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**SYSTEM EVALUATION AND ACCOUNTING PROCEDURES FOR
DISBURSING CASH USING SUPPLY MONEY (UP) AT THE SOUTH
HALMAHERA REGENCY SOCIAL SERVICE**

**Betania RUNTUKAHU¹, Stanley Kho WALANDOUW², Wulan D.
KINDANGEN³**

^{1,2,3}Faculty of Economics and Business, Sam Ratulangi University, Manado,
Indonesia

Corresponding author: Betania Runtukahu

E-mail : betaniaruntukahu6@gmail.com

Abstract:

SKPD accounting systems and procedures include processes that start with recording, summarizing, and reporting finances in APBD accountability. Cash disbursement is a resource component that is very important in implementing programs for development planned by a local government. Supply Money is a work advance in a certain amount given to the Expenditure Treasurer (BP) to finance the daily operational activities of the Work Unit or to finance expenses which, according to their nature and purpose, are not possible to do through a direct payment mechanism. The goal to be achieved by researchers is to evaluate the application of systems and accounting procedures for cash disbursements using supply money (UP) at the South Halmahera Regency Social Service by Minister of Home Affairs Regulation (Permendagri) No. 77 of 2020. The method of analysis in this study is descriptive qualitative analysis. The results of the study show that the System and Procedures for Supply Money (UP) at the South Halmahera Regency Social Service are not by Minister Of Home Affairs Regulations Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management, because there are several procedures, namely procedures for Warrants for Paying Supply Money (SPM-UP) and procedures Inappropriate Warrant for Disbursement of Supply Funds (SP2D-UP) and no Verification Letter from the Financial Administration Officer (PPK-SKPD) attached.

Keywords: Evaluation, Systems and Procedures, Cash Disbursements, Inventory Money

INTRODUCTION

Regional financial management includes supervision and accountability for the implementation of the APBD. In order to effectively manage one's regional finances, every region's income must be maximized to maximize prospective income and advance the area's growth. Domestic Government Regulation (PERMENDAGRI) No. 77 of 2020 concerning Technical Guidelines for Regional Financial Management states that accounting procedures established within regional government include accounting procedures for cash receipts, cash disbursements, and accounting for assets and accounting for other than assets. The cash disbursement accounting system and procedures consist of four subsystems, namely the cash disbursement subsystem for inventory money (UP), the cash disbursement subsystem for exchange money (GU), the additional cash disbursement subsystem for inventory money (TUP) and the direct cash disbursement subsystem (LS).

SKPD accounting systems and procedures include processes that start with recording, summarizing, and reporting finances in APBD accountability. In the regional government structure, regional work units are accounting work units required to record transactions in a work



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environment. When carrying out government actions, regional financial systems and procedures are cash payment systems, a series of manual and cash payment processes. Computerization begins with recording, classifying and summarizing transactions and financial events that lead to financial reporting. The cash disbursement accounting system is a unit of elements that work together, including related functions, documents and records used, and the internal control system that regulates the cash disbursement system. Cash is the nominal value of cash, which can be equated with cash and deposit balances in banks and used at any time to finance regional government activities.

Cash expenditure is an essential resource component in implementing development programs planned by a local government. A cash disbursement mechanism with systems and procedures must be adjusted to applicable regulations. A system is a network of procedures created according to a unified pattern to carry out an organization's main activities. In contrast, a procedure is an activity that must be created to ensure uniform handling of repetitive organizational transactions. Cash disbursement must be implemented in a local government agency by applicable regulations to know the effectiveness of the systems and procedures to facilitate the cash disbursement process. Supply Money (UP) is a working advance payment in a certain amount given to the Expenditure Treasurer (BP) to finance the daily operational activities of the Working Unit or to finance expenditures which, according to their nature and purpose, are not possible through a direct payment mechanism.

