REGULATION OF THE MINISTER OF FINANCE OF THE
REPUBLIC OF INDONESIA
NUMBER 136/PMK.02/2014

ON

GUIDANCE FOR THE PREPARATION AND STUDY
OF THE WORKING PLAN AND BUDGET OF THE STATE MINISTRY/ INSTITUTION

BY THE GRACE OF THE GOD ALMIGHTY
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Considering: a. whereas in order to implement the provision of Article 6 section (5), Article 10 section (7), and Article 12 section (6) of the Government Regulation Number 90 year 2010 on the Preparation for the Working Plan and Budget of the State Ministry/ Institution, Minister of Finance has stipulated the Regulation of the Minister of Finance Number 94/PMK.02/2013 on the Guidance for the Preparation and Budget of the State Ministry/ Institution as it has been amended with the Regulation of the Minister of Finance Number 194/PMK.02/2013;
b. whereas in order to stabilize the application of the middle-term output framework, the integrated budgeting on performance basis, the affirmation of role and responsibility between the state ministry/ institution and the Ministry of Finance in the preparation and review toward the working plan and budget of the state ministry/ institution as well taking into account to the Verdict of the Constitutional Court of the Republic of Indonesia Number 35/PUU-XI/2013 dated May 22,
2014, it is necessary to reset the provision regarding with the guidance for preparation and review of the working plan and budget of the state ministry/ institution;

c. whereas based on the considerations as set forth in letter a and letter b, it is necessary to stipulate the Regulation of the Ministry of Finance on the Guidance for Preparation and Review of the Working Plan and Budget of the State Ministry/ Institution;

In the view of : Law Number 90 Year 2010 on Procedure for the Preparation of Working Plan and Budget of the State Ministry/ Institution (State Gazette of the Republic of Indonesia Year 2010 Number 152, Supplement of the State Gazette of the Republic of Indonesia Number 5178);

BE IT HEREBY RESOLVED:

to enact : REGULATION OF THE MINISTER OF FINANCE ON THE GUIDANCE FOR PREPARATION AND REVIEW OF WORKING PLAN AND BUDGET OF THE STATE MINISTRY/ INSTITUTION.

CHAPTER I
GENERAL PROVISION

Article 1

The applied terminologies herein shall be defined as follow:

1. State Budget Revenue and Expenditure, hereinafter referred to as APBN, means the draft of annual state government finances of which is approved by the House of Representative.

2. State Ministry, hereinafter referred to as the Ministry, means
the government instrument that manages certain affairs in the administration.

3. Institution means the non-Ministry organization and the other budget user agency that is established to conduct certain tasks based on the Constitution of the Republic of Indonesia 1945 and/or the other legislation.

4. Minister/ Head of Institution means the official who is responsible on the financial management on the respective Ministry/ Institution.

5. Government Internal Inspectorate Apparatus of the Ministry/ Institution, hereinafter abbreviated with APIP K/L, means Inspectorate General/ Principal Inspectorate/ Inspectorate or the other name that functionally implement the internal supervision that is directly responsible to the Ministry/ Head of Institution.


7. Annual Development Plan of the Ministry/ Institution, hereinafter referred to as Ministry Working Plan (Renja K/ L), means the national planning document for the period of 1 (one) year.

8. Working Plan and Budget of the Ministry/ Institution, hereinafter referred to as RKA-K/ L, means the annual financial planning document of the Ministry/ Institution that is prepared in accordance with the budget part of the Ministry/ Institution.

9. Indicative Budget Ceiling means the estimation of budget ceiling given to the Ministry/ Institution as the guidance in preparing Renja K/L.

10. Budget Ceiling of the Ministry/ Institution, hereinafter referred
to as Budget Ceiling K/L, means the highest limit of budget allocated to the Ministry/ Institution in order to prepare RKA K/ L.

11. Budget Allocation of the Ministry/ Institution, hereinafter referred to as Budget Allocation K/ L, means the highest limit of budget allocation given to the Ministry/ Institution based on the result of the session of Draft APBN that is mentioned into the conclusion of working meeting session draft of the APBN between the Government and DPR.

12. Performance means the working achievement in the form of output from an activity or outcome of a program with the measured quantity and quality.

13. Output means goods and services produced by an activity that is implemented to support the achievement of target and objective of the program and policy.

14. Outcome means anything that reflects the function of Output from an activity within a program.

15. Budget Feasibility means the calculation of the value budget need to produce an Output by considering the most economical cost unit and adequate specification on each planning.

