Budget Allocation System of Regional Government Authority (Case Study at Selayar Regency)

BasriRizak

(Lecturer of Muhammadiyah University, Makassar)

Abstrack: *One important aspect of governance and development is a financial management system as a realization of the budget policy, which providing the spirit of efficiency and effectiveness of budget, transparency and public accountability, sense of justice, as well as the achievement optimally. However, the budget allocation has not demonstrated a healthy balance between the central and local government budget, so it causing vertical gap that greatly affect to the performance of the overall development. Along with regional autonomy, the spirit of decentralization, democratization, transparency and accountability that characterizes governance implementation process, particularly in the process of management policy of regional budget allocation, should be a common concern in the management of the budget allocation in Selayar Regency by considering the principle of fairness toward the priority programs and the fulfillment of a wider public participation.*

I.   Introduction

Since the enactment of Law No. 22/1999d and later amended by Law No.32/2004 concerning Regional Government as well as Law No. 25/1999, as amended by Law No.33/2004 concerning Financial Balance between Central and Local Government effectively on January 1, 2001, there have been fundamental changes in the implementation of Local Government. The fundamental changes, among others, there wereidentified and drafted the Strategic Plan, and the policy of Regional Revenues and Expendituresin orderto implement the Strategic Planning. Besides that thedirection of general policy strategically in improving facilities and physical infrastructure that can facilitate the economy system, the improvement of education in order to improve the quality of human resources for the needs of industrialization and trading, including the development of the function of micro economic institutions based on community economic system.

The mechanism of the development budget allocation policy is a series of stages administrative activities including the preparation of Direction and Public Policy of Regional Revenues and Expenditures, drafting Strategy and Priorities of Regional Revenues and Expenditures, drafting of the programs and activities, the issuance of Circular, the preparation of the Budget Statement, and preparation of the Regional Budget Draft. The series of these activities take place in the dynamics of the relationship between institutions that are technically implemented by a team of Executive Budget and Legislative Budget Committee.

The factor of government human resources and member of the Regional Legislative are a determinant factor in the process of policy formulation of development budget. Other factors that also influence the policymaking process of development budget are the needs and problems of the region, especially the needs and problems in the field of education, economy and personnel resources. Other factors that also have influence are the social and economic potential of community, the strategy and direction of development policy,strategic programs in each work unit of the Region of Central Sulawesi province, local economic actors, and NGOs.

Implementation of autonomy of the region has shortened the bureaucracy that has been largely controlled by the Central Government. The authority given to the local government is one government effort in order to accelerate the distribution of development in various regions. Thus, socio-economic problems of the local community can be directly solved by the related Local Government. The benefits of decentralization policy followed by the challenges that must be overcome by the Government,among others, some of the policies that were previously handled by the department of the Central Government must now be addressed by the Regional Government.

As known that, the problem faced by a government is how to improve the welfare of the society. It could be reached through the optimization of economic activity. Optimization of economic activities pursued by efficiently managing all resources owned by the region.The function of government as a regulator of the economy is to strive for the utilization of resources owned by the county to move the economy in order to increase people's income optimally and evenly. To perform its function as regulator economic policy, local government requires adequate regional development budget. In fact, the availability of budget development owned by a region is relatively limited, so a planning and budget distribution policy on target is needed. Through budget allocation management optimally into the government activities, economic activity in the region should be faster growing and the impact of revenue can be enjoyed by the wider community.

Department, Agency or the Regional Office as the representative of local government in implementing regional development policies, should be function optimally. In fact, it is often found that the distribution of the regional development budget through SKPD (Regional Work Unit) less proportional to the duties and authority of the agency/agencies in regard to improve the welfare of the community. So that the impact of the departments/agencies activities were not optimally beneficial for improving the welfare of society.

In theory, the exact distribution of the budget to the leading economic sectors will be able to encourage the local economic activity. In addition, the distribution of the right budget would also increase the income and welfare of the community. One method that can show the activity of leading economic sectors is through the analysis of the impact of the development of the economic sector toward the activity of other economic sectors in terms of job creation and increased incomes.

Meanwhile, the problems faced by Local Government are no standard guidelines for the allocation of the budget. Budget received by SKPD in the Region tended to by past habit so often raises the question, whether the composition of the budget allocated to SKPD is optimal for improving the welfare of society?. This study aims to formulate to the alternative composition of the optimal budget allocation to SKPD in the Regional Government of Central Sulawesi Province where the formulation is done by the principles of good governance and accountability that can improve people's lives.In fact,just a little the elected local government officials allow to do a structured analysis of alternative policy or administrative issues by technical professionals in order to make decisions for them. This occurs because the process that has been developed to deal with interpersonal comparisons in the government not in economic affairs but be more determined by political interests, according to anWildavsky (1961). Indeed Wildavsky focused on the national level, where there is a political bargaining, decision making structure is fragmented, weak administrative systems, and the political increase that marked by the resource allocation process seems to preclude the use of structural analysis. However, the application of analytical techniques for the public service company enables the professional administrator to influence and inform the development of substantive policies and structure of the service system.

