

## Short Communication

## Regional Asset Management Mechanism Based on Government Law and Regulation in Indonesia

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**Abstract:** Regional property as one of the important elements in the framework of the administration of government and community services must be managed properly and correctly, which in turn can create professional and transparent management of regional property. The mechanism recommended in this study is to follow the guidelines for obtaining the approval of the Regional Head, the abolition is stipulated by the Management Decree on behalf of the Regional Head, also stipulates the method of selling by public auction through the State Auction Office.

**Keywords:** Regional Aset, Management, Mechanism, Government.

### INTRODUCTION

Regionally owned assets are all regional assets either purchased or obtained at the expense of the Regional Revenue and Expenditure Budget or originating from regional property assets need to be evaluated in terms of policy (Badrudin & Siregar, 2015). Coordination of the implementation of management of regional property assets that are not separated or separated is still carried out by the Regional Head, while the authority to supervise is carried out by the Minister of Home Affairs so that management can be carried out effectively (Teddyatmaja, 2014; Safaruddin & Dali, 2018).

Masdjojo & Dewi (2018) pressing to increase the capacity of the Government Work Unit in managing regional assets. Research by Ratnasari (2015) shows that Regional Asset Management through the Safeguarding of Regional Property in Immovable Assets needs to be improved, therefore this study reviews the mechanism of Regional Asset Management based on laws and government regulations which are considered to still lack.

Law Number 17 of 2003 concerning State Finances, Law Number 1 of 2004 concerning State Treasury and Government Regulation Number 6 of 2006 concerning Management of State / Regional Property. Particularly in the area of regional property

management as stipulated in Decree of the Minister of Home Affairs No. 152 of 2004 concerning Guidelines for Regional Goods Management, it needs to be improved. Guidelines for the Management of Regional Goods, need to be improved. Regional property goods as one of the important elements in the framework of the administration of government and community services must be managed properly and correctly, which in turn can realize the management of regional property by taking into account the following principles: Functional principles, The principle of transparency, the principle of efficiency, the principle of accountability, and the principle of certainty.

### METHODOLOGY

This research was conducted through a qualitative approach presented descriptively and a literature review on policies related to regional wealth and asset management guidelines sourced from official rules and guidelines.

### RESULTS

The results of the study are set forth in the form of Minutes by attaching data on damage, missing reports from the police, death certificate and others. Furthermore, the Manager submits an application for approval to the Regional Head regarding the planned removal of the said goods by attaching an Official Report on the results of the Elimination Committee.

Quick Response Code



Journal homepage:

<http://www.easpublisher.com/easjebm/>

Article History

Received: 16.11.2019

Accepted: 26.11.2019

Published: 08.12.2019

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DOI: 10.36349/easjebm.2019.v02i12.002

After obtaining the approval of the Regional Head, the abolition is stipulated by a Management Decree on behalf of the Regional Head, also stipulates the method of sale by public auction through the State Auction Office or limited auction and / or donated / granted or destroyed.

If a limited auction is to be carried out, the Regional Head forms a Limited Tender Committee to carry out the sale / auction of the goods that have been written off from the Regional Property Inventory List. Specifically for the removal of movable property due to heavy damage and can no longer be used such as office equipment and household appliances similar types including special field vehicles such as Transport Equipment in the form of Heavy Equipment vehicles, hearses, Trucks, Ambulance or other field vehicles are eliminated by the Manager after obtaining the approval of the Regional Head.

#### **The Process of Eliminating Regional Property**

The Regional Head forms the Committee on the Elimination of Regional Property whose personnel consists of related technical elements. The task of the Elimination Committee examines damaged goods, ownership documents, administration, use, financing, maintenance / repairs and other data deemed necessary.

The results of the study are set forth in the form of Minutes by attaching data on damage, missing reports from the police, death certificate and others. Furthermore, the Manager submits an application for approval to the Regional Head regarding the planned removal of the said goods by attaching an Official Report on the results of the Elimination Committee.

After obtaining the approval of the Regional Head, the abolition is stipulated by a Management Decree on behalf of the Regional Head, also stipulates the method of sale by public auction through the State Auction Office or limited auction and / or donated / granted or destroyed. If a limited auction will be conducted, the Regional Head forms a limited Tender Committee to carry out the sale / auction of the goods that have been written off from the Regional Property Inventory List.