The Social Service of South Halmahera Regency, North Maluku Province, is a regional government work unit operating in the community social sector to manage regional finances. There must be a system and procedure for disbursing cash and inventory money (UP), cash held in the SKPD treasurer and only given once a budget year; the amount depends on regional policy. However, there is a problem, namely the change in regulation PP No. 12 of 2019 concerning regional financial management, to become Permendagri No. 77 of 2020 concerning technical guidelines for regional financial management, which is a derivative of PP No. 12 of 2019. Technically, there are slight changes in the structure and performance of each budgeting document, which is expected to improve the quality of performance-based budgeting and realize synchronization between planning and budgeting, which has yet to be achieved. There is a delay in issuing orders to pay stock money (SPM-UP), slowing down the process of disbursing funds due to insufficient knowledge of applicable procedures and provisions such as administration mechanisms. So, the author is interested in conducting research titled "Evaluation of the Implementation of Cash Disbursement Accounting Systems and Procedures Using Money Supply (UP) at the South Halmahera Regency Social Service."

METHODS

The type of research that will be carried out is descriptive research. Descriptive research is a form of research aimed at describing existing phenomena, both natural phenomena and artificial phenomena. The analytical method in this research is qualitative descriptive analysis, namely by describing the reality and conditions of an object in the form of sentence descriptions based on information from parties directly related to this research. Interviews, observation, and documentation were carried out using data collection methods. The analysis process used is:

1. In the first stage, the researcher will collect and record all data according to the interview results in a general description of the system and procedure for cash disbursement of inventory money.
2. In the second stage, after collecting all the necessary data, the researcher evaluates the interview results related to the cash disbursement accounting system and procedures using inventory money (UP).



3. In the third stage, researchers conclude from all the data obtained about whether the South Halmaherah Regency Social Service has implemented accounting systems and procedures for cash disbursements with money supplies following Minister of Home Affairs Regulation No. 77 of 2020 concerning Technical Guidelines for Regional Financial Management.
4. In The fourth stage, the researcher provides suggestions if something is found that can be improved to make it better.

RESULT AND DISCUSSION

Cash Disbursement Accounting System Using Money Inventory (UP). Based on the results of interviews at the South Halmahera Regency Social Service that researchers conducted with Mrs. Siti Khotijah, M. AG as Secretary.

"The accounting system mechanism used for disbursement of cash for supplies at the South Halmahera Regency Social Service uses shopping notes for goods and services required by the Social Service."

Based on the results of interviews at the South Halmahera Regency Social Service that researchers conducted with Mrs. Bujuna Isk Alam, SE, as the Administration and Finance Subdivision.

"The accounting system used for cash disbursement for supplies at the South Halmahera Regency Social Service uses shopping notes for goods and services required by the Social Service."

Based on the results of an interview at the South Halmahera Regency Social Service, which the researcher conducted with Mr. Muhammad Randi, S. Kom as Treasurer.

"The accounting system used for disbursing cash for supplies is shopping notes for goods and services required by the Social Service."

The cash disbursement accounting system at the Halmahera Regency Social Service uses shopping notes for goods and services required by the Social Service.

Cash Disbursement Procedures. Based on the results of interviews at the South Halmahera Regency Social Service that researchers conducted with Mrs. Siti Khotijah, M. AG as Secretary.

"The cash disbursement procedures used by the South Halmahera Regency Social Service are based on the accounting system established by the Ministry of Finance, namely recording, classifying, analyzing, summarizing, and reporting financial transactions."

Based on the results of interviews at the South Halmahera Regency Social Service that researchers conducted with Mrs. Bujuna Isk Alam, SE, as the Administration and Finance Subdivision.

"The cash disbursement procedures used are those of the accounting system established by the Ministry of Finance, namely recording, classifying, analyzing, summarizing, and reporting financial transactions."

Based on the results of an interview at the South Halmahera Regency Social Service, which the researcher conducted with Mr. Muhammad Randi, S. Kom as Treasurer.

"The cash disbursement procedures are recording, classifying, analyzing, summarizing and reporting financial transactions."