In this study also elaborated on the policy simulation by allocating a budget to the department/local agencies. The scope of the research conductedare as follows: (1) To classify the tasks and powers of SKPD under the Local Government into economic activity, non-economic, and supporting; (2) To classify tasks/authority of SKPD relating to economic activity technically through the contribution of the sector under its control in improving the activity of other economic sectors, the ability to boost employment and the ability to increase society incomes through backward and forward analysis of input-output model; (3) To classify the duties and powers of SKPD under the Local Government in which activities are not related to economic activity by building a scoring base of institution role in improving living standards; and (4) To promote SKPD under the Local Government based on a proportional mix of assessment among the role of economic and non-economic development.

Budget Allocation

Budget allocation is closely related to the government's efforts in regard to improve the welfare of the community. This section will explain the sense of the government, the budget, and the process of improving the welfare of society and the input-output methodology for the analysis of economy increase so that government may choose the most efficient sectoral policies.Regional expenses as a component budget are expenditure done by local government in regard to finance activities in a determined year. In the planning and implementation, the existence of this expenditure does not stand alone, but in conjunction with the acceptance or income. The process of planning, execution and then supervision of revenue and expenditure is an activity of budgeting within the local government. Therefore, the results of the planning process that are used as guidelines for the implementation and monitoring of regional government activities is referred to as the regional government budget in the context of public administration in Indonesia and commonly called Regional Revenues and Expenditures.

Function of Budget for Regional Government and Communities

In connection with the activities of government, Regional Revenues and Expenditures is a source of financing for the implementation of regional government regarding to decentralization. Decentralization is the devolution of government power by the Central Government to the Autonomous Region in the framework of the Unitary of Republic of Indonesia. Meanwhile,Autonomy of the Region is a unit of community that have certain areas and authority to regulate and manage the interests of the local community according to the own initiative based on the aspirations of the people in the bonds of the Republic of Indonesia 1.

Based on Law No. 22/1999, amended to UU.32/2004 as well as Law No.25/1999 amended to Law No.33/2004, stated that a district/city as an autonomous region have the power to determine their own Regional Revenues and Expenditures. The determination of Regional Revenues and Expenditures is used to manage the interests of the public in accordance with the aspirations of the people. In this case, Regional Government has

task to take care the interests of society, meanwhile the aspirations of the society in the form of political channels represented by the member of Regional Assembly (DPRD).

Moreover, the arrangement of Regional Revenues and Expenditures should fulfill certain criteriabecause interests. Conceptually, Musgrave (1989) 41 stated that a government budget should fulfill the function of allocation, distribution and stabilization. The function of allocation can be implemented well if the available budget used for the provision of goods and public services are right for the community. In one area, by usingthis allocation function, budget used for the provision of public goods are relevant to the right community also.The understanding of public goods here must be differentiated with personal (private) good.

Sullivan (2000) 51 mentioned that there are three main characteristics of public goods in a region(local public goods), namely: (1) nonrivalrous in consuming; (2) nonexcludable in consuming, and (3) the benefits of the goods is limited to the areas concerned. There is no clash in consumption means that the goods can be consumed jointly (joint consumption) at the same time. The pleasure of consuming the goods for someone not reduced, although come any other people to consume the same goods at the same time. For example, the regional government will be broadcasting songs through its radio station, although a lot of people who also enjoy the broadcast of the song, but everyone can enjoy the song broadcast without diminished enjoyment,

In fact, not all public goods have any conflict of nature in absolute consumption. Most of the public good is half no conflict (semirivalrous). It caused such public goods has limited capacity of consumers. For example, sports fields, conference hall, garden, and others. If a local government built park has a capacity of 50 people, the arrival of the 51st will interfere with the enjoyment of visitors before, let alone the arrival of people to 52, 53, 54, and so on.

There are no exceptions (nonexcludable) means that everyone can use public goods without exception. As above exemplified park, all people are basically allowed to enjoy the park. However, not all public goods are absolutely no exceptions, most are half no exception. If the above subject to the park entrance fees for visitors, it is only the people who bought tickets are allowed to enter the park (although in principle all are allowed).

Meanwhile, local public goods are limited to the interests of the community in the area. It means that the local government only has an obligation to provide public goods for their own community. Public goods that have wider geographic reach become tasksto higher government hierarchy. For example, the implementation of national security is the responsibility of central government.

Then as the question is why the government should provide public goods? This is because the public good may not be provided by the manufacturer to the consumer through a market mechanism. If left to the market, the manufacturer will sell products to consumers who are willing to pay the highest. If there are consumers willing to pay the highest price, of course he would not want to share these items with others, so that the goods will be personal items (private), no longer as public goods in nonrivalrous and onexcludable. This is where it is often said that there is a market failure in the provision of public goods. Therefore, public goods should be provided by the government.