Specifically for the removal of movable property due to heavy damage and cannot be used again such as office equipment and similar household equipment including special field vehicles such as transportation equipment in the form of heavy equipment vehicles, hearses, trucks, ambulances or other field vehicles, the deletion is determined by the Manager after receiving Regional Head approval.

#### **Implementation of the elimination of regional property**

Elimination of regional assets shall be carried out in the event that the goods are no longer in the possession of the User of Property (mutation). Elimination of regional assets shall be carried out in the event that the goods are no longer in the Regional Property Register. The abolition of the abovementioned is carried out after obtaining the approval of the Regional Head and stipulation by the Manager on behalf of the Regional Head. Elimination of regional goods with follow-up to destruction shall be carried out if the said goods cannot be used, cannot be utilized and cannot be transferred. Other reasons are in accordance with the legislation.

#### **Special deletion implementation**

Elimination of buildings belonging to regions which must be rebuilt immediately (total rehabilitation) in accordance with the original designation and which are urgent and dangerous, the removal is determined by Decree of the Regional Head. In buildings that endanger the life safety, demolition can be done first while waiting for the Decree of the Regional Head.

The reasons for the demolition of the building in question are severe damage caused by the condition of the construction of the building which is very dangerous to life safety and results in the collapse of the building. Heavy damage caused by natural disasters such as earthquakes, floods, hurricanes, fires and the like.

#### **Transfer**

The transfer of assets belonging to the region is the transfer of ownership as a follow-up to the abolition. Transfer of regional assets in the form of land and / or buildings and other than land and buildings with a value of more than five billion rupiah determined by the Decree of the Regional Head after obtaining the approval of the DPRD. Transfer of regional property in the form of land and / or buildings that do not require DPRD approval if: (1) It is not in accordance with the regional spatial layout or city planning; (2) Must be written off because the budget for replacement buildings has been provided in the budgeting document; (3) For civil servants; (4) Intended for public interest.

Awarding is controlled by the state based on court decisions that have obtained permanent legal force and / or based on statutory provisions, which if their ownership status is maintained is not economically feasible. Implementation of planning needs and budgeting needs to be well coordinated by taking into account the standardization that has been set according to the conditions of each region.

Regarding planning needs and budgeting is not an activity that stands alone, but it is an integral activity in the management of regional property.

In planning the needs and budgeting of regional goods, it is necessary to have an understanding of all work units of the regional apparatus regarding the stages of regional property management activities, so that coordination and synchronization in these activities can be carried out properly.

In this regard, it is necessary to understand the authority of the duties and functions as follows: (1) The Regional Head as the holder of regional property rights has the authority to take actions that result in the receipt and release of regional property goods and has the responsibility to carry out guidance in the management of Regional property ; (2) The Regional Head in the framework of implementing, fostering and managing regional property assets is assisted by: Regional Secretary as the manager, as a coordinator assisted by assistants in charge of managing regional property management, has the duty and responsibility for the coordination and synchronization between the supervisor, manager and goods users / power users of goods.

If in the development and management of regional property there is a difference of opinion between the elements of the supervisor, manager and user / power user of the goods which causes traffic jams, the Regional Secretary as the manager of the goods is obliged to take temporary security measures. In such circumstances, the Regional Secretary is requested or not requested to submit a report and advice to the Regional Head to get the final decision.

The sale of regional property is carried out with consideration, to optimize the excess of regional property, is economically more profitable for the region if sold, and as an implementation of the provisions of the legislation. Recommendations from research conducted by Rizqi (2013) think that the administration of regional government assets through the Regional Goods Management Information System needs to be improved so that the management of regional assets can be effectively carried out.

## CONCLUSION

Regional Goods Management Guidelines, need to be refined. Guidelines for the Management of Regional Goods, need to be improved. Goods belonging to the region as one of the important elements in the framework of the administration of government and community services. The recommended mechanism is to follow the guidance to get the Regional Head's approval, the abolition is stipulated by the Management Decree on behalf of the Regional Head, also to determine the method of sale by public auction through

the State Auction Office or limited auction and / or donated / donated or destroyed.

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