The cash disbursement procedures used by the South Halmahera Regency Social Service are by the accounting system that has been established by the Ministry of Finance, namely:

1. Take notes
2. Classify
3. Analyze
4. Summarize



5. Report financial transactions

Procedure for Payment Orders – Stock Money (SPP – UP). The procedure for Payment Orders - Supplies Money (SPP-UP) at the South Halmahera Regency Social Service is carried out by:

1. After the APBD document has been ratified by regional regulations by the Budget Committee from both the Regional Government and the DPRD in the appropriate year, the Regional Financial Management Officer as Regional General Treasurer sends a notification letter regarding the amount of Reserve Money (UP) to each SKPD.
2. The expenditure treasurer makes SPP-UP through the Regional Government Information System (SIPD) application in the amount of UP determined based on the Regional Head's Decree.
3. After the Expenditure Treasurer makes the SPP-UP, the SKPD Administration Officer verifies the SPP-UP after verification and is submitted to the Budget User.

Table 1. Payment Warrant – Supply Money (SPP-UP)

1. Type Of Activity	:	a. Salaries and Allowances b. Goods and Services c. Return On Income d. Other
2. SKPD	:	1.06.01 Sosial Services
3. Work Unit	:	1.06.01.01 Sosial Services
4. SKPD/Work Unit Address	:	
5. Government Affairs	:	1.06 Mandatory Basic Social Services
6. Program Name	:	
7. Name Of Activity	:	
8. Company Name	:	
9. Form Of Company	:	
10. Company's Address	:	
11. Name of the Head of the Company	:	
12. Name and Bank Account Number	:	Request UP
14. Fork Work/Needs	:	
15. Expenditure Basis	:	
No		
I		DPA-SKPD/DPPA-SKPD/DPAL-SKPD Date: 03/01/2022 Number : Rp. 4.065.636.198
II		SPD Date: Number: Rp. 4.065.636.198
III		SP2D SP2D Allotment GU SP2D Allotment LS SP2D Allotment TU SP2D Nil Allotment

Procedure for Payment Order – Stock Money (SPM – UP). The procedure for Payment Orders - Stock Money (SPM - UP) at the South Halmahera Regency Social Service is carried out by:

1. Based on the SPP-UP submitted by the PPK Expenditure Treasurer, verify the suitability of the UP with the Regional Head's Decree.



2. After the PPK SKPD declares verification, prepare a draft of the SPM-Sgaran. If it does not comply with the PPK-SKPD, they will return the SPP-UP, write a rejection letter of the SPM-UP, and then submit it to the Expenditure Treasurer.
3. Budget Users sign and issue SPM-UP two days after the verification process carried out by PPK-SKPD is declared complete and valid. It is to be submitted to BUD accompanied by a Statement of Submission of SPP-UP and SPM-UP.

Table 2. Pay Order – Supply Money (SPM – UP)

Fiscal Year: 2022		SPM No :	
Power of General Treasurer of the South Halmahera District Government		Pieces	
Order to issue SP2D to :		No.	Description
			Amount
			Rp. 0
		Information:	
SKPD:	Social Services	No.	Description
Treasurer / Third Party *)	:		Amount
Bank Account No	:		Rp. 0
Bank Name	:		
NPWP	:		
Dasar Pembayaran	:		
Payment Basis:			
Request For Payment Of Supply Money (UP) To			
The South Halmahera District Social Service For			
The 2022 Fiscal Year			
Loading on activity codes		SPM paid	
Activity Code	Description	Mark	Requested
			Amount
	Amount	Rp. 50.000.000	Rp. 50.000.000
			Number Of Pieces
			Rp. 0
			Net Amount
			Rp. 50.000.000
			Amount Paid
			Rp. 50.000.000
The amount of SPP requested is Rp. 50.000.000			
SPP number and date			

Procedure for Fund Disbursement Order (SP2D). The procedure for a Fund Disbursement Order (SP2D) at the South Halmahera Regency Social Service is carried out by:

1. After the Budget User submits the SPP-UP, Statement of Submission of SPP-UP, and SPM to the Regional Financial Management Officer as Regional General Treasurer, the Regional General Treasurer will verify the submitted documents.
2. If the verification process is discrepant or incomplete, BUD will return the SPM document no later than one day after it is received.
3. If declared complete, BUD will issue SP2D to prepare for disbursing funds through Bank North Maluku.