The distribution function is intended as a function of the budget in reducing the gap between the rich people and the poor people in society. Without any kind of government policy then of course the flow of wealth in society will go to the owners of the factors of production, and this will take place continuously due to the process of capital accumulation. The greater factors of production, the flow of the wealth will be more rapid and large, and the smaller ownership of production factors then will be smaller and slower the flow of wealth they earn. If this is allowed to continue, there will be a huge income gap in society.

Regional Revenues and Expendituresis one tool in regional government policy in regard to reduce the income gap. The Policy done through the Regional Revenues and Expenditures commonly known as fiscal policy. Through the Regional Revenues and Expenditures, the Government may impose a tax to the rich people and will be distributedto the poor people, either directly or indirectly.

The alternative of public income redistribution according Musgrave (1989) can be done directly by ways: (1) the imposition of a progressive tax to the rich people and thenwill be subsided directly to the poor people; (2) progressive taxes are used to finance public services, particularly for people who live in housing the poor; (3) the imposition of tax on goods that are consumed by most rich peopleand subsidizing the price of the goods of basic needs of the poor people.

The stabilization function of the budget is usually associated with macro-economic measures to be achieved by the regional government, which is considered to improve (maintain) the economic stability in the region. In this case through the Regional Revenues and Expenditures, the regional government for example, set a target of reducing the number of unemployed; the rate of inflation can be tolerated, realistic economic growth, and so on. In this case the regional government can increase its spending on sectors which have a high multiplier for job creation and economic growth, or can also be a reduction in local taxes for new economic activity growth that is expected will absorbing a lot of labor.

Sources of Revenue

Referring to the Law 25/1999, and amended into Law.No.32/2004, in the implementation of decentralization, the regional government can dig income (revenues) from various sources: (1) the Regional Revenue (PAD); (2) The Balance Fund; (3) Regional Loan; and (4) Other Revenue legitimate. Regional Revenue is operated by the regional government taken from regional revenue sources which consisted of: (a) the local taxes; (b) retribution; (c) income of regional state-owned company, and the results of the regional wealth management separated; and (d) other legitimate local revenues.

Meanwhile, the fund balance is the receipt of funds obtained from the National Revenue that is allocated to the regions in order to finance the needs of the region in the implementation of decentralization. The Fund Balance consists of: (a) allocation of the region accepted from land and building tax (PBB), fees for acquisition of land and buildings and revenue from natural resources; (b) General Allocation Fund (DAU); and (c) Special Allocation Fund (DAK). DAU is allocated from the state National Revenue with the aim of equity of inter-regional financial ability regarding to finance the expenditures in the context of decentralization. While DAK allocated to help finance the specific needs. Regional loans are all transactions that led to the Regional receive from the other party a sum of money or benefits worth the money so that the region is burnededthe obligation to pay back, not including short-term loans are common in the trade. Regarding the issue of the allocation of public expenditures, spending of region generally includes Mandatory Expenditure and Selective Expenditure. Then expenditure of each business comes from direct and indirect expenditures. While the obligatory and selective affairs are described through the SKPD for implementing activities; among others in the field: (1) Agriculture; (2) Industry; (3) Health; (4) Education; and (5) Social.

Budget Allocationvariable

To create a budget allocation in each institution needs to be made in particular grouping, which can describe the pattern of the institution to community. This grouping is needed to determine the appropriate variables in budgeting. By determination of variables are then calculated the coefficients of budget allocation applied in each institutions in the region of Central Sulawesi province.As mentioned earlier, through the budget, regional government applied function of allocation, distribution and stabilization.The three function are required by regional government in making the services to local community, in the form of provision and maintenance of public goods and services (allocation function), taxation and retribution (distribution function), and the making of regulations for the economic stability of the region (stabilization function).

In order to make services to the communityeffectively and efficiently in the region, SKPD were formed in accordance with its duties and functions. The regional SKPD can be classified into two groups, namely: (1) SKPD have task do direct service to the public; and (2) SKPD have task no direct services to the public, but have function to provide support to other SKPD.The detailed task can be seen at Figure 1.

To perform all the activities, each institution requires inputs (resources) that should be exist in an institution. These resources are employees, vehicles, buildings and various other offices household needs. The different types and functions of institutions resulting in differences in the number of inputs required. These differences also result in differences in managerial range, differences in the number of direct services to the community and a direct influence on regional economic.The necessary inputs needed, managerial span, the number of direct services to the public and influence to economic in the region can be the determining factor toward the budget needs of each institution. By considering these input factors that should exist in the institution, the number of direct services to the community, the range of managerial, and influence on the improvement communitycoeconomic activities, the size of the budget allocation to each institution can be identified. The size of the budget allocation can be used to browse the operationalindicators (variables) used in determining the operational budget allocation.

Available Input in Institution

Each institution in providing services requiresvarious permanent inputsrelatively.Work load is relatively permanent should be financed from the funds of Regional Revenues and Expenditures. The more heavy costs borne isgreater the budget must allocated.Meanwhilethe variables that can be used to determine the size of the input cost is the number of employees, number of vehicles, large building and other office expenses household.

