

Proposing an Efficient and Democratic Policy of General Election Budget for Promoting Local Fiscal Autonomy

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Abstract. This research aims to generate general picture of Direct Election for Regional Leader's (Pemilukada) funding, identify the main problem concerning Pemilukada budget, and suggest practical recommendation on managing Pemilukada budget. This is a qualitative research, using the data collection techniques of in-depth interview and Focus Group Discussion, as well as document analysis on Pemilukada budget and Regional Budget (APBD). The location of the research is in Solok and Bandung District. Both are chosen based on their characteristic of Pemilukada budget best practice and their regional fiscal capacity. The result of this research is a model for Pemilukada budget as instructed by the Law that at present has not been effective in minimizing various problems concerning the implementation of general election at regional level. Pemilukada is budgeted in APBD, heavily encumbering regional finance; therefore regional government's work plan should be rationalized on the fiscal year of Pemilukada. Recommendation for a model for funding Pemilukada is to budget Pemilukada through National Budget (APBN).

Keywords: APBD, budget policy, fiscal capacity, pemilukada, pemilukada budget

Abstrak. Penelitian ini bertujuan untuk memperoleh gambaran umum tentang pembiayaan Pemilihan Umum Kepala Daerah (Pemilukada), mengidentifikasi persoalan utama yang terkait dengan anggaran Pemilukada, dan memberikan rekomendasi praktis pengelolaan anggaran Pemilukada. Penelitian ini menggunakan pendekatan kualitatif dengan teknik pengumpulan data melalui wawancara mendalam dan kelompok diskusi terfokus serta melakukan analisis dokumen pembiayaan Pemilukada dan Anggaran Penerimaan dan Belanja Daerah (APBD). Lokasi penelitian ini adalah Kota Solok dan Kabupaten Bandung. Keduanya dipilih melalui karakteristik best practice pembiayaan Pemilukada dan berdasarkan kapasitas fiskal daerah. Hasil penelitian ini adalah model penganggaran Pemilukada yang diamanatkan oleh Undang-Undang saat ini belum efektif dalam meminimalisir pelbagai persoalan dalam pelaksanaan pesta demokrasi di tingkat daerah. Pemilukada yang dianggarkan dalam APBD sangat membebani keuangan daerah, sehingga rencana kerja pemerintah daerah sebaiknya dirasionalisasi pada tahun anggaran diadakannya Pemilukada. Rekomendasi untuk model pembiayaan anggaran Pemilukada adalah Pemilukada sebaiknya dianggarkan melalui Anggaran Penerimaan dan Belanja Negara (APBN).

Kata kunci: anggaran pemilukada, APBD, kebijakan anggaran, kapasitas fiskal, pemilukada

INTRODUCTION

The inadequacy of fiscal space is the most recent problem for fiscal decentralization of the present era of regional autonomy. As has been widely known, some regions are highly dependent on fiscal balance fund from the central government. On average, up to 70% of financial resource for APBD at region emanates from this fiscal balance fund.

The inadequacy of regional fiscal space limits the funding of regional development since the funding of Pemilukada practically reduces the fiscal space emanated from PAD and DBH. Ironically, this expense for Pemilukada does not only affect regional fiscal capacity, but also reduces public service expenditures allocation including expenditures for education and health as shown in chart 1.

As one of the instruments of regional autonomy success, fiscal decentralization and regional fiscal capacity belong to strategic issue that should be wisely handled. However, no study has ever been conducted, showing that fiscal capacity of a region would be disturbed by

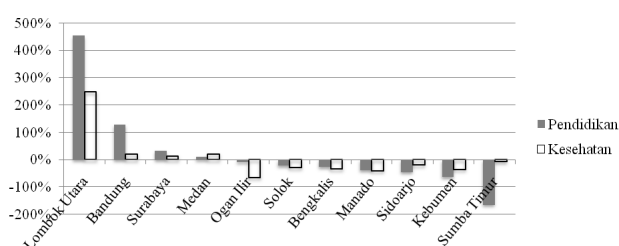


Chart 1. Trend of Direct Expenditures for Education and Health in Pemilukada Year in 14 Regions in Indonesia

Sources: 2010 Research Report of National Secretariat – FITRA on Pemilukada Budget

a direct Pemilukada. Moreover, it cannot be denied that one of the key factors determining the quality of a Pemilukada is funding aspect (budget policy). Reflecting on 2004 and 2009 General Election, the management of General Election budget was quite defective, negatively implicated on the quality and level of public trust towards the result of General Election.

Referring to the budget concept in public sector, Mardiasmo (2002) elaborates that the budgeting process of public sector organization begins once the formulating and planning of strategy have been finished. Public sector budget is significant for some reasons. First, budget is a government instrument in directing socio-economic development, ensuring continuity and escalating quality of people's lives. Second, budget is required since choices of people are always infinite and ceaselessly developing despite the scarcity of sources. Moreover, budget is required to convince the government that it has paid its responsibility towards society. Public sector budget such as *Pemilukada* budget is an accountability implementation instrument of existing public institutions. Therefore, on the basis of this definition, *Pemilukada* implementation is budgeted by regional government through Regional Revenues and Expenditures Budget (APBD).

Further, Mardiasmo (2004) elaborates that public sector budget possesses some main functions, namely as instrument of planning, instrument of monitoring, instrument of fiscal policy, instrument of politics, instrument of coordination and communication, instrument of performance assessment, instrument of motivation and instrument of creating public sphere. Meanwhile, Halim (2007) mentions some principles of budget implementation in public sector. First, authorization of the legislative, meaning that public sector requires authorization of the legislative before the executive can expense the budget. Second, comprehensive, meaning that budget must show all revenues and expenses of government. Therefore, non-budgetary fund basically violates comprehensive budget principles including (1) budget comprehensiveness (all government revenues and expenses must be gathered in general fund), (2) non-discretionary appropriation (the sum approved by the legislative must be used economically, efficiently, and effectively), (3) periodic (budget is a periodic process, be it yearly or multi-yearly), (4) accurate (budget estimation must not include hidden reserve that can be turned into spots of budget inefficiency that can evoke underestimation of revenues and overestimation of expenses), (5) clear (budget must be simple, easily comprehended by people, and not baffling), and (6) publicly known (budget must be informed to society).

Budgeting system is a logical, systematic and standardized system comprised of intertwined work procedures and guidance. Bastian (2011) mentions five kinds of budgeting systems publicly accepted, namely line item budgeting, incremental budgeting, Planning, Programming and Budgeting System (PPBS), Zero Based Budgeting (ZBB), and performance budgeting. These budgeting systems can be grouped in traditional and new public management budgeting. Traditional budgeting includes line item budgeting and incremental budgeting, while new public management budgeting includes Planning and Budgeting System (PPBS), Zero Based Budgeting (ZBB), and performance budgeting.

Concerning the funding source of *Pemilukada* from APBD, and the structure and mechanism of *Pemilukada* budget arrangement, the Ministry of Internal Affairs takes the stance by releasing Regulation of Minister of

Internal Affairs Number 57 Year 2009 on the Guidance for Management of *Pemilukada* Expenditures. This regulation warrants regional duty to allocate *Pemilukada* budget in APBD, although it has not been stipulated or has been stipulated without allocation. Meanwhile, the *Pemilukada* grant expenses as mentioned in Article 3 of Government Regulation Number 57 Year 2009 are used for some necessities including honorarium, overtime allowance, and provisions of goods and services.