16. Suitability means the linkage or relevance between the applied object and instrument.

17. List of the Outcome of Working Plan and Budget of the Ministry/ Institution, hereinafter referred to as DHP RKA-K/L, means the document contains the summary of RKA-K/L per unit echelon I and program within a Ministry/ Institution stipulated based on the result of review.

Article 2
(1) For the purpose of preparing APBN, Minister/ Head of Institution prepares RKA-K/ L for the Ministry/ Institution he/ she leads.

(2) In addition to prepare RKA-K/L upon the budget part of the Ministry of Finance, Minister of Finance prepares for the RKA-K/L for the Budget Part of the State General Treasurer, hereinafter referred to as Fund Expenditure Plan of the State General Treasurer (RDP BUN).

(3) Minister/ Head of Institution shall be responsible on the truth and completeness of RKA-K/L along with its supporting document.

(4) Procedure for the preparation and review of RDP BUN, as set forth in section (2), shall comply with the provision in the Regulation of the Minister of Finance that sets out the procedure for planning, review, and stipulation of budget part allocation of the state general treasurer.

Article 3

(1) RKA-K/L shall be prepared by referring to the general guidance of RKA-K/L, which includes:

   a. Budgeting system approach, consisting of:
      1. integrated budgeting;
      2. performance basis budgeting; and
      3. mid-term output framework.

   b. Budget classification, consisting of:
      1. organizational classification;
      2. functional classification; and
      3. expenditure type classification.

   c. Instrument of the RKA-K/L consists of:
      1. Performance indicators;
      2. standard of cost; and
3. Performance evaluation.

(2) General guidance of RKA-K/L as set forth in section
(1) as mentioned in Appendix I of which constitutes the integral part herein.

Article 4

RKA-K/L shall be prepared based on:

a. Budget Ceiling of K/L and/ or Budget Allocation of K/L;
b. Renja K/L;
c. RKP resulted from the agreement between the Government and the DPR in the initial session of the Draft APBN;
d. standard of cost; and
e. the other government policy.

Article 5

Preparation of RKA-K/L along with its supporting document should meet the principles of budgeting plan as follow:

a. mentioning the target of Performance that includes Output and Performance indicator of activity in RKA-K/L in accordance with the target of Performance in the Renja K/L and RKP;
b. ensuring the total budget ceiling in RKA-K/L in accordance with the Budget Ceiling of K/L and/ or Budget Allocation of K/L;
c. ensuring budget sources in RKA-K/L in accordance with the Budget Ceiling of K/L and/ or Budget Allocation of K/L;
d. ensuring the Budget Feasibility and complying with the provision, among other, the application of incoming cost standard and outcome cost standard, conformity of expenditure type and account, allocation of budget for the activity financed from the non tax revenue, domestic or international loan/ grants, sharia bonds,
general public service, multi years contract, and the budget allocation that will be handed becomes the state equity at the state owned enterprise; and.

e. ensuring the thematic mentioning of APBN at the Outcome level.

CHAPTER II
PREPARATION OF RKA-K/L

Article 6

(1) Minister/ Head of Institution c.q echelon I official or the other official who has budget allocation (portfolio) and as the responsible person of the program prepares RKA-K/L using the format of RKA-K/L and application system of RKA-K/L DIPA that mentioned the detail of allocation based on:
   a. basic number; and/ or
   b. newly initiative,

(2) RKA-K/L that is prepared, as set forth in section (1), shall be completed with the supporting document, among other, TOR/RAB and the related documents for:
   a. detail of basic number that experiences the changes at the level of step/ activity component; and/ or
   b. budget detail used to finance the newly initiative.

(3) RKA-K/L, as set forth in section (2), shall be prepared in directly gradual that consists of:
   a. Working Plan and Working Unit Budget (RKA Satker);
   b. RKA-K/L echelon I unit; and
   c. RKA-K/L scope of the Ministry/ Institution.

(4) RKA-K/L of echelon I unit, as set forth in section (3) letter b, shall be signed by the echelon I official or the other official who has budget allocation (portfolio) and as the responsible person of the
program.

(5) Procedure for the preparation of RKA-K/L and format of RKA-K/L, mentioned in the Appendix II that constitutes the integral part herein.