Service to the Community

Because of most institutions has a social function which provides the services to the community in the form of non profit, it should be provided a budget allocation for these activities. Increasingly wide range of services provided, the greater the required budget. Therefore, the amount of service provided to the general public per year can be used as variables in order to calculate the budget allocation to the institution. While the

variables that can be used is the number of people served and the amount of regional revenue receipts are managed.

Figure1.Grouping ofLocalInstitutionsin ServingCommunity
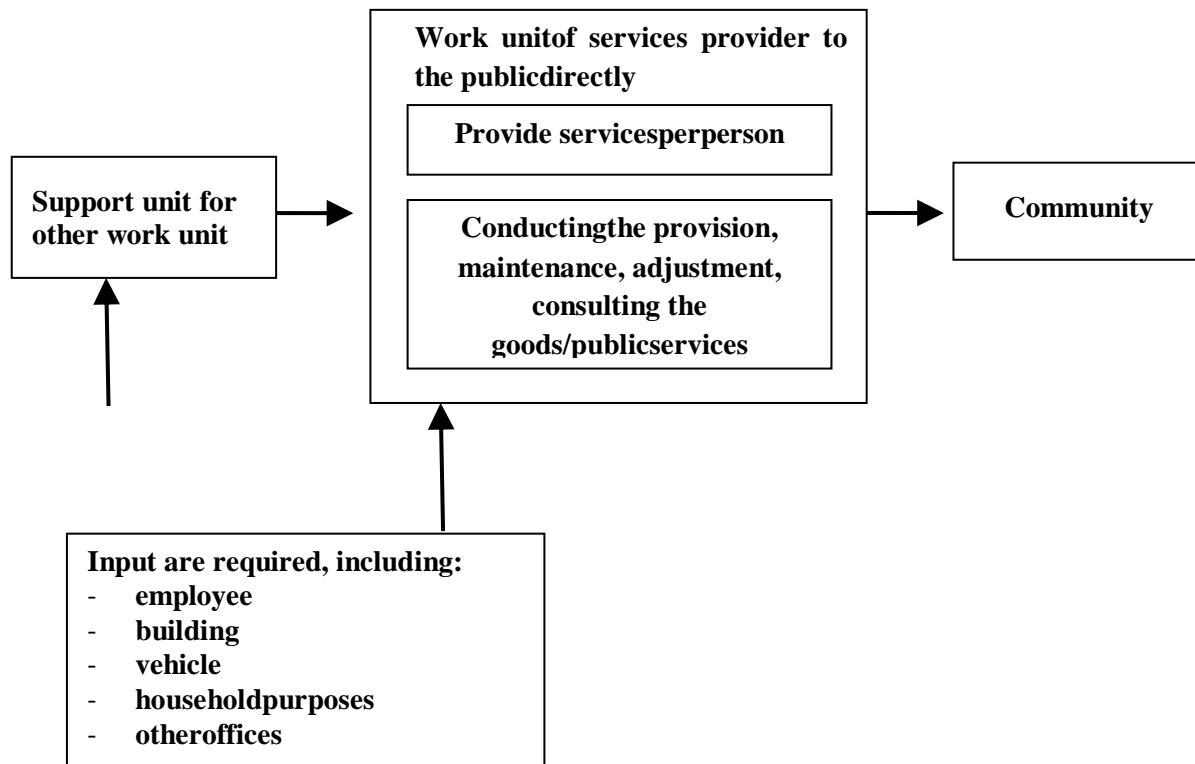
Managerial Range

Each institution has variety managerial functions in the implementation of development in the region. Therefore, such these institutions should be obtaining an adequate budget allocation. Variables that can be used to determine the magnitude of this managerial range is the size of the elements of planning, coordination and oversight existing in every institution. For instance, the planning range of the Regional Development Planning Board (Bappeda) is greater than then Regional Inspectorate. In contrast, the controlling of range is chiever then Regional Development Planning Board (Bappeda) is greater than the Regional Inspectorate

Community Economic Activity

Some institutions have a function as driving to the community economy. Usually such these departments/agencies/offices have the task to move a certain economic sectors in society. At the next turn of the economic sectors to encourage other economic sectors that are adjacent to the upstream and downstream, as well as increase incomes and employment. For example, the Department of Industry to provide guidance on the textile industry so that the number of textile production has increased compared to the previous year. The increase of textile production is resulting in a rise in the production of yarn, this is an example of backward linkagesThe increase of textile production also results in an increase in production of apparel, this is an example of forward linkage.

On the side of the factors of production, The increase of textile production would raise recruitment of employers. This is an example of the multiplication of labor. With the additional employment, increase of textile production has also increased the level of household income.It shows available of multiple incomes for community. The amount of backward and forward linkages and duplication of labor and income above can be calculated by using the input-output model and these are the variables that are used to measure the effect of an institution toward the community's economic activities.