A research on efficient and democratic *Pemilukada* budget policy to stabilize fiscal capacity of region is important, since there has not been any specific study or analysis on regional expenditures budget, aiming to formulate the means of *Pemilukada* budget optimization to prevent misuse of public expenses allocation. Budget discussion is conducted in allocation phases which tend to be technocratic and political. The study specifically analyzing and comparing *Pemilukada* budget and Public Sector Expenditures Budget has never been theoretically and systematically conducted. Such analysis is done not to evoke various new demands in the name of people, nonetheless must be regarded as a comprehensive study to build a systematic information from various aspects and efficient and democratic models of *Pemilukada* budgeting to confer better understanding of significant issues, among others (1) availability of resources for use by region in *Pemilukada* budgeting, (2) inadequacy of institutions involved in *Pemilukada* budgeting, and (3) some priorities often collided with each other in budgeting process related to the effort of escalating greater efficiency and benefit of budget for society in public service expenses.

Based on the phenomenon and complexity of *Pemilukada* budgeting mentioned above, it is interesting to conduct such study to discover a model for efficient and democratic *Pemilukada* funding that does not affect regional fiscal capacity. This research is conducted in two regions performing *Pemilukada* in 2010 selected for best practice criterion in *Pemilukada* funding and based on regional fiscal capacity. These two regions are Solok City and Bandung District. This research will answer to two key questions, namely (1) how general picture concerns with *Pemilukada* funding, (2) what is the main problem concerning *Pemilukada* budget, and (3) how the model for *Pemilukada* funding unburdens regional budget so that regional fiscal independency can be materialized.

RESEARCH METHODS

This research employs qualitative approach. Marshall and Rossman (1999) states that qualitative approach is employed to systematically study and describe specific characteristics of certain social phenomenon. Data is gathered through in-depth interviews and Focused Group Discussions, conducted with relevant informants. According to Bogdan (1984), this technique of data gathering is understood as a strategy to collect data intensively through direct social interactions with society and parties related to the organizing of *Pemilukada*.

Therefore, referring to Laster and Stewart (2000), there are some actors involved in the process of policy formulation, i.e. official and unofficial actors. During Pemilukada in both Solok City and Bandung District, official and unofficial actors are involved. This research is limited only to the role of official actors, considering that the greatest and longest process of policy formulating phases lies in their hands. These official actors include government agencies, namely the executive (TAPD), the legislative, and the Regional General Election Commission (KPUD). In Solok City, these executive actors include those involved in formulating program at Regional Apparatus Work Unit (SKPD-Regional Monetary Management Agency/DKPD) to regional budgeting formulation team, including highest executive leader, and the regional chief (Regent/Mayor). Meanwhile, legislative actors include all member of the House of Parliament and all of its complementary bodies, and KPUD actors include commissioner and secretariat line. This research also employs document study, specifically budget documents namely Pemilukada budget, APBD, Budget Implementation Documents (DPA), APBD General Policy (KUA), and Budget Priority and Plafond (PPA). Document study is the raw material used to formulate the cost per unit of Pemilukada budget, in table 1.

Some steps are taken in this research in connection to data gathering. First, identifying and categorizing the needed information. Second, conveying letter requesting data to the agency controlling the information. Third, inputting data, including honorarium and logistic cost of KPUD and Panwas Pemilukada, identifying and entering Pemilukada cost necessities of other SKPD, specifically for socialization and education of voter and Pemilukada security. For regions performing two rounds of Pemilukada, entering details of Pemilukada cost of KPUD and Panwas for second round of Pemilukada. Fourth, categorizing Pemilukada budget of KPUD and Panwas on the basis of Pemilukada stages as in stages-based cost recapitulation format, and inputting the sum of DPT to discover the cost per unit of voters. Fifth, inputting regional recapitulation data, including the number of DPT and other budget allocation, on regional data recapitulation format. Sixth, filling in research regions data on provided unit cost format.

Next, on the basis of input data, an analysis is systematically conducted in three steps simultaneously, namely data reduction, data display, and decision making and verification (Saebeni, 2008). The next research steps are (1) proportion and allocation of honorarium expenses and implementation/logistic at KPUD, (2) proportion and allocation of honorarium expenses and implementation/logistic at Panwas, (3) allocation of Panwas and KPUD cost of second round of Pemilukada and proportion between honorarium and its implementation, allocation and recurring expenses, (4) the sum of Pemilukada expenses allocation in other SKPD, and its allocation, (5) the cost per unit Pemilukada budget based on stages, and (6) implication of comparing allocation of education, health, and social aid and grant expenses in APBD 2009 and 2010. In addition, analysis on the result of in-depth interviews is conducted ethically and emik.

Table 1. The Cost per Unit of Pemilukada Budget

No	Needed Information	Data Source	Agency	Analysis
1	Source of Pemilukada budget : a. APBN b. APBD Province c. APBD District/City	APBD	DPRD, Sekda, Bappeda, BPKD	•Proportion of funding source connected to regional fiscal capacity •Allocation based on source
2	Honorarium expenses of KPUD Pemilukada	Budget Plan of KPUD Pilkada 2010	KPUD, PPKD, DPRD	Analysis of efficiency and deviation of honorarium (based on work time or volume and cost unit)
3	Expenses for Implementation and Logistics of Pemilukada (distribution provision)	Budget Plan of KPUD Pilkada 2010	KPUD, PPKD, DPRD	Expenses of Pemilukada KPUD (honor and Logistics) based on DPT
4	Expenses of Implementation and Honorarium of KPUD for Round II	Budget Plan of KPUD	KPUD, PPKD, DPRD	Expenses of Pemilukada KPUD (honor and Logistics) round II based on DPT
5	Expenses for Honorarium of Panwas Pemilukada	Budget plan of Panwas Pilkada 2010	Panwasda, PPKD, DPRD	Comparison of expenses of Panwas to Case handled
6	Expenses of Implementation and Logistics Panwas Pemilukada	Budget Plan of Panwas Pilkada 2010	Panwasda, PPKD, DPRD	
7	Expenses for Implementation and Honorarium of Panwas for Round II	Budget plan of KPUD	Panwasda, PPKD, DPRD	

8	Allocated budget for Education and health prior to Pilkada and Pilkada Year added by other decreasing sector	Summary based on	PPKD, DPRD, SKPD Education and SKPD Health	Allocation trend
9	Total Grant Fund of APBD: a. KPUD Grant b. Panwas Grant c. Security Grant (How much and allocated for which institutional post?)	APBD P 2009 and APBD 2010	DPRD, Sekda, Bappeda, BPKD	a. Unit Cost per DPT KPUD b. Unit Cost per DPT Panwas c. Unit Cost Security Per DPT
10	Expenses for Pilkada in other SKPD	APBD 2010	PPKD, DPRD, Dinas Ketertiban, Dinas Kominfo, Sekda, etc.	Distribution and allocation
11	List of Logistics asset of Pilkada	KPUD	KPUD	Asset Management: a. re-cording, caring, reusable b. Property Right and usage authority
12	Number of DPT, Participation of Voter, Legitimate Vote, illegitimate			

Notes: Regional House of Representatives (DPRD); Regional Secretary (Sekda); Regional Development Planning Agency (Bappeda); Regional Financial Management Agency (BPKD); Regional Financial Management Officer (PPKD); Regional Chief Election Supervisory Committee (Panwasda); Office of Communication and Information (Dinas Kominfo)

RESULT AND DISCUSSION

Nominally, regional revenue of Solok City experienced fluctuation from 2008 to 2010. Regional revenue of 2008 of about IDR 16.97 billion increased to IDR 18.68 billion in 2009, but decreased in 2010 into IDR 16.91 billion.