CHAPTER II
EXAMINATION AND REVIEW OF RKA-K/L

Article 7
In order to improve the quality of budgeting plan of the Ministry/Institution, RKA-K/L of echelon I unit that has been signed, as set forth in Article 6 section (4), shall be delivered to:

a. Secretariat General/Principal Secretariat/Secretariat c.q Planning Bureau/Planning Unit of the Ministry/Institution to be examined; and

b. APIP K/L to be reviewed.

Article 8
(1) Examination of RKA-K/L echelon I unit by the Secretariat General/Principal Secretariat/Secretariat c.q Planning Bureau/Planning Unit of the Ministry/Institution, as set forth in Article 7 letter a, shall be carried out through the verification upon the completeness and correctness of the required documents as well the compliance in applying the principles of budgeting plan.

(2) Verification upon the completeness and correctness of the required document as well the compliance in applying the principles of budgeting plan, as set forth in section (1), shall be focused on to examine:

a. consistence in mentioning the target of Performance that includes Output and Performance indicator of activity in RKA-K/L in accordance with the target of Performance in the Renja K/L and RKP;

b. conformity in the total budget ceiling in RKA-K/L to the Budget
Ceiling of K/L;
c. conformity in budget sources in RKA-K/L in accordance with the Budget Ceiling of K/L;
d. compliance in mentioning the thematic of APBN at the level of Outcome; and
e. completeness of the supporting document RKA-K/L, among other RKA Satker, TOR/ RAB, and the other related supporting document.

(3) Examination result of RKA-K/L, as set forth in section (1), shall be delivered to:
   a. APIP K/L to be reviewed; and
   b. echelon I unit that has budget allocation (portfolio) and as the responsible person of the program to conduct the revision or adjustment if needed.

(4) Guidance for the examination of RKA-K/L echelon I unit by the Secretariat General/ Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit of the Ministry/ Institution, as mentioned in Appendix III of which constitutes the integral part herein.

Article 9

(1) Review of RKA-K/L of the echelon I unit by APIP K/L, as set forth in Article 7 letter b, shall be carried out to provide the limited assurance and ensuring the compliance on applying the principles of budgeting plan.

(2) Review of RKA-K/L of the echelon I unit by APIP K/L, as set forth in section (1), shall be focused to:
   a. Budget Feasibility to produce an Outcome;
   b. compliance in applying the principles of budgeting plan, among other:
1. application of incoming standard cost and outcome standard cost;
2. account utilization;
3. limited issues;
4. budget allocation for the activity financed by the non tax state revenue, domestic or international loan/ grants, and sharia bonds;
5. budgeting of the public service entity;
6. multi years contract; and
7. budget allocation that will be handed to be the state equity to the state owned enterprise;

c. completeness of the supporting document RKA-K/L, among other RKA Satker, TOR/ RAB, and the other related supporting document; and

d. budget detail that is used to finance the newly initiative and/ or the budget detail of basic number that experiences the changes at the level of component.

(3) Review result of RKA-K/L, as set forth in section (1), shall be delivered to:

a. Echelon I unit that has budget allocation (portfolio) and as the responsible person of the program to conduct the revision or adjustment if needed; and

b. Secretariat General/ Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit of the Ministry/ Institution.

(4) Guidance for the review of RKA-K/L of echelon I unit, as mentioned in Appendix III of which constitutes the integral part herein.

(5) APIP K/L could adjust and return the steps in the guidance for the review of RKA-K/L, as set forth in section (4), shall be in accordance with the need and the characteristic of the respective
Ministry/ Institution.

Article 10
Examination of RKA-K/L echelon I unit by the Secretariat General/Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit of the Ministry/ Institution, as set forth in Article 8, could be carried out along with the review of RKA-K/L of echelon I unit by APIP K/L as set forth in Article 9.

Article 11
(1) Echelon I unit that has budget allocation (portfolio) and as the responsible person for the program conducts the revision or adjustment of RKA-K/L echelon I unit based on:
   a. examination result of the Secretariat General/ Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit of the Ministry/ Institution to be examined; and/ or
   b. review result of APIP K/L.

(2) RKA-K/L echelon I unit that has been revised or adjusted, as set forth in section (1), shall be delivered to the Secretariat General/ Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit of the Ministry/ Institution to be gathered as RKA-K/L scope of K/L.

Article 12
(1) In case the Ministry/ Institution conduct the session of RKA-K/L with the related commission in DPR for the purpose of discussing the initial Draft of APBN, the session shall be conducted through the consultation upon RKA-K/L that has been examined and
reviewed as set forth in Article 11.

