villages
3	DESA BUMI MAS	425,882,800	Village Fund Distribution KAB. EAST LAMPUNG Phase 1 of 2020 FY for 78 Villages
4	DESA TRIMULYO SEKAMPUNG	382,308,000	
5	KAMPUNG TANGGULANGIN	361,165,200	Village Fund Distribution KAB. CENTRAL LAMPUNG Phase 1 FY 2020 for 209 Villages
6	KAMPUNG SURABAYA ILIR	535,689,200	Village Fund Distribution KAB. CENTRAL LAMPUNG Phase 1 FY 2020 for 209 Villages
7	KAMPUNG KOTAGAJAH TIMUR	403,268,400	Village Fund Distribution KAB. CENTRAL LAMPUNG Phase 1 FY 2020 for 65 Villages
8	KARYA BASUKI	399.668.400	Village Fund Distribution KAB. EAST LAMPUNG Phase 1 of 2020 FY for 51 Villages
Amount		2.848.988.850	

(Source: Own Calculation data from OMSPAN Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Most of the returns occurred due to inactive accounts, so the KPPN immediately coordinated with the Regional Government regarding repairs and submission of completion of returns so that the same mistakes would not be repeated.

Shopping Returns

In distributing Physical DAK, Non-Physical DAK and Village Funds for the 2022 Fiscal Year, there were five expenditure returns with a total of Rp. 11,040,894, - a return of BOP PAUD Funds of Rp. 11,039,000 and a return of BOS Funds of Rp. 1,894, - all of which have been recorded following the details as follows:

Table 20. BOS Refund

Num.	Name of Treasurer/Depositor	Value (Rp)	Description
1	SD NEGERI 4 METRO PUSAT	1.894	Return of excess BOS Funds Phase 2 FY 2022

(Source: Own Calculation data from OMSpan Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

Refunds on spending on BOS Funds in the form of deposits for excess disbursements received by SD Negeri 4 Central Metro City.

Table 21. BOP Refund

Num.	Name of Treasurer/Depositor	Value (Rp)	Description
1	PAUD MUTIARA BUNDA	347.000	Refund of BOP PAUD Phase 2 FY 2022
2	PAUD/KOBER IT AN NAWAWI	6.075.000	Refund of BOP PAUD Phase 2 FY 2022
3	TK TUNAS KARTIKATAMA	1.944.000	Refund of BOP PAUD Phase 2 FY 2022
4	PAUD SAKURA	2.673.000	Refund of BOP PAUD Phase 2 FY 2022
Jumlah		11.039.000	

(Source: Own Calculation data from OMSpan Application (<https://spanint.kemenkeu.go.id/>), Minister of Finance)

The return of BOP PAUD was since the school mentioned above was no longer actively operating but was still on the list of schools that received BOP PAUD funds so that the return and coordination of the Office and the Regional Government are carried out regarding the process of updating data so that something similar does not happen in the next period (proof of return deposit attached).

CONCLUSIONS

From this research, we can conclude that all local governments within the working area of KPPN Metro work optimally in channelling transfer funds to the regions from the central Government. As stated in the written abstract, in 2022, there was an absorption of funds of 97.79% of the total budgeted funds. In reality, 2.21% of funds have not been absorbed, but this is not significant because the total funds are not absorbed just under 5% of the overall budgeted ceiling. With an absorption of 97.79%, with the description presented above in detail, it is hoped that the development of the 3 KPPN Metro partner regions can be maximized with the assistance of the fiscal capacity of their respective regions. The cooperation of all parties can encourage and increase the influence of the funds that have been absorbed to reach all people in the region.

LIMITATIONS AND ACKNOWLEDGMENTS

This paper is limited to 3 districts covered by the KPPN Metro payment area, with data collected for only one year, 2022. In the future, it is hoped that similar writings can further expand the research location and more complete realization data, in addition to the interview process with related parties, to be better and more in-depth.

In making this paper, the authors would like to thank those who helped so that this journal could be completed, both the Internal Directorate General of the Treasury and the Regional Government who took the time to answer the author's questions, as well as the Academic Community at the State University of Gorontalo.

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