From 2008, revenue growth of Solok City grew about 10 percent in 2009, and decreased at about the same percentage in 2010, namely -9%, in chart 2.

Perceived from the component of revenue influencing regional fiscal capacity, all components of Solok City revenue nominally tended to increase from 2008 to 2010. Regionally Generated Revenue (PAD) in 2008 of about IDR 1.12 billion increased into IDR 1.28 billion in 2009 and IDR 1.46 billion in 2010. Sharing Funds increased from IDR 15.16 billion in 2008 into IDR 15.25 billion in 2009, but decreased significantly in 2010 into IDR 14.49 billion. Meanwhile, General Allocation Fund (DAU) in 2008 was IDR 205.82 billion, slightly increased in 2009

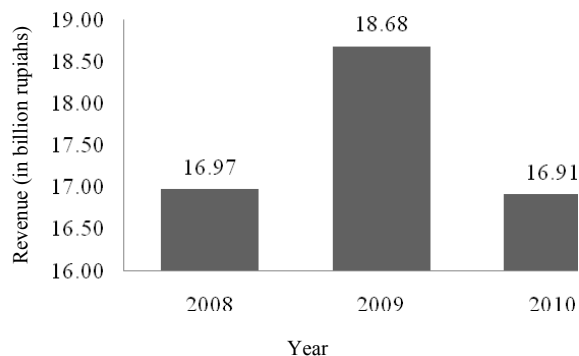


Chart 2. The Trend of Regional Revenue of Solok City

Source: APBD of Solok City 2008-2010

into IDR 205.83 billion, and significantly increased in 2010 into IDR 210.13 billion. Other revenues experienced interesting fluctuation from IDR 9.6 billion in 2008, decreased into IDR 5.46 billion in 2009, and increased again significantly into IDR 8.13 billion in 2010. In chart 3, it is clear that DBH component and other revenues sufficiently influence the increase of regional revenue of Solok City as a whole.

The fiscal capacity of Solok City decreased in 2009 and slightly increased back in 2010. An increase in employee expenses was the main factor for the decrease

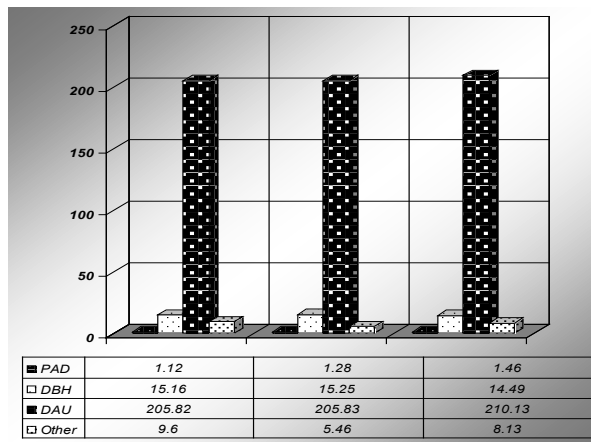


Chart 3. The Trend of Regionally Generated Revenue of Solok City

Source: APBD of Solok City 2008 - 2010



Chart 4. The Trend of Fiscal Capacity
Source: APBD of Solok City 2008-2010

in fiscal capacity in 2009, but it did not possess similar effect in 2010. As can be seen in chart 4, nominally and proportionally, the fiscal capacity of 2009 of about IDR 87 billion decreased from previous year of IDR 131 billion and increased back in 2010 into IDR 89 billion, although it only increased about 2.3 percent in proportion. The rate of revenue and employee expenses was the main factor influencing the dynamics of fiscal capacity. As can be seen in the graphic, employee expenses in 2009 of IDR 163 billion increased compared to 2008 of IDR 121 billion. And although employee expenses in 2010 increased again into IDR 168 billion, it did not result in decrease in fiscal capacity of the year. This was due to significant increase in DAU of Solok City in 2010.

The deficit of regional budget in APBD of Solok City nominally tended to increase, significantly in 2010. The percentage of deficit each year in average was over 28 percent towards regional revenue. This number actually exceeds the acceptable threshold of the Minister of Finance. The number and composition of deficit in 2010 significantly increased from the previous year. The SiLPA of Budget Year 2010 decreased, but it was still the SiLPA originated from the development budgets that could not be realized in 2009 and 2008. It has not been certainly discovered what is the implication of mostly unabsorbed fixed budget and some revenue sources included in the budget for anticipation and aid for the earthquake happened in West Sumatera and its surrounding areas.

The regional expenses of Solok City in total tended to increase significantly from 2008 to 2010. However, seen from the components, it was nominally and compositionally fluctuating, except for indirect expenses which nominally tended to keep increased. As can be seen in table 2, the total regional expenses increased from IDR 336,488,416,781 in 2008 into IDR 357,902,553,633 in 2009 or a 9.68 percent growth of IDR 21.4 billion. The growth in 2009 was more significant than in 2010 of only 2.8 percent or IDR 9.9 billion. However, this increase in expenses was not followed by composition in 2008 with the biggest portion at the time allocated for direct expenditure. In 2009 and 2010, most of it was allocated for indirect expenditure which in nominal consistently increased in those years. Seen from the composition it was fluctuating and the trend significantly increased from 50.72 percent in 2009 into 54.97 percent in 2010. The direct expenses tended to decrease each year, from

Table 2. Deficit and Regional Funding

	2008	2009	2010
Indirect Expenses	141,999,032,389	181,532,440,987	202,187,535,270
Direct Expenses	194,489,384,391	176,370,112,646	165,631,587,457
Total Regional Expenses	336,488,416,781	357,902,553,633	367,819,122,727
% Indirect Expenses	42.20%	50.72%	54.97%
% Direct Expenses	57.80%	49.2845%	45.03%

Source: APBD of Solok City 2008-2010

IDR 194 billion in 2008 into IDR 176 billion in 2009 and decreased again in 2010 into IDR 165 billion or about IDR 11 billion. This was the smallest composition of direct expenses experienced by Solok City in the last three years.

The grant and social aid expenses tend to be opposite each other and the trend of grant expense tended to increase while social aid tended to decrease. As can be seen in Chart 5, the grant expenses increased quite significantly in 2009 from nothing to IDR 10 billion in 2009 and significantly increased about 280 percent into IDR 28.7 billion in 2010. Meanwhile, the social aid expenses tended to decrease from IDR 15.3 billion in 2008 into IDR 4.83 billion in 2009 and decreased again in 2010 into IDR 3.35 billion. Grant expenses increased relatively very conspicuously and it was advised that it was allocated for constructing mosques and as grant for Pemilukada of Solok City. The total number of grant expenses and social aid in 2009 was about IDR 14.83 billion, while in 2010 reached about IDR 32 billion. The beneficiary of social aid were institutions regularly accepting the fund each year.