Based on the above explanation, it could be summarized the determination variables of budget allocation. Of the four factors are considered, finally there are 9 variables of determining budget allocationsfinded. In Table 1 below, the results of the formulation of these variables and their data sources can be seen.

Calculation of Budget Allocation

Meanwhile, the variables of budget determinant obtained theoretically above, in furtherance processed to obtain the proportion of the budget allocated numbers to each institution. If Table 1 considered more carefully, the factors considered in determining the budget allocation can be further grouped into two major groups, namely: (1) factors related to economic activity (variable no. 6-9), hereinafter referred to as economic factor, while the variables inside called economic variables; (2) factors that are not related to economic activity (variable no.1-5), hereinafter referred to as non-economic factors, while the variables inside are called non-economic variables.

Tabel :1.Determinant VariablesofBudget Allocation

Factors toconsider	Variables Used	Data Sources
Available Input	Number of Employees The value of SKPD assets	Main Task and Function Historical Data
The number ofservices to the public(social function)	Number of Services Contribution of Regional Revenue	Main Task and Function Historical Data of Services
Managerial Range	Range of Managerial	Main Task and Function Historical Data
Influence on Society economic activities	Forward Linkage Backward Linkage Multiple of Labor Multiple of Income	Input-output Model Tupoksi

The variables in each of these factors have different units. For economic variables, the number obtained by using the input-output model approach in the form of coefficients. For non-economic variables, units used are varieties. The unit of number of employees is different with unit of the building area, different with the unit of Regional Revenue, and so on. In order to equate the units are different, both in economic and non-economic factors, each value should be changed as an index.

Of each of the indicators for these variables, the coefficient of the budget allocation is formulated into the total indicators as follows:

$$\text{I total} = \sum \text{Ie} * \text{be}_i + \sum \text{In}_i * \text{bn}_i$$

where:

l_{total} = total index (coefficient of budget allocation)
le_i = index of economic variablesto-i
be_i = weight of economic variablesto-i
In_i = index non-economic variablesto-i
bn_i =weight of non-economic variablesto-i.

From the results of a calculation is then adjusted based on the consideration for balancing with other budget allocation of SKPD.

Simulation Of Budget Allocation

Based on the results of the calculation for the budget allocation coefficient index in Table 2b shows that SKPD which obtain greatest portion of the calculation is the Department of ....), namely ....obained from Regional Revenue. This Department has the ability of increasing economy, create jobs and improve the income of communities. In addition, because the value of assets in the Department ....also requires a high cost.

SKPD also gained quite a large part is the Regional Secretariat. The total portion of Regional Revenue obtained by this SKPD is .... That is caused that SKPD has a large enough managerial functions and also contribute bigger to Regional Revenue. The next SKPD also has a high portion is the Regional Department of Education and the Department of Cooperatives, SME, Department of Industry .... Both of these SKPD each earn a portion of .... and ……......... Department of Education has a large part due to the burden of public education services are quite hughest.Deparment of cooperatives, SME, Department of industry and tradinghave large portion becausesupporting the economic incentives and increased incomes. The next SKPD that have a large contribution is SKPD engaged in economic fields, primarily in agriculture. Meanwhile, other SKPD have a relatively small part.

In Table 3 it can be seen the results of the comparison of calculating the allocation of the budget in realization 2010. By comparing the budget realization and simulation of the calculating the budget allocation, there are obtained significant differences at 9 SKPD of 42 SKPD (approximately 21%), where the difference is more than 100%, namely:
1. Head and Deputy Head ofRegion
2. Department of Energy and Mineral Resources
3. Department of Cooperatives, Micro, Small, Medium, Trade and Industry
4. Department of Animal Husbandry and Animal Health
5. Department of Plantation
6. Department of Forestry
7. Department of Marine and Fisheries
8. Department of Agriculture, and
9. Department of Culture and Tourism.

Based on the above results, the implementation should be done into further discussion in order to obtain optimal results. By using the method of budget allocation coefficient, the plan of budget determination of Central Sulawesi province more objective methodologically, so which is expected to be more effective and efficient in the application, and also can reduce the intervention of other parties. This budget allocation methodology is flexible, and also can accommodate strategic agreement made by the executive and legislative in the field of authority as well as certain sectors.