Table 3. Fund Search Warrant (SP2D)

No. SPM: 113	From :
Date: 2 June 2022	NPWP :
SKPD/Work Unit: Social Services	Date :
	Fiscal Year: 2022



Sending bank :

To: Social Services

NPWP :

No. Bank Account :

Recipient Bank :

Need For :

No	Account	Description	Amount
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SP2D Paid

Amount paid :

Accountability Report Procedure (LPJ). The Accountability Report (LPJ) to the South Halmahera Regency Social Service is carried out by:

1. For each application for Reimbursement of Money (GU), the Expenditure Treasurer will prepare an accountability report for Supply Money (UP), collect the notes listed in the General Cash Book (BKU) within the appropriate month for the process of preparing the UP accountability report
2. UP accountability reports are submitted to Budget Users through PPK-SKPD

Table 4. Accountability Report

Description	Budget	Realization	Total
Regional Income	130.000.000	153.558.000	23.558.000
Locally-Generated Revenue	130.000.000	153.558.000	23.558.000
Regional Levies	130.000.000	153.558.000	23.558.000
Regional Shopping	3.613.185.586	3.217.994.891	(395.190.695)
Operating Expenses	3.584.128.586	3.186.194.891	(361.933.695)
Employee Spending	2.010.283.153	1.838.827.869	(171.455.284)
Shopping For Goods and Services	798.773.933	664.438.222	(134.335.711)
Grant Spending	69.719.850	68.177.300	1.542.550
Social Assistance Spending	669.351.650	614.751.300	54.600.150
Capital Expenditure	65.057.000	31.800.000	33.257.000
Surplus/Deficit	(3.483.185.586)	(3.064.436.891)	418.748.695
Remaining More/Less	(3.483.185.586)	(3.064.436.891)	418.748.695

Table 5. Comparative evaluation of Cash Disbursement Accounting Systems and Procedures using Reserve Money (UP) between Minister of Home Affairs Regulation (PERMENDAGRI) Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management and actual activities at the South Halmahera Regency Social Service.

Table 5. Comparative Evaluation of Cash Disbursement Accounting Systems and Procedures using Reserve Money (UP)

Systems and Procedures	PERMENDAGRI Number 77 of 2020	South Halmahera Regency Social Service	Information
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SPP-UP	<p>1) The Expenditure Treasurer prepares SPP-UP by the UP amount determined based on the Regional Head's Decree</p> <p>2) The Expenditure Treasurer submits a request for UP payment to the Budget User via PPK-SKPD</p>	<p>1. After the APBD document has been ratified by regional regulations by the Budget Committee from both the Regional Government and the DPRD in the appropriate year, the Regional Financial Management Officer as Regional General Treasurer sends a notification letter regarding the amount of Reserve Money (UP) to each SKPD</p> <p>2. The expenditure treasurer makes SPP-UP through the Regional Government Information System (SIPD) application by the amount of UP that has been determined based on the Regional Head's Decree</p> <p>3. After the Expenditure Treasurer makes the SPP-UP, the SKPD Administration Officer verifies the SPP-UP after verification and is submitted to the Budget User</p>	In accordance
SPM-UP	<p>1) Based on the SPP-UP submitted by the Expenditure Treasurer, PPK-SKPD verifies the UP amount's suitability with the Regional Head's Decree.</p> <p>2) If the verification results are declared appropriate, PPK-SKPD prepares a draft UP Payment Order, which is documented in the SPM-UP draft and must be signed by the Budget User.</p> <p>3) The PA signs and issues the SPM-UP no later than 2 (two) days after the verification process is declared complete and valid, to be then submitted to the BUD Authority, accompanied by:</p> <p>a) PA Statement of Absolute Responsibility</p> <p>b) PPK-SKPD Verification Statement Letter.</p>	<p>1. Based on the SPP-UP submitted by the PPK Expenditure Treasurer, verify the suitability of the UP with the Regional Head's Decree</p> <p>2. After the PPK SKPD declares verification, prepare a draft SPM-Sgaran. If it does not comply with the PPK-SKPD, they will return the SPP-UP, write a rejection letter of the SPM-UO, and then submit it to the Expenditure Treasurer.</p> <p>3. Budget Users sign and issue SPM-UP no later than two days after the verification process carried out by PPK-SKPD is declared complete and valid, to be submitted to BUD accompanied by a Statement of Submission of SPP-UP and SPM-UP</p>	It is not by
SP2D	<p>a. Based on the SPM submission by the PA/KPA accompanied by a Statement of Verification of PPK-SKPD/PPK-SKPD Units and a Statement of Absolute Responsibility of the PA/KPA, the</p>	<p>1. After the Budget User submits the SPP-UP, Statement of Submission of SPP-UP and SPM to the Regional Financial Management Officer as Regional General Treasurer, the Regional General</p>	It is not by