In its entirety, the allocated budget for the implementation of Mayor and Vice Mayor of Solok City election in 2010 in fact reached IDR 3.4 billion. This number was scattered in General Election Commission (KPU), General Election Monitoring Committee (Panwaslu), Kesbangpolinmas of Solok City, Police of

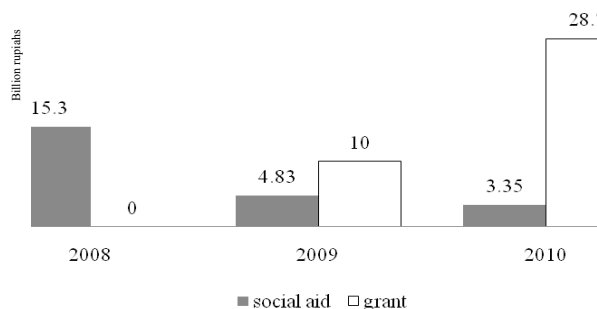


Chart 5. Grant and Social Aid Expenses
Source: Processed from APBD of Solok City 2008-2010

Table 3. The Sum and Distribution of Pemilukada Budget

No	Institution accepting Pemilukada Grant	Total	%
1	KPU	5,475,615,000	68.60%
2	Panwaslu	723.700.000	9.07%
3	Kesbangpolinmas	1,454,429,800	18.22%
4	Kepolisian (Polres)	278,000,000	3.48%
5	Security (TNI)	50,000,000	0.63%
Total		7,981,744,800	100.00%

Source: APBD of Solok City 2008-2010

Solok Resort (Polres), and other security (TNI). As can be seen in table 3, the Government of Solok City estimated the cost for the implementation of Pemilukada in Budget Year 2010 of about IDR 5.4 billion. This sum was estimated for two round of Pemilukada implementation. KPU as the main organizer estimated allocation of about IDR 5,475,615,000 or about 68.6 percent of the whole Pemilukada budget. Next, Panwaslu allocated IDR 723,700,000 (9.07 percent), Kesbangpolinmas of Solok City estimated IDR 1,454,429,800 (18.22%), while security from police estimated IDR 278,000,000 (3.48%), and other security of 0.63%.

Unit cost for Solok City Pemilukada expenses in the whole was about IDR 130 thousand for an voter. This unit cost was gained by dividing Pemilukada budget with the number of Fixed Voter List (DPT) of Solok City general election of 2010 of about 41.819 voters. Perceived from its functions, as can be seen in table 4, each unit cost for implementation by KPU was about IDR 23 thousand, for monitoring (Panwaslu) about IDR 17,305, and for security about IDR 2,400. The unit cost of Pemilukada for Solok City security was about IDR 42,622. The unit cost for Pemilukada of Solok City was relatively high compared to the unit cost for 2009 presidential election of about IDR 40 thousand.

The allocation of Pemilukada expenses organized by KPU of Solok City in general was divided into two expenses groups namely Honorarium Expenses including overtime payment and overtime meal allowance which reached 18.46 percent in proportion, and Expenses for Provisions of Goods and Services whose proportion was about 81.54 percent of the total expenses of KPU including a reserve for second round. As can be seen,

Table 4. The Unit Cost of Pemilukada

No	Function of Pemilukada Expenses	Unit Cost Per DPT
1	Implementation (KPU)	130,936
2	Monitoring (Panwaslu)	17,305
3	Security (Kesbangpolinmas, Police, Other securities)	42,622
Total		190,863

Source: APBD of Solok City 2008-2010

the Honorarium Expenses is totally allocated of about IDR 1,011,035,000. If counted per DPT, the honorarium reached about IDR 24,176,-. Meanwhile, the goods and services expenses, whose proportion is 81.54 percent, reached about IDR 4.46 billion or about IDR 106,759 per DPT. In total, the number for honorarium and goods and services was about IDR 5,475,615,000.

Perceived from its type, the allocation for goods and services was the greatest, amounting to IDR 4.46 billion or 81.54 percent from total expenses of honorarium and overtime allowance. Meanwhile, the honorarium of Pokja and KPPS, amounting to IDR 203,000,000 each, was the greatest honor allocation of 20.08% each. Honorarium and overtime allowance of KPU also occupied a great portion of 20.89 percent.

There were some goods and services expenses budgeted by KPU of Solok City and the top three in proportion were official travel allowance, office administration service, and dissemination of information and socialization. Official travel allowance was allocated by KPU of Solok City as the biggest in the group of provisions of goods and services, about 27.89% or IDR 1,244,650. The administrative service occupied the following place with 19.63% or IDR 876,303,800. The last one was dissemination/socialization of information of IDR 538,291,600 (12.06%).

Nominally, Bandung District regional revenue was allocated to increase from 2008 to 2010. As can be seen in chart 6, the regional revenue of 2008 was about IDR 1.38 zillion increased to IDR 1.52 zillion in 2009 and increased again in 2010 into IDR 1.76 zillion. From 2008, the revenue of Bandung District grew about 10 percent in 2009 and significantly increased into 27 percent in 2010.

Perceived from the components affecting regional fiscal capacity, all components of Bandung District revenue nominally tended to increase from 2008 to 2010. Regionally Generated Revenue (PAD) of 2008 of about IDR 132 billion increased into IDR 151 billion in 2009 and IDR 165 billion in 2010. Sharing Funds increased from IDR 106 billion in 2008 into IDR 109 billion in 2009 and significantly increased in 2010 into IDR 197 billion. Meanwhile, General Allocated Funds (DAU) increased from IDR 1 zillion in 2008 into IDR 1.08 zillion in 2009 and slightly increased in 2010 into IDR 1,086

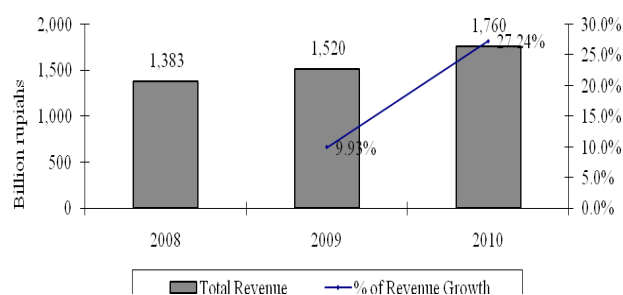


Chart 6. The Trend of Revenue and Percentage of Revenue Growth

Source: APBD of Bandung District 2008-2010

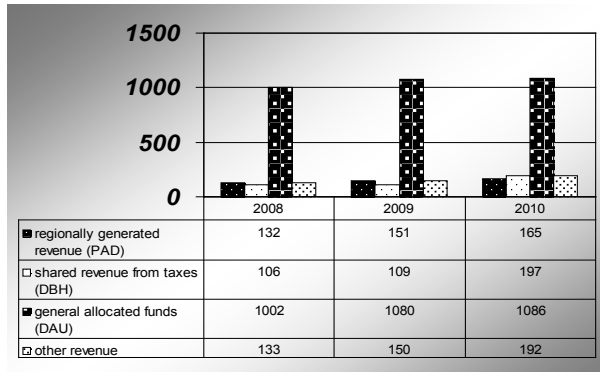


Chart 7. The Trend of Fiscal Capacity Component
Source: APBD of Bandung District 2008-2010

zillion. Likewise, Other revenue consistently increased from IDR 133 billion in 2008 into IDR 150 billion in 2009 and increased significantly in 2010 into IDR 192 billion. From figure 7, it is clear that the component of Sharing Funds and Other revenues significantly affected the whole growth of the regional revenue of Bandung District.