(2) Consultation, as set forth in section (1), shall be focused on the detail of budget allocation, and the program in accordance with Form 1 of RKA-K/L.

CHAPTER II
THE STUDY OF RKA-K/L

Article 13

(1) Minister/ Head of Institution or the appointed official shall deliver RKA-K/L on the scope of K/L, as set forth in Article 11 or RKA-K/L that has been discussed as set forth in Article 12 to the Ministry of Finance c.q Directorate General of Budget and Ministry of National Development Planning for the study in the study forum between K/L, Ministry of Finance, and the Ministry of National Development Planning.

(2) The delivery of RKA-K/L, as set forth in section (10, shall be completed with the documents as follow:
   a. covering letter of RKA-K/L that is signed by Minister/ Head of Institution or the appointed official;
   b. letter of statement of the echelon I official or the other official who has the budget allocation (portfolio) and as the responsible person of the program;
   c. list of Budget Ceiling detail per satker/ echelon I;
   d. RKA Satker; and
   e. Computer Data Archive (ADK) RKA-K/L.

(3) Ministry of Finance c.q. Directorate General of Budget changes ADK RKA-K/L, as set forth in section (2), into the application of the State Treasury and Budget System (SPAN) for validation.

(4) In case the validation process, as set forth in section (3), there is any data that does not comply with the principles of SPAN, RKA-K/L shall be returned to the K/L for revision.

(5) Review of RKA-K/L, as set forth in section (1), to examine:
a. conformity of budget ceiling and budget source in RKA-K/L in accordance with the Budget Ceiling of K/L and/or Budget Allocation of K/L;
b. conformity between the activity, outcome, and its budget;
c. relevance of the component/step to the Outcome;
d. consistency in mentioning the Performance’s target of the Ministry/Institution with the RKP includes the forecast forward for the next 3 (three) years.

(6) Study of RKA-K/L, as set forth in section (5), shall be focused to the detail of budget applied to finance the newly initiative.

(7) Result study of RKA-K/L, as set forth in section (5) and section (6), shall be included in the note of study result and shall be signed by the echelon I official of the Ministry/Institution, Ministry of National Development Planning, and Ministry of Finance.

(8) Procedure for study of RKA-K/L, as set forth in Appendix I of which constitutes the integral part herein.

Article 14

(1) RKA-K/L as the result of study, as set forth in Article 13, shall be compiled by the Minister of Finance c.q. Director General of Budget for further applied as the basis of preparation of the Draft Bill on APBN and Financial Notes.

(2) Draft Bill on APBN, Financial Notes, and Compilation of RKA-K/L, as set forth in section (1), shall be delivered by the Government to DPR at no longer than the second week of August for the session.

Article 15

In case RKA-K/L as the result of study, as set forth in Article 12, has not been received by the Minister of Finance c.q. Directorate General
of Budget until the end of July, Draft Bill on APBN, Financial Note, and Compilation of RKA-K/L shall be prepared based on RKA-K/L result of study as set forth in Article 13.

CHAPTER V
ADJUSTMENT OF RKA-K/L AND STIPULATION OF DHP-K/L

Article 16
(1) Pursuant to the result of Draft Bill on APBN between the Government and DPR, Minister of Finance stipulates Budget Allocation K/L.
(2) Budget Allocation K/L, as set forth in section (1), becomes the basis for adjustment RKA-K/L by the Minister/ Head of Institution.

Article 17
(1) In case Budget Allocation K/L, as set forth in Article 16, does not affect the change of RKA-K/L and RKA-K/L that is discussed, has been approved by the house of related commission in DPR, Minister/ Head of Institution or the appointed official delivers RKA-K/L that has obtained the approval to the Ministry of Finance c.q. Directorate General of Budget, completed with the approval sheet of the related commission in DPR and the document(s) as set forth in Article 13 section (2).
(2) RKA-K/L, as set forth in section (1), becomes the material for the preparation of DHP RKA-K/L.
(3) DHP RKA-K/L, as set forth in section (2), shall be stipulated by the Director General of Budget c.q Director of Budget I/ Director of Budget II/ Director of Budget III at least the third week of November.
Article 18

(1) In case the Budget Allocation K/L, as set forth in Article 16, results the changes of RKA-K/L, Minister/ Head of Institution c.q echelon I official or the other official who has budget allocation (portfolio) and as the responsible person of the program conducts the adjustment of RKA-K/L of echelon I unit.