Agency forWomen's EmpowermentandFamily Planning

Tabel 2a.Calculation of CoefficientIndex ofBudget Allocation

NO.	Name of Departmen or Agency	Economicmultipliers				community service	Contribution of Regional Revenue	Managerialfunctions	Number of Employee
		Backward	Forward	Manpower	Income				
1	Department of National Education	-	-	20,76	11,74	60,77	-	6,43	24,88
2	Public Health Office	-	-	10,04	4,64	12,71	3,76	3,07	2,80
3	Regional Public Hospital	-	-	-	-	6,17	5,97	2,37	4,32
4	Public Works Service	29,86	19,94	23,47	12,53	-	4,09	2,71	3,29
5	Regional Development and Planning Board	-	-	-	-	-	-	2,37	2,16
6	Department of TransportationandCommunications and Information Technology	2,59	1,66	-	-	-	3,66	1,35	2,06
7	Environment Office	-	-	-	-	0,11	-	1,35	1,03
8	Sanitation and Gardening Service	-	-	-	-	3,04	2,48	1,02	1,65
9	PopulationandCivil Registration Office	-	-	-	-	4,05	1,62	1,35	1,85
10	Women's EmpowermentandFamily Planning Board	-	-	-	-	0,16	-	1,02	1,65
11	Social,ManpowerandTransmigration Services	-	-	-	-	7,89	1,26	1,69	1,34
12	Department of Cooperatives, Small and Medium Enterprises, Industry andTrading, MiningandEnergy	-	-	16,95	21,27	-	-	1,69	1,54
13	Office ofIntegrated Servicesand Capital Investment	-	-	-	-	-	4,89	1,13	1,03
14	CultureandTourism Services	-	-	-	14,57	-	1,90	1,13	0,93
15	National Unity, PoliticsandEnvironmental society Board	-	-	-	-	0,06	-	1,02	0,93
16	Office of theCivil Service Police Unit	-	-	-	-	0,91	-	1,02	2,16
17	Regional Disaster ManagementAgency	-	-	-	-	0,12	-	1,02	1,13
18	Regional Legislative Assembly	-	-	-	-	0,10	-	1,02	2,78
19	RegentandVice Regent	-	-	-	-	-	-	3,72	0,83
20	Regional Secretariat	-	-	-	-	-	4,60	17,60	2,16
21	Regional Secretariat(Section of Governance)	-	-	-	-	-	-	1,35	1,44
22	Regional Secretariat(Legal Section)	-	-	-	-	-	-	1,35	1,54
23	Regional Secretariat(Economic Section)	-	-	-	-	-	-	1,35	1,44
24	Regional Secretariat(Development	-	-	-	-	-	-	1,35	1,42

No	Name								
4	Section)								
25	Regional Secretariat(General Section)	-	-	-	-	-	-	1,35	1,91
26	Regional Secretariat(Community Welfare Section)	-	-	-	-	-	-	1,35	1,27
27	Regional Secretariat(Community Welfare Section)(Organization and Human Resources Section)	-	-	-	-	-	-	1,35	1,34
28	Regional Secretariat(Finance Section)	-	-	-	-	-	-	1,35	1,44
29	Regional Secretariat(YouthandSports Section)	-	-	-	-	-	-	1,35	0,97
30	Regional Secretariat(Equipment Section)	-	-	-	-	-	-	1,35	1,85
31	Regional Secretariat(Public Relations, Protocol, andPDE Section	-	-	-	-	-	-	1,35	1,30
32	Secretariat ofRegional Legislative Assembly	-	-	-	-	-	-	1,02	1,34
33	Regional Revenue, Finance and Asset Services	-	-	-	-	0,06	62,67	1,35	1,75
34	Regional Inspectorate	-	-	-	-	-	-	1,02	1,15
35	BontomateneSubdistrict	-	-	-	-	0,21	-	1,69	1,75
36	BukiSubdistrict	-	-	-	-	0,10	-	1,69	1,44
37	BontomanaiSubdistrict	-	-	-	-	0,17	-	1,69	1,23
38	BentengSubdistrict	-	-	-	-	0,05	-	1,69	0,93
39	BontoharuSubdistrict	-	-	-	-	0,17	-	1,69	1,23
40	BontosikuyuSubdistrict	-	-	-	-	0,18	-	1,69	1,34
41	TakabonerateSubdistrict	-	-	-	-	0,11	-	1,69	0,82
42	PasimassgguSubdistrict	-	-	-	-	0,09	-	1,69	0,82
43	PasimasungguTimurSubdistrict	-	-	-	-	0,08	-	1,69	0,72
44	PasimarannuSubdistrict	-	-	-	-	0,05	-	1,69	0,76
45	PasilambenaSubdistrict	-	-	-	-	0,07	-	1,69	0,72
46	Secretariat of theGoverning CouncilKORPRI	-	-	-	-	0,05	-	1,02	0,51
47	Regional Employment Board	-	-	-	-	2,20	-	1,47	1,34
48	Agency of Community Empowermentand Governance/Village	-	-	-	-	0,11	-	1,24	1,13
49	LibraryandArchives Office	-	-	-	-	0,08	0,81	1,13	1,03
50	Department of Agriculture andForestry	20,12	41,56	16,86	27,86	-	-	1,35	1,54
51	Food Security and Extension Agency	-	-	-	-	0,12	-	1,13	1,03
52	Department of MarineandFisheries	47,43	36,84	11,91	7,39	-	2,29	1,69	1,03
	Jumlah	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00