The fiscal capacity of Bandung District decreased in 2009, but increased back a little in 2010. The increase in employee expenses was the main factor of the decrease in fiscal capacity in 2009, but it did not influence 2010. As can be seen in chart 7, nominally and proportionally the fiscal capacity of 2009 was about IDR 518 billion (34 percent), a decrease from previous year of about IDR 556 billion (40.19 percent), and increased back quite significantly in 2010 into IDR 614 billion, although from proportion the increase was only about 0.9 percent. The rate of revenue and employee expenses was the main factor affecting the dynamics of fiscal capacity. As can be seen in the chart, the employee expenses in 2009 of about IDR 973 billion increased from 2008 of about IDR 816 billion. However, the increase of employee expenses in 2010 into IDR 1.02 zillion did not result in the decrease of fiscal capacity. This was due to adequate growth of revenue of Bandung District.

The grant and social aid expenses tended to be fluctuating, i.e. decreasing in 2009 and increasing in 2010 with significant increase. As can be seen in chart 8,

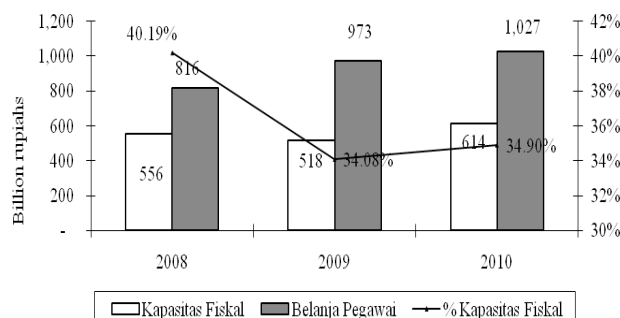


Chart 8. The Trend of Fiscal Capacity
Source: APBD of Bandung District 2008-2010

the grant expenses decreased quite significantly in 2009 from IDR 46 billion into IDR 30 billion, but dramatically increased about 314 percent or IDR 93.2 billion into IDR 123 billion in 2010. Meanwhile, the social aid expenses tended to be fluctuating from IDR 55 billion in 2008, decreased in 2009 into IDR 37 billion and increased back in 2010 into IDR 38 billion. Although similarly increasing in 2010, the increase in social aid expenses was relatively inconspicuous compared to the grant expenses. The total of grant and social aid expenses in 2009 was about IDR 67 billion while in 2010 reached to IDR 161 billion. Seen from the beneficiary, there was no difference in the type of institutions accepting the grant or social aid.

In its entirety, the budget allocated for the implementation of Regent and Vice Regent Election of Bandung District in 2010 reached IDR 58.5 billion. This number was distributed among General Election Commission (KPU), General Election Monitoring Committee (Panwaslu), Police of Bandung Resort (Polres), Public Prosecutor, and other Security. As can be seen in Table 5, the Government of Bandung District allocated the implementation cost of Pemilukada in Budget Year 2010 of about IDR 58 billion. This number was allocated for the implementation of two rounded Pemilukada. KPU as the main organizer received the greatest allocation of about IDR 48.5 billion or 82.86 percent of the entire Pemilukada budget, followed by Panwaslu with the allocation of about IDR 4.8 billion (8.22 percent), Polres about IDR 3.9 billion (6.76 percent), Public Prosecutor about IDR 800 million (1.37 percent), and other security about IDR 470 million (0.80 percent).

The unit cost of Pemilukada expenses of Bandung District in its entirety was about IDR 27 thousand for each voter. This unit cost was gathered by dividing Pemilukada budget with the number of general election DPT of Bandung District in 2010 of about 2,126,683 voters. Seen from its function, as can be seen in table 5, each unit cost for the implementation by KPU was about IDR 23 thousand, Monitoring (Panwaslu) about IDR 2,300, and security about IDR 2,400. This unit cost would be smaller should it be divided by the number of Added DPT, namely the number of DPT added several days prior to the election of about 3,000 voters. The unit cost of Pemilukada of Bandung District was relatively very small compared to the unit cost of presidential general election in 2009 of about IDR 40 thousand.

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Table 5. The Sum and Distribution of Pemilukada Budget

No	Institution Accepting Pemilukada Grant	Total	%
1	KPU	48,518,434,919	82.86%
2	Panwaslu	4,811,789,535	8.22%
3	Polres	3,955,603,000	6.76%
4	Public Prosecutor	800,000,000	1.37%
5	Security	470,000,000	0.80%
Total		58,555,827,454	100.00%

election in 2009 of about IDR 40 thousand.

The allocation of Pemilukada expenses organized by KPU of Bandung District in general was divided in two expenses groups, namely Honorarium Expenses including overtime payment and overtime meal allowance which reached 50.9 percent in proportion, and Provisions of Goods and Services Expenses with the proportion of about 49.1 percent from the total expenses of KPU for two rounds. As can be seen in Table 8, the honorarium expenses in total was allocated about IDR 24.19 billion distributed for first round about IDR 14.9 billion and second round about IDR 9.3 billion. Counted per DPT, in the whole the honorarium number reached about IDR 11,376,-. Meanwhile, the expenses for goods and services with the proportion of 49.1 percent amounted to about IDR 23.4 billion or about IDR 10,991 per DPT. This number was distributed about IDR 16.8 billion for the first round and IDR 6.5 billion for the second round. In its entirety, the total number of honorarium and goods and service expenses amounted to IDR 47.56 billion. KPU of Bandung District added a contingency cost of about 3 percent or about IDR 951 million so that the total cost of Pemilukada amounted to IDR 48.5 billion.

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Table 6. The Unit Cost of Pemilukada

No	Function of Pemilukada Expenses	Unit Cost Per DPT (Two Round)
1	Implementation (KPU)	22,814.14
2	Monitoring (Panwaslu)	2,262.58
3	Security (Polres, Public Prosecutor, Other Security)	2,457.16
Total		27,533.88

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Seen from its type, the allocation of monthly honorarium was the greatest, amounted to IDR 20.8 billion or 86 percent of the total honorarium and overtime allowance expenses. On the contrary, the activity honorarium allocated in expenses of Work Group (Pokja) of KPU, reaching 17 pokja, possessed the smallest proportion of 0.5 percent or IDR 110 million. The rest were honorarium of monetary organizer about 5.2 percent or IDR 1.25 billion and overtime allowance of 8.3 percent or IDR 2.02 billion.

There were 17 kinds of goods and service expenses estimated by KPU of Bandung District and the top three in proportion were expenses for multiplied printed goods, KPPS/TPS provisions, and office administrative service. As can be seen in Table 8, the expenses for printed goods and multiplying was allocated at IDR 6.4 billion or 27.4 percent from the total expenses for goods and service of two rounds. Then, the expenses for KPPS/TPS provisions was about IDR 3.96 billion (17 percent) and the expenses for office administrative service was about IDR 3.7 billion (15.8 percent). Other relatively high expenses was service expenses of about IDR 2.87 billion (12.3 percent), socialization expenses about IDR 1.5 billion (6.6 percent) and official travel allowance of about IDR 1.48 billion or 6.4 percent. Other kinds of expenses were under 4 percent.