(2) In case the adjustment of RKA-K/L echelon I unit, as set forth in section (1), is utilized to finance the newly initiative, including the additional that comes from the session result of the related commission in DPR, should be completed with the supporting document(s).

(3) In case the adjustment of RKA-K/L of echelon I unit, as set forth in section (1), is approved by the head of related commission in DPR, RKA-K/L shall be completed with the approval sheet from the related commission in DPR.

(4) The adjusted RKA-K/L, as set forth in section (1) and document as set forth in section (2) and section (3), shall be delivered to:
   a. Secretariat General/ Principal Secretariat/ Secretariat c.q Planning Bureau/ Planning Unit K/L to be examined; and
   b. APIP K/L to be reviewed.

(5) Examination and review of RKA-K/L echelon I unit, as set forth in section (4), shall be focused to ensure the correctness of RKA-K/L echelon I unit that experiences the changes along with its completeness of supporting documents.

(6) Provision regarding on the examination of RKA-K/L echelon I unit, as set forth in Article 8, shall be applicable in mutatis mutandis within the examination of RKA-K/L echelon I unit as set forth in section (5).
(7) Provision regarding on the review of RKA-K/L echelon I unit, as set forth in Article 9, shall be applicable in mutatis mutandis within the review of RKA-K/L echelon I unit as set forth in section (5).

(8) RKA-K/L echelon I unit that has been examined and reviewed should be delivered to the echelon I unit that has budget allocation (portfolio) and as the responsible person of the program to conduct the revision or adjustment if needed.

(9) RKA-K/L echelon I unit that has been revised or adjusted, as set forth in section (8), shall be delivered to the Secretariat General/ Principal Secretariat/ Secretariat c.q. Planning Bureau/ Planning Unit of the Ministry/ Institution to be gathered as RKA-K/L scope of K/L.

Article 19

(1) Minister/ Head of Institution or the appointed official delivers RKA-K/L, as set forth in Article 18 section (9), completed with the approval sheet from the related commission in DPR and the document as set forth in Article 13 section (2) to the Ministry of Finance c.q. Directorate General of Budget and Ministry of National Development Planning for the study.

(2) Study of RKA-K/L, as set forth in section (1), shall be focused to RKA-K/L that experiences the change and utilize to finance the newly initiative.

(3) Provision regarding on the study of RKA-K/L, as set forth in Article 13, shall be applicable in mutatis mutandis within the study of RKA-K/L echelon I unit as set forth in section (2).

(4) RKA-K/L that has been studied, as set forth in section (3), becomes the material for the preparation of DHP RKA-K/L.

(5) DHA-K/L, as set forth in section (4), shall be stipulated by
Director General of Budget c.q. Director of Budget I/ Director of Budget II/ Director of Budget III at no longer than the third week of November.

Article 20

(1) In case the Budget Allocation K/L, as set forth in Article 16, results the changes of RKA-K/L, Minister/ Head of Institution c.q echelon I official or the other official who has budget allocation (portfolio) and as the responsible person of the program conducts the adjustment of RKA-K/L of echelon I unit.

(2) In case the adjustment of RKA-K/L echelon I unit, as set forth in section (1), is rejected by the related commission in DPR, budget allocation by organizational unit, function and program could be implemented by the echelon I unit with the conditions as follow:

a. detail budget for the operational cost shall remain to be implemented; and

b. detail budget other than mentioned at letter a shall be given the mark "@" and note in DHP RKA-K/L.

(3) Provision regarding on the adjustment of RKA-K/L, as set forth in Article 18, shall be applicable in mutatis mutandis within the adjustment of RKA-K/L echelon I unit as set forth in section (1).

Article 21

DHP RKA-K/L, as set forth in Article 17 section (3) and Article 19 section (5), becomes the basis for preparation of the Presidential Decree on the Detail Budget Expenditure of the Central Government.

Article 22
(1) Presidential Decree on the Detail Budget Expenditure of the Central Government, as set forth in Article 21, becomes the basis of preparation and legalization of Budget Implementation Checklist (DIPA). (2) Preparation and legalization of DIPA, as set forth in section (1), shall comply with the provision of the Regulation of the Minister of Finance that sets out the procedure for preparation and legalization of DIPA.

CHAPTER VI
MISCELLANEOUS PROVISION

Article 23
In case the application of SPAN has not been function in full, validation of ADK RKA-K/L, study of RKA-K/L, preparation for the Compilation of RKA-K/L, printing of DHP RKA-K/L, preparation of the Presidential Decree, and/or preparation and legalization of DIPA shall be conducted using application system of DJA Single Window.