Tabel 2b.Index of Calculation Results of SKPD Budget Allocation Coefficient of Selayar Regency(in percentage)

No.	Description	TotalIndicator
1	Department of National Education	17,35
2	Public Health Office	5,06
3	Regional Public Hospital	2,80
4	Public Works Service	10,79
5	Regional Development and Planning Board	0,50
6	Department of TransportationandCommunications and Information Technology	1,46
7	Environment Office	0,28
8	Sanitation and Gardening Service	1,23
9	PopulationandCivil Registration Office	1,32
10	Women's EmpowermentandFamily Planning Board	0,32
11	Social,ManpowerandTransmigration Services	1,89
12	Department of Cooperatives, Small and Medium Enterprises, Industry andTrading, MiningandEnergy	4,56
13	Office ofIntegrated Servicesand Capital Investment	1,07
14	CultureandTourism Services	2,15
15	National Unity, PoliticsandEnvironmental society Board	0,22
16	Office of theCivil Service Police Unit	0,50
17	Regional Disaster ManagementAgency	0,26
18	Regional Legislative Assembly	0,43
19	RegentandVice Regent	0,50
20	Regional Secretariat	2,96
21	Regional Secretariat(Section of Governance)	0,31
22	Regional Secretariat(Legal Section)	0,32
23	Regional Secretariat(Economic Section)	0,31
24	Regional Secretariat(Development Section)	0,31
25	Regional Secretariat(General Section)	0,36
26	Regional Secretariat(Community Welfare Section)	0,29
27	Regional Secretariat(Community Welfare Section)(Organization and Human Resources Section)	0,30
28	Regional Secretariat(Finance Section)	0,31
29	Regional Secretariat(YouthandSports Section)	0,26
30	Regional Secretariat(Equipment Section)	0,35
31	Regional Secretariat(Public Relations, Protocol, andPDE Section	0,29
32	Secretariat ofRegional Legislative Assembly	0,26
33	Regional Revenue, Finance and Asset Services	11,00
34	Regional Inspectorate	0,24
35	BontomateneSubdistrict	0,41
36	BukiSubdistrict	0,36
37	BontomanaiSubdistrict	0,35
38	BentengSubdistrict	0,30
39	BontoharuSubdistrict	0,35
40	BontosikuyuSubdistrict	0,36
41	TakabonerateSubdistrict	0,30
42	PasimasungguSubdistrict	0,29
43	PasimasungguTimurSubdistrict	0,28
44	PasimarannuSubdistrict	0,28
45	PasilambenaSubdistrict	0,28
46	Secretariat of theGoverning CouncilKORPRI	0,18
47	Regional Employment Board	0,68
48	Agency of Community Empowermentand Governance/Village	0,28
49	LibraryandArchives Office	0,39
50	Department of Agriculture andForestry	12,02
51	Food Security and Extension Agency	0,26
52	Department of MarineandFisheries	12,08
	Jumlah	100,00