The Government of Solok City and Bandung District allocated the cost of Pemilukada implementation in 2010 from Regional Revenue and Expenditures Budget (APBD) of Budget Year 2010. Dissimilar to the Government of Solok City that only allocated fund for Pemilukada from the APBD of the implementation year, the Government of Bandung District accumulated reserved fund for funding of implementation of general election of regional chief and vice chief for 3 (three) budget year since Budget Year 2007. Based on the assumption of relatively great budget for the implementation of regional chief election in 2010 that cannot be burdened to only one budget year, the Government of Bandung District established a policy on the accumulation of general election reserved fund, stipulated in the Regional Regulation Number 5 Year 2007 on Establishment of Reserved Fund for Regional Chief Election. According to this regulation, the reserved fund was allocated of about IDR 30 billion, originated from the Surplus of Budget Calculation (SiLPA) for 4 years of about IDR 7.5 billion a year. In reality, the establishment of reserved fund only happened for 3 years from 2007 to

2009 with a total reserved fund of about IDR 22.5 billion liquidated on the budget year of 2010 (the year of regional chief election implementation).

The General Election Commission (KPU) of Solok City and Bandung District arranged the planning for budget and expenses for the implementation of regional chief election in 2010 referring to the Decree of Minister of Internal Affairs (Permendagri) Number 57 Year 2009. By referring to this Permendagri, the plan for budget and expenses of KPU of Bandung District was corrected significantly from the initial suggestion of about IDR 58.3 billion into IDR 48.5 billion. The most influential variable to the reduction of budget number was honorary payment for KPU members and adjusting of standard for honorarium, overtime allowance, as well as adjusting the price and goods to the regional standard as stipulated in Article 4 of Permendagri. The same thing did not happen in Solok City that arranged the budget for Pemilukada based on Permendagri Number 57 Year 2009 from the beginning.

Other interesting discovery was KPU of Bandung District reduced the number of personnel of Voting Organizer Group (KPPS) from 7 person to 5 person in the name of efficiency of the implementation budget. Article 48 paragraph (1) of Law Number 22 Year 2007 states that personnel of KPPS are 7 (seven) person originated from the member of society surrounding the TPS who fulfils the requirements. KPU of Bandung District established the number of TPS in their budget and expenses plan of about 5,483 TPS distributed in 276 villages. Despite being contrary to the stipulation, the reduction of 2 personnel for each TPS decreased the budget allocation of about IDR 2.6 billion that should be distributed for about 10,800 persons for honorarium, overtime allowance, and provisions. KPU of Bandung District made the initiative of reducing the number of existing TPS, but this could not be done so, judging by the socio-economic factor at the village level; it was estimated to trigger local conflicts.

Meanwhile, in Solok City, the implementation of simultaneous Pemilukada in 14 cities/districts as well as the province did not become a reason for the correction of budget into lower than initially suggested plan. Revision on the number and allocation of budget was conducted more on the availability of budget possessed by the Government of Solok City. Therefore, simultaneous Pemilukada implementation had not made the budget more efficient and effective. Instead, the efficiency was only enjoyed by Pemilukada budget of West Sumatera Province since it did not have to allocate some item of expenses to accelerate governor election activity such as TPS honorarium and others.

Institutionally, the actors significant in making decision of budget for regional chief and deputy chief election of year 2010 were KPU, TAPD, Commission A, and Budget Committee of DPRD of Bandung District. Since the significance of each actor was more institutional based on normative authority, main duty, and function of each institution, the influence appeared in the process of decision making concerning budget for Pemilukada was also normative. Each party held on to each normative

reference. In Commission A and Budget Committee of DPRD, some actors indeed played important role in criticizing the planning for budget and expenses of KPU. However, their necessities only limited to things that were more technical and normative for more effective and efficient KPU planning. The Regent (incumbent) possessing great authority in deciding budget decision seemed to not utilize that authority to affect decision of Pemilukada budget for the benefit of his side since he did not nominate himself.

KPU of Solok City was not the only stakeholder in democratic intrigue of Pemilukada in the region, so the will of KPU in budgeting must collide with the will of regional government and DPRD. Solok City government and City DPRD agreed on Pemilukada budget of IDR 3.4 Billion for one round and in the early stage the budget could be liquidated of about 70% or IDR 2,143,443,400 of the agreed contract (Seknas Fitra, 2010). In this kind of condition, the regional government must take the risk of generating increase in government expenses, whereas Pemilukada funding is one variant of political funding that could be prepared in APBD (Rahayu, 2007). The implication of process like this could result in the inefficiency, yet politically justified, of an agenda technically planned; whereas in the initial decision IDR 5,475,615,000 has been allocated for the implementation of Pemilukada of Solok City. Since what happened was the process of distributing resources allocation, ignoring the benefit principle of an agenda previously decided, this situation was termed as budget politic.

In Pemilukada of Solok City, the incumbent possessed no influence to the process of Pemilukada budgeting. The incumbent running for the office was the deputy mayor who structurally have less power to affect budget proposed. This situation might be far different, should the incumbent involved in election was the mayor. The incumbent mayor ran for the regent of Solok District, the neighbor of Solok City involved in simultaneous Pemilukada in West Sumatera of the time. This political situation freed the process of Pemilukada budgeting in this region from the influence of incumbent.

In connection to the misuse of social aid budget for incumbent campaign, the research discovery shows that the incumbent running in Pemilukada was the deputy mayor of Solok City who possessed no influence in proposing and utilizing of budget, so there was minimum practice of corrupting social aid fund for campaign fund. This was in conformation with the circular of Ministry of Internal Affairs in SE Mendagri No 270/214 SJ on 25

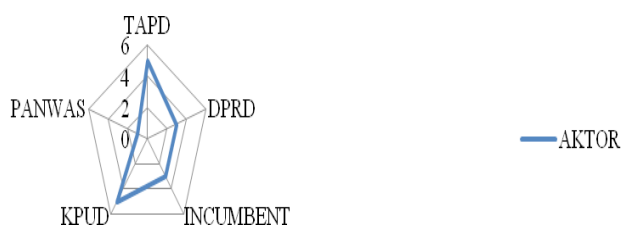


Figure 1. The Influence of Actors on Pemilukada Budget

January 2010, forbidding the use of APBD in the form of activity and social aid benefiting certain candidate.

The budget for the implementation, monitoring and security of both Pemilukada in Solok City and Bandung District in 2010 was distributed to implementing, monitoring and securing institutions in the form of grants. Government of Solok City and Bandung District put the budget allocation for the election of chief and deputy chief in the APBD of 2010, in grant budget post to central government institution in indirect expenses. The liquidation of grant fund to KPU was done in accordance to the round of general election implementation which took two rounds.