Article 24
(1) For the reinforcement of budgeting on performance basis, as set forth in Article 3 section (1) letter a and number 2, shall be conducted the arrangement of Architecture and Performance Information (ADIK) within RKA-K/L.
(2) Arrangement of ADIK, as set forth in section (1), shall be applied since the planning of budgeting of the Fiscal Year 2016.
(3) Procedure for the arrangement of ADIK, mentioned in section (1), as mentioned in Appendix V that constitutes the integral part herein.
CHAPTER VII  
CLOSING PROVISION

Article 25
Provision regarding on the procedure for preparation and study of RKA-K/L, as set forth herein shall be applicable in mutatis mutandis toward the procedure for preparation and study of RKA-K/L based on the Amendment APBN.

Article 26
The required technical guidance for preparation and study of RKA-K/L shall be further set out with the Regulation of the Directorate General of Budget.

Article 27
At the time this Ministerial Regulation comes into effect, Regulation of the Minister of Finance Number 94/PMK.02/2013 on the Guidance for the Preparation and Study of Working Plan and Budget of the State Ministry/ Institution, as it has been amended with Regulation of the Minister of Finance Number 194/PMK.02/2013, shall be revoked and not applicable.

Article 28
This Regulation comes into effect at the stipulation date.
For the public cognizance, it is ordered to promulgate this Law by placing it in the State Gazette of the Republic of Indonesia.
MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

Stipulated in Jakarta
on Monday, June 30, 2014
MINISTER OF FINANCE OF THE
REPUBLIC OF INDONESIA

Signed.

MUHAMAD CHATIB BASRI

Promulgated in Jakarta on
July 11, 2014
MINISTER OF JUSTICE AND HUMAN RIGHT OF THE
REPUBLIC OF INDONESIA
Signed.

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2014 NUMBER 943
Appendix:
1. Approach of the Budgeting System

1.1 Approach of the Integrated Budgeting

Preparation of the integrated budgeting is conducted by integrating overall planning and budgeting processes within the scope of K/L to produce RKA-K/L document with the budget classification by organization, function, and expenditure type. Integration of the planning and budgeting processes are intended in order to avoid duplication in the provision of the fund for K/L either in investment or the need of operation expense.

In the other hand, the application of integrated budgeting is also expected to realize Working Unit (Satker) as the only one accounting entity that is responsible to the owned asset and liability, as well the presence of account (revenue and/ or expenditure) for one transaction so that it is undoubtedly there is any duplication in its utilization.

Referring to the approach of such integrated budget preparation mentioned above, preparation of RKA-K/L uses outcome of restructuring of the Program/ Activity in relation with the budget classification by budget management in relation with budget classification by organization.

1.2 Approach of Budgeting on Performance Basis (PBK)

PBK constitutes an approach in the state budget planning system that clearly show the linkage between finance allocation and the expected performance upon such budget allocation, as well taking into account the efficiency within its performance achievement.
Performance means the working achievement in the form of output from an Activity or result of a Program with the quantity and the measured quantity.

Conceptual basis that underlie the application PBK includes:

a. budget allocation orientates to producing or achieving certain performance level of output and outcome oriented;
b. budget allocation of the Program/Activity based on the respective function of the Working Unit that is embedded to the organizational structure (money follow function); and
c. the presence of flexibility in budget management by keeping to maintain the principles of accountability (let the manager manages).

Conceptual basis mentioned above for the implementation of PBK aimed to:

a. showing the clear linkage between the budget finance expenditure with the level of performance to be achieved (directly linkage between performance and budget);
b. improving efficiency and transparency in the budgeting (operational efficiency); and
c. improving flexibility and accountability of the unit in implementing the duty and budget management (more flexibility and accountability).

1.2.1 Level of PBK Implementation

Implementation of PBK refers to the respective organizational structure of K/L. Relationship between the organizational structure and the performance to be achieved constitutes the framework of the Budgeting on Performance Basis as illustrated in the figure below:
Based on figure 1.1 Above, implementation of PBK can be observed in 2 (two) levels, namely implementation PBK on National level and Implementation PBK Level K/L. Implementation of PBK on National level is conducted through the steps as follow:

1) Government determines the objective (in the form Priority and Priority Focus of the national development along with its performance target) within the next period 1 (one) fiscal year in RKP document. The expected outcome in the form of national outcome that directs to the overview as mandated in the Constitution;

2) based on such objective, the Government formulates Priority Activity and/ or Activity in the framework of functions to be hold by a K/L, Activity Performance Indicator (IKK), and output (type, volume, and measurement unit). Afterward, the
Government will calculate the estimation of budget need that is suited to the state financial capability; and

3) such Government’s objective will be implemented by the respective K/L (along with the organizational apparatus under its coordination) in the form of program and activity in accordance with its function.