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BUD Authority carries out verification using the following steps:

- 1) Examining the DPA document to ensure that related expenditure does not exceed the remaining budget;
- 2) Examining SPD documents to ensure funds for related expenditures have been provided;
- 3) Examining and ensuring the completeness of the documents required for SPM submission;
- 4) Test the correctness of calculating bills for APBD Expenses stated in the payment order.

b. The BUD authority does not issue SP2D submitted by PA and KPA if:

- 1) not accompanied by a Statement of Absolute Responsibility of PA/KPA;
- 2) not accompanied by a Statement of Verification of PPK-SKPD/PPK SKPD Units, which is accompanied by a document completeness checklist; And
- 3) the expenditure is less than the remaining budget, and funds are unavailable.

c. In the event of discrepancies and incompleteness in the verification process, the BUD Authorized Person will return the SPM documents 1 (one) day after receiving the SPM.

d. If the verification process is complete, the BUD Authority issues a Fund Disbursement Order, which is documented in the SP2D.

LPJ

1) At each GU application, the Expenditure Treasurer prepares the LPJ for UP use
The UP Use Accountability Report is submitted to Budget Users via PPK-SKPD as an attachment to the SPP-GU submission, accompanied by complete and valid evidence.

Treasurer will verify the documents submitted

2. If there is a discrepancy or incompleteness in the verification process, BUD will return the SPM document no later than one day after the SPM is received

If declared complete, BUD will issue SP2D to be ready to disburse funds through Bank North Maluku.

1. For each application for Reimbursement of Money (GU), the Expenditure Treasurer will prepare an accountability report for Supply Money (UP), collect the notes listed in the General Cash Book (BKU) within the appropriate month for the process of preparing the UP accountability report

It is not by

UP accountability reports are submitted to Budget Users through PPK-SKPD

Based on table 5 also shows that the system and procedures for the mechanism for Orders to Pay Stock Money (SPM-UP) and Orders for Disbursement of Funds (SP2D) at the South Halmahera Regency Social Service are not by Minister of Home Affairs Regulation Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management. Where the SPM-UP is carried out Based on the SPP-UP submitted by the PPK Expenditure Treasurer, verifying the suitability of the UP with the Regional Head's Decree; after the verification is declared to be by the PPK, the SKPD prepares a draft SPM; if it is not by the PPK-SKPD, it will return the SPP-UP and write a letter of rejection of the SPM -The UO is then submitted to the Expenditure Treasurer, the Budget User signs and issues the SPM-UP no later than two days after the verification process carried out by the PPK-SKPD is declared complete and valid, to be submitted to the BUD accompanied by a Statement of Submission of the SPP-UP and SPM- UP. Then, SP2D is carried out. After the Budget User submits the SPP-UP, Statement of Submission of SPP-UP and SPM to the Regional Financial Management Officer as Regional General Treasurer, the Regional General Treasurer will verify the documents submitted; if there are discrepancies or incompleteness in the verification process, BUD will return the SPM document no later than one day after the SPM is received, if it is declared complete, BUD will issue an SP2D to be ready to disburse funds through Bank North Maluku.

CONCLUSION

From the results of research on Cash Expenditure Accounting Systems and Procedures using Stock Money (UP) at the South Halmahera Regency Social Service, it can be concluded as follows:

1. The accounting system mechanism used to disburse cash for supplies at the South Halmahera Regency Social Service uses shopping notes for goods and services required by the Social Service.
2. The Provision Money (UP) procedure at the South Halmahera Regency Social Service does not follow Minister of Home Affairs Regulation Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management, namely the procedure for Orders to Pay Supplies Money (SPM-UP) and the Procedure for Orders for Disbursement of Supplies Money Funds (SP2D-UP) due to not attaching a verification letter from the Financial Administration Officer (PPK-SKPD).

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