The stages of general election implementation were relatively unsynchronized to stages of APBD discussion and resulted in belated liquidation of general election budget in the two research locations. The Law Number 22 Year 2007, Article 115 states that the budget for implementation of general election for regional chief and deputy chief, settled in regional regulation on APBD, must be liquidated in accordance to the stage of general election implementation. In Bandung District, in reality, the liquidation of general election budget was belated because the stipulation of APBD of 2010 was late from the schedule. The stages of Pemilukada implementation were started in November 2009, while APBD was only stipulated in March 2010; whereas on March 2010, the general election stage had reached appointment and inauguration of panwaslu of district and sub-district and the appointment and inauguration of PPK and PPS. To execute various activities of this stage, KPU of Bandung District had its own initiative of using guaranteed personal fund of KPU members. Government of Bandung District did not give guaranteed fund to cover the needed budget.

The implementation of Pemilukada had no influence to regional fiscal capacity, but contributed to the increase of regional budget deficit. This phenomenon was natural for Solok City since the fiscal capacity was high, but for the relatively low budget capacity of Bandung District which was about 35 percent of total regional revenue, it was not a disturbance as well. Most of the revenue was absorbed by employee expenses tended to increase each year. The implementation of Pemilukada in 2010 indeed did not have direct influence to the capacity of these two research regions from revenue side. However, allocation of Pemilukada budget contributed about 18 percent to the total deficit of regional budget funded by net regional funding of about IDR 333 billion in Bandung District. Meanwhile, in Solok City, it contributed 38.49% to the total deficit of regional budget funded from net regional funding of about IDR 102,235,331,751. the liquidation of reserved fund of Pemilukada of IDR 22.5 billion in Bandung District relatively helped regional funding, although only contributed about 6 percent to total net funding.

The allocation of Pemilukada budget was assumed to influence the decrease in the allocation for villages in Bandung District. Almost all components and types of regional expenses, direct and indirect, and sector expenses increased in 2010. However, the expenses for

Village Government allocated in Sharing Fund for Village Government and Financial Aid for Village Government expenses-post decreased. The total decrease in these two types of expenses for village was about IDR 24 billion. Added with the liquidation of Pemilukada reserved fund of about IDR 22.5 billion, the total sum was IDR 46.5 billion. Compared to KPU budget necessities, the government of Bandung District only added about IDR 2 billion. The reduction of Sharing Fund for Village Government allocation which was significant in 2008 was actually unconstitutional. This budget policy violated Regional Regulation Number 2 Year 2006 on the Allocation of Village Balance Fund. This stipulation orders the Government of Bandung District to allocate Village Sharing Funds for a minimum of 10 percent of regional revenue after reducing the Specific Allocation Fund (DAK) and employee expenses or in other words minimum 10 percent of regional fiscal space. With regional fiscal space of Year 2010 of about IDR 614 billion, the allocated Village Sharing Fund should be at minimum about IDR 60 billion.

The grant and social aid expenses increased in the year of Pemilukada implementation in Bandung District. The expenses for Pemilukada was indeed allocated in regional grant post and directly influencing the increase in regional grant expenses. However, the increase of grant expenses in 2010 was far above rational number. The allocation of Pemilukada budget in 2010 increased the grant expenses into about IDR 90 billion from the previous year or 200 percent increase. However, in reality, the grant budget increased up to 314 percent. The same happened to social aid previously tended to decrease that increased again in 2010. Seen from the intended acceptor, it was not different from the types of acceptor groups, most of them were public organizations existed in Bandung District. However, to discover the influence to Pemilukada result would take further investigation on the characteristics, relations, and affiliations of every acceptor institution to various political elite in power, specifically the incumbent.

Meanwhile, in Solok City, the grant and social aid expenses tended to be opposite to each other, whereas grant expenses tended to increase while social aid tended to decrease. Grant expenses increased significantly in 2008 from nothing to IDR 10 billion in 2009 and then very significantly increase about 280 percent into IDR 28.7 billion in 2010. Meanwhile, the expenses for social aid tended to decrease from IDR 15.3 billion in 2008, decreased in 2009 into IDR 4.83 billion, and decrease further in 2010 into IDR 3.35 billion. This conspicuous increase of grant expenses was suspected for the allocation of implementation of Pemilukada of Solok City. The total grant and social aid expenses in 2009 was about IDR 14.83 billion, while in 2010 amounted to IDR 32 billion. The benefactors of social aid expenses were institutions regularly received the fund each year. The decrease in the allocation was suspected because the incumbent indeed had no political need to make the institutional/personal acceptor of this social aid as his base of political mass, since he no longer ran for mayo.

Allocation of the implementation budget of regent and deputy regent election of Bandung District in 2010 did not affect the decrease in total regional direct expenses, including the expenses in education and health sectors. The total Pemilukada budget of about IDR 58.5 billion did not decrease the budget allocation for regional direct expenses. On the contrary, the regional direct expenses in 2010 increased nominally and compositionally. It also applied to the allocation of expenses for education and health sectors, unaffected by the allocation of Pemilukada budget. Nominally, the direct and indirect expenses of these two sectors increased in 2010. This condition generally caused by quite significant increase in regional revenue in 2010 from Sharing and Other Revenue components.

Meanwhile, in Solok City, the budget allocation for mayor and deputy mayor election in 2010 affected in the decrease of the whole regional direct expenses, including expenses for education and health sectors. The budget of Solok City Pemilukada, totally amounted to IDR 7.9 billion, decreased the budget allocation for regional direct expenses.

The increase in budget allocation for social aid in Pemilukada year was contrary to public expenses that decreased in APBD of Solok City Government. To actualize an economical, efficient and effective monetary management of the region, the regional government needs to apply accurate, consistent, and continuous regional expenses. The decrease of public service direct expenses in the whole would affect the continuity and consistency of regional development. The direct expenses for public service such as education and health sectors decreased from the allocation in previous year. On one side Solok City was a region possessing high fiscal capacity, on other side the implementation of Pemilukada became a burden to its APBD, resulting in the decrease of public expenses about 6% from the previous year, it can seen in chart 10.

Allocating budget for the security of Pemilukada imIt can be concluded that for Solok City, the bulk of Pemilukada funding became a burden to regional budget with consequences on the decrease of public service expenses. Although fiscal capacity of Solok City can be categorized high, the source of funding of Pemilukada came from Regionally Generated Revenue (PAD) or

Sharing Fund which increased from revenue side, but resulted in the decrease of public expenses.

Allocating budget for the security of Pemilukada implementation was considered necessary but did not have a clear legal basis. Referring to the Decree of Minister of Internal Affairs Number 44 Year 2007 on the Guidance for the Management of Expenses for General Election of Regional Chief and Deputy Chief, what is meant by Pemilukada budget is the general election grant expenses of regional chief and deputy chief given to KPU and Panwaslu of District/City used to funding activities of preparation and implementation, as well as monitoring of Pemilukada. The Government of Bandung District allocated a grant to Bandung Resort Police and Public Prosecutor in 2010 more than in previous years. This increase is clearly directly connected to the implementation of Pemilukada. The assumption that the implementation of Pemilukada increased the danger rate of regional security seemed to be the basic consideration for this allocation.