Table 3. Comparison of Simulation Result and Realization of the 2010 budget

NO.	DESCRIPTION	Simulation Result	Realization fo APBD 2011	Difference (%)
1	Department of National Education	81.789.678.780	126.703.044.000	(35,45)
2	Public Health Office	23.852.075.290	23.548.649.000	1,29
3	Regional Public Hospital	13.198.211.797	15.713.213.000	(16,01)
4	Public Works Service	50.884.359.536	42.076.972.000	20,93
5	Regional Development and Planning Board	2.348.392.560	5.157.197.000	(54,46)
6	Department of TransportationandCommunications and Information Technology	6.903.245.535	6.102.011.000	13,13
7	Environment Office	1.325.426.474	2.470.553.000	(46,35)
8	Sanitation and Gardening Service	5.805.879.899	3.981.594.000	45,82
9	PopulationandCivil Registration Office	6.203.256.977	2.194.295.000	182,70
10	Women's EmpowermentandFamily Planning Board	1.508.388.287	3.486.538.000	(56,74)
11	Social,ManpowerandTransmigration Services	8.905.174.533	5.042.009.000	76,62
12	Department of Cooperatives, Small and Medium Enterprises, Industry andTrading, MiningandEnergy	21.492.558.687	6.592.301.000	226,03
13	Office ofIntegrated Servicesand Capital Investment	5.038.461.394	940.181.000	435,90
14	CultureandTourism Services	10.141.412.231	4.050.620.000	150,37
15	National Unity, PoliticsandEnvironmental society Board	1.051.511.825	1.184.569.000	(11,23)
16	Office of theCivil Service Police Unit	2.376.700.101	2.416.568.000	(1,65)
17	Regional Disaster ManagementAgency	1.207.917.500	2.100.963.000	(42,51)
18	Regional Legislative Assembly	2.048.252.031	4.127.342.000	(50,37)
19	RegentandVice Regent	2.359.702.990	416.558.000	466,48
20	Regional Secretariat	13.931.858.247	15.497.656.000	(10,10)
21	Regional Secretariat(Section of Governance)	1.448.566.479	2.375.000.000	(39,01)
22	Regional Secretariat(Legal Section)	1.501.880.416	665.000.000	125,85
23	Regional Secretariat(Economic Section)	1.448.566.479	289.927.000	399,63
24	Regional Secretariat(Development Section)	1.437.903.692	462.000.000	211,23
25	Regional Secretariat(General Section)	1.693.810.588	255.000.000	564,24
26	Regional Secretariat(Community Welfare Section)	1.363.264.180	1.041.000.000	30,96
27	Regional Secretariat(Community Welfare Section)(Organization and Human Resources Section)	1.395.252.542	255.000.000	447,16
28	Regional Secretariat(Finance Section)	1.448.566.479	165.000.000	777,92
29	Regional Secretariat(YouthandSports Section)	1.203.322.370	200.000.000	501,66
30	Regional Secretariat(Equipment Section)	1.661.822.226	8.587.500.000	(80,65)
31	Regional Secretariat(Public Relations, Protocol, andPDE Section	1.373.926.968	643.309.000	113,57
32	Secretariat ofRegional Legislative Assembly	1.219.709.701	9.550.911.000	(87,23)
33	Regional Revenue, Finance and Asset Services	51.877.789.601	73.640.756.000	(29,55)
34	Regional Inspectorate	1.123.744.615	2.831.450.000	(60,31)
35	BontomateneSubdistrict	1.952.701.957	10.079.120.000	(80,63)
36	BukiSubdistrict	1.701.560.357	4.628.725.000	(63,24)
37	BontomanaiSubdistrict	1.654.499.919	8.188.668.000	(79,80)
38	BentengSubdistrict	1.394.875.931	2.231.338.000	(37,49)
39	BontoharuSubdistrict	1.656.769.358	8.324.297.000	(80,10)
40	BontosikuyuSubdistrict	1.713.096.250	8.504.361.000	(79,86)
41	TakabonerateSubdistrict	1.395.726.861	5.468.406.000	(74,48)
42	PasimangguSubdistrict	1.379.198.541	4.480.620.000	(69,22)
43	PasimangguTimurSubdistrict	1.312.898.561	3.704.532.000	(64,56)
44	PasimarannuSubdistrict	1.311.531.156	2.348.326.000	(44,15)
45	PasilambenaSubdistrict	1.308.332.811	3.431.668.000	(61,87)
46	Secretariat of theGoverning CouncilKORPRI	832.628.869	423.211.000	96,74
47	Regional Employment Board	3.216.981.090	4.804.932.000	(33,05)
48	Agency of Community Empowermentand Governance/Village	1.320.472.324	2.108.596.000	(37,38)
49	LibraryandArchives Office	1.838.181.001	1.524.630.000	20,57
50	Department of Agriculture andForestry	56.674.926.014	11.548.327.000	390,76
51	Food Security and Extension Agency	1.217.680.300	5.092.009.000	(76,09)
52	Department of MarineandFisheries	56.959.667.689	9.755.868.000	483,85
	Total	**471.412.320.000**	**471.412.320.000**	**-**

II. Conclusion

Based on the results of the budget of calculation for allocation coefficient index, SKPD that obtain the largest portion of the calculation is the Department of Public Works, namely 12.97% of the Regional Revenues and Expenditures. Department of Public Works has the ability to stimulate the economy, create jobs and increase people incomes, as well as the value of the asset maintenance need high costs. The next is the Regional Secretariat of 9.25%, because it has a large managerial functions and also give a high contribution to Regional Income. Furthermore, the Department of Regional Education and the Department of Cooperatives, SME, Industry and Trading (respectively 8.57% and 8.38%), as well SKPD engaged in the fields of economy, especially in agriculture. Meanwhile, other SKPD have a relatively small budget.

By comparing the simulation calculation based indicators (coefficient of budget allocation) and the realization of the budget in 2010, obtained significant differences, ie there are 9 of 42 SKPDs; (approximately 21%) by more than 100%. Meanwhile, in order that the budget allocation method made de¬ngan based budget allocation coefficients can be effective, it needs to be included in the form of local laws or regulations regional head (Governor of Central Sulawesi), although this budget allocation methodology is flexible.

III. Policy Recommendation

The policy recommendation in the management of the budget allocation to be considered for a flagship program for the Central Sulawesi Provincial Government 2011-2016 are as follows:
1. Formulation of the budget allocation policy in the form of local regulations or regulation of regional head (Governor of Central Sulawesi) based on the method of budget allocation
2. Formulation of the development budget allocation policy for the government apparatus and supervision needs to be based on the analysis of the functional requirements in a transparentmanner.
3. Formulation of development budget allocation policy should be strengthened by a team of local fiscal policy analysis, which consists of elements of financial consultants and economic development consultant from various universities.
4. Need to do a survey of potential revenue sources of local revenue of Central Sulawesi province by involving professionals from various universities, and the results are disseminated to all interested parties.

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