Despite the fact that the implementation of PBK at the level K/L is conducted through the steps as follow:

1) in accordance with Renstra K/L, echelon IA unit formulates the Program, Main Performance Indicator (IKU) of the Program and outcome;

2) afterward the Program is simplified into Activity, IKK, and output at the spending Unit at the level of satker or echelon II within the scope of echelon IA unit in accordance with its function and duty;

3) such activities, is adjusted to the Function/ Sub Function category that is supported with the national priority/field or non priority;

4) result of the Program formulation, IKU Program, outcome, Activity, IKK, and output are included into the Renja K/L, RKA-K/L and DIPA document.
1.2.2 Structure of Budget Allocation in PBK

Figure 1.2 Structure of Budget Implementation PBK

Structure of the budget allocation in the implementation of PBK, more focuses on the clear linkage relationship between the planning and budgeting that reflects the harmony between the policy (top down) and policy implementation (bottom up). Overview of the Budget Structure for the implementation of Budgeting on Performance Basis could be viewed at Figure 1.2.

Budget Structure constitutes the unity in the need of budget finance resources that is needed by Satker for the implementation of Activity that becomes its duty and authority as the function that is hold by Satker (Bottom up). It should be in line with the concept of policy stipulated in the Governmental organization that has been coordinated by its organizational unit (top down) that is responsible to the Program.

Parts and functions of the budget structure is as follow:

1. Program:
a. Program constitutes the explanation of the policy in accordance with vision and mission of K/L whose formulation reflects the duty and function of echelon I unit or unit K/L that contains Activity to achieve outcome with the measured Performance indicator;

b. Program formulation constitutes outcome of the restructuring of 2009 and its adjustment; and

c. Program formulation and document RKA-K/L should be in accordance with the Program formulation that is in the RKA-K/L document.

2. Main Performance Indicator (IKU) of the Program:
   a. IKU Program constitutes the instrument utilized to measure outcome at the level of Program;
   b. the applied approach in the preparation of IKU Program orientates to the quantity, quality, and/or price;
   c. in stipulating IKU Program, K/L coordinates with the Ministry of Finance and Ministry of National Development Planning; and
   d. formulation of IKU Program in the RKA-K/L document should be in accordance with the formulation of IKU Program available in the Renja K/L document.

3. Outcome:
   a. Outcome constitutes working achievement in the form of anything reflects function of output of the Activity within a program;
   b. generally, criteria outcome of a program are:
      1) reflecting the Target Performance of the Echelon I unit in accordance with vision, mission and its functions;
      2) supporting Target Strategic of K/L; and
      3) it is evaluable;
c. formulating Outcome within the RKA-K/L document should in accordance with the formula mentioned in the Renja K/L document.

4. Activity:
   a. Activity constitutes explanation of the Program whose formula reflects duty and function of Satker or certain assignment of K/L that contains the component of Activity to achieve output with the measured performance indicator;
   b. formulation of Activity outcome of restructuring of 2009 and its adjustment; and
   c. formulation of Activity within the RKA-K/L document should in accordance with the formulation of Activity available in Renja K/L document.

5. Activity Performance Indicator (IKK);
   a. IKK constitutes the instrument that is applied to measure the output at the level of Activity;
   b. the applied approach in the preparation of IKK orientates to the quantity, quality, and/ or price;
   c. when stipulating IKK, K/L coordinates with the Ministry of Finance and Ministry of National Development Planning; and
   d. formulation of IKK in RKA-K/L should be in accordance with the formulation of IKK that is available in Renja K/ L document.