The amount of KPU honorarium expenses influenced by variables of the number of personnel, activities, and time or frequency of activities. Honorarium expenses of KPU of Bandung District as the organizer of Pemilukada spent more than half of total Pemilukada budget managed by KPU of Bandung District. Seen from the variables, the amount of budget was affected by the number of involved personnel, totally amounted to 39 thousand persons from the District to TPS levels. This bulk number of personnel was affected by the number of sub-district, village, and TPS. The number of sub-district and village cannot be changed by KPU, but the number of TPS was determined by KPU. The number of personnel at the sub-district level (PPK), village level (PPS) and TPS level (KPPS) is normatively settled in Law Number 22 Year 2007 on the Implementation of General Election. Aside from personnel, the honorarium expenses was also settled by the period of general election implementation. The district-KPU allocated monthly honorarium expenses for two rounds of general election for 8 (eight) months for KPU secretariat, PPK, PPK secretariat, PPS, PPS secretariat and 2 (two) months for KPPS.

The biggest allocation for honorarium component was monthly honorarium amounted to 86 percent of total expenses of honorarium and overtime allowance of about 8.3 percent. These two expenses components were very much influenced by variables of personnel number and implementation time. Meanwhile, the activity honorarium component of 0.5 percent and monetary management honorarium of 5.2 percent were affected by the variable of activity number. To implement all stages of general election, KPU of Bandung District formed 17 work groups (pokja). Every work group consisted of 10 person, 5 commissioners acting as general manager, administrative manager, director, head, secretary and 5 members from KPU secretariat. Apart from pokja, KPU also formed 6 committee of goods and service provision based on the value of activity packages budgeted. KPU also mobilized about 4037 persons as Voter Data Updating Officer (PPDP).

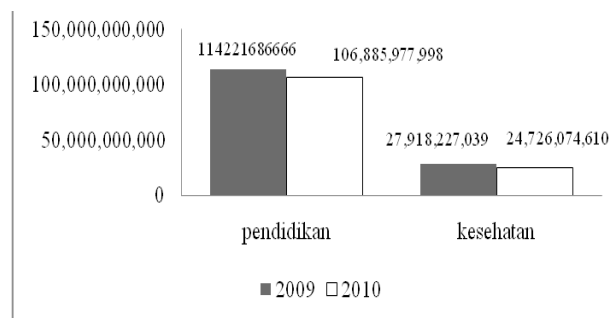


Chart 10. Comparison of the Decrease of Expenses for Education and Health Sectors
Source: APBD 2009-2010

The amount for KPU goods and service expenses was affected by the variable of number of DPT, number of TPS, number of PPK and PPS, and time/frequency of activity, number of personnel, and activity packages. As can be seen from Table above, the expenses for goods and service with the biggest proportion was the expenses for Printed Goods and Multiplying of about 27.4 percent in Bandung District. The biggest type of goods expenses was the print of ballot, spending about IDR 3.2 billion or 51 percent of the total expenses for Printed Goods and Multiplying for two rounds. Then the expenses for Voter Card Printing spent about 21 percent, the rest were provision of various Pemilukada forms distributed to all apparatus of KPUD from sub-district to KPPS. The number of DPT and TPS heavily influenced this expenses for printed and multiplying.

In KPPS/TPS Provision expenses, the variable that most determined the amount of budget allocation is the number of KPPS, amounting to 38 thousand persons and number of TPS amounting to 5400 places. Meanwhile, the variable determining the allocation for Office Administrative Service Expenses is the number of PPK, PPS, TPS and the frequency or period of activity. However, the most influential variable is the number of related TPS with the expenses for leasing of tent, desk, chair, and booth and meal allowance for KPPS at each TPS. Other kind of expenses with big allocation is the cost of meeting/session at PPS level.

Other variable is the number of involved personnel and frequency of activity, influential to the amount of allocation for official travel allowance expenses and implementation design of various activities, arranged in many packages of activity. Socialization was designed in 380 activity packages and Campaign activity was distributed into 21 activity packages.

The efficiency of Pemilukada budget can be done by merging PPK and PPS, reducing the number of personnel at KPPS level, and reducing the number of TPS. Apart from the number of DPT, the number of personnel involved in Pemilukada implementation was the reason for the extent of Pemilukada budget in Bandung District. The factor of DPT number, taken from the number of citizen possessing right to vote, was a condition to be taken for granted. Along the growth of citizen number, the number of DPT will keep increasing. Meanwhile, at PPK, PPS, and KPPS level, budget efficiency can still be done by merging, which means PPK and PPS should be formed not in every sub-district and village. One PPK can handle several sub-districts, and one PPS can handle several villages, so the number of PPK and PPS personnel can be reduced. At the level of KPPS, the merging can be conducted to reduce the number of personnel to be funded. The reduction of personnel can also be conducted by reducing the number of persons at PPK, PPS, and KPPS levels. Bandung District, for example, reduced the number of personnel from 7 persons for each KPPS to 5 persons. Efficiency can also be conducted by the number of TPS formed. The forming of TPS was based on the ratio of voter per TPS with the consideration to the number of elected

candidate and the time needed to vote in each TPS. The average ratio of voter per TPS in Bandung District was about 400 persons per TPS. By this ratio, there were 5400 TPS formed. If this ratio increased to 500-600 per TPS, there would only be about 3500-4000 TPS formed. This will certainly save quite significant number of budget. If various problems occurring in pemilukada budgeting can be solved by creating a more efficient and democratic model, the accountability of Pemilukada budget can be realized. The study by Kumorotomo (2011) suggests that there are three initial evidences of inadequacy of budget system open to public, one of which is that APBD, that is heavily imbedded for inefficient political process, can be minimized.

CONCLUSION

The model for Pemilukada budgeting as instructed by Law at present is still ineffective in minimizing various problems in the implementation of general election at regional level. There is a dilemma in the valid regulation as the basis for pemilukada implementation. The legal base for pemilukada implementation is still unclear since on one hand it is stipulated by general election regime, on the other hand it is stipulated in Pilkada regime domain, namely Law Number 22 Year 2007 and Law Number 32 Year 2004. This is added by the fact that existing regulation is still unable to make a more effective and efficient system of budgeting and liquidating budget in pemilukada. Pemilukada, budgeted in APBD, heavily burdens regional finance, so the work plan of regional government must be rationalized in the budget year of Pemilukada. There are some recommendations for model of Pemilukada budgeting. First, Pemilukada should be estimated through APBN. Funding source of regional chief through APBD taken place at present results in the extension of political excess (regulation that can trap KPUD such as logistics) or incumbent influence affecting the size of Pemilukada budget. Second, Pemilukada budget is still proposed by KPU as Pemilukada organizer, Panwas as watchman of Pemilukada implementation, and parties related to Pemilukada security such as police, kesbangpol linmas, kodim and others. However, one thing should be noted, i.e. realization of budget liquidation must not disturb each stage of Pemilukada process. If the budget for Pemilukada is still in APBD, but not included in clear grant budget, thus have an account/budget of itself specifically regulating Pemilukada implementation, it is expected to be accountable for public and there is a kind of accountability/transparency of budget use. Meanwhile, for regions with low PAD (fiscal capacity is limited), Pemilukada budget can be allocated three years or several years prior to the implementation of Pemilukada. The model for reserved fund would be effective to reduce the burden of public service expenses at the time of Pemilukada implementation. Then, simultaneous Pemilukada model will not be effective and efficient for there is no clear distributing policy on funding sharing.

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