6. Output
   a. Output constitutes the working achievement in the form of good or service produced by an Activity that is conducted to support the target achievement and program and policy target.
   b. formulation of output in the RKA-K/L document takes from the formulation of output available in Renja K/L.
   c. output in the form of good and service in the form of:
1) type of output, constitutes the description concerning identity of the respective output that reflects duty and function of Satker unit specifically;

2) volume of output, constitutes data concerning amount/sum of the produced quantity output;

3) unit of output, constitutes description concerning measuring unit that is used for the purpose of unit measurement (volume) of the output in accordance with its characteristic.

d. Generally criteria of the output are:

1) reflecting target performance of Satker in accordance with the Duty-function or priority assignment of the national development;

2) specific and measured in nature;

3) for the Functional Activity, the most output produced in the form of regulation in accordance with the duty-function of Satker;

4) each Activity can produce more than 1 (one) output;

5) each Output is supported with incoming component in its implementation; and

6) revision of output formula is possible at the preparation of RKA-K/L, by referring to the Budget Ceiling K/L or Budget Allocation K/L.

e. Classification of Output Type

In order to ease the preparation and analysis toward the output at RKA-K/L then the type of output in RKA-K/L is divided into two categories, namely:

1) good Output, which consists of:

   a) infrastructure good Output that is activity output that constitutes tangible good and/or in the form of network. Example: road, bridge, building, irrigation
networks.
b) non infrastructure good Output that is activity output that constitutes the good in the form intangible or tangible good that is not in the form of network. Example: motor vehicle, office equipment, software application.

2) service Output, that consists of:
   a) service regulation Output that is activity output that is produced for the purpose of creation regulation or supporting bureaucracy administration. Form of this output can be in the form of norm, standard, procedure and provision. Example: Law, Government Regulation, Presidential Regulation, Presidential Decree, Ministerial Regulation, Regulation of the Director General.
   b) Service non regulation output is the activity output that constitutes a service from an institution related to the duty and function of the concerned institution. Example: Driving license (SIM service, SP2D service, BOS service.

7. Output Achievement Process consists of:
a. Sub output:
   1) sub output essentially constitutes the output;
   2) Output that is stated as sub output is the output that has the same its type and unit;
   3) sub output is used as elaboration of each good or service within the collection of goods or the equal service that is summarized within one output;
   4) amount of sub output or accumulation of the volume of sub-sub output reflects the sum of output volume;
5) the nature of sub output is optional (it may be utilized, it may not be utilized);
6) sub output shall only be utilized at the output that constitutes the summary of the equal good or service; and
7) Output that has been specific and stand-alone (not the summary of the equal good or service) does not require Sub Output.

b. Component:
1) Component constitutes the step/part of output achievement process, which is in the form of project packages;
2) Component can directly support to both the output or sub output; and
3) Component is composed due to the need and its relevance toward the output achievement, which consist of the main component and supporting component; and
4) Inter-component has linkage that supports each other or effectively synergize in the process or mechanism of output achievement, so that the failure/ delay on one of the components can cause the other component failure/ delay and also can affect to the decline of quality, decline of quantity or failure in the output achievement.

c. Sub component
1) sub component constitutes the group of detailed expenditure, which is prepared to ease in implementing the component input; and
2) the nature of sub component is optional (it may be utilized, it may not be utilized).

d. Detailed Expenditure
Detailed Expenditure constitutes the detail expenditure of
need within each expenditure that consists of expenditure items.

1.2.3 Output Standardization
Output is subject to standardization as follow:

1. Output-output that is utilized for fulfilling the basic need and supporting facility that is generally needed by the institution/office;

2. Output-output as the supporting implementation of principal duty and function as well the daily office supporting activity.

3. Output-output that is only used to facilitate the facility and infrastructure office operational;

4. Output-output that can be utilized by all satker in general, while echelon I unit (Activity manager but non satker) that has Output of this type only echelon II unit that implements the function of secretariat or the equal;

5. Output-output that can be used by all Programs, it is not only used for the Activities within the Apparatus Facility and Infrastructure Improvement Program and the Other Management and Technical Support Activity.

6. In case the echelon I unit has 2 (two) Programs, that are Management Support Program and Other Implementation of Technical Task as well Apparatus Facility and Infrastructure Improvement Program, then the Output in the form building is only used at one of the Activities within the Apparatus Facility and Infrastructure Improvement Program.

7. Such standardization of output includes in the scope of improvement of basic numbers:
<table>
<thead>
<tr>
<th>No</th>
<th>Output type</th>
<th>Unit</th>
<th>Sub-output/ Component/ Detail</th>
<th>Remark</th>
</tr>
</thead>
</table>
| 1  | Office service | Service month     |                               | 1. Output "office service" consists of Component 001 and/or component 002.  
2. Output "Office service" is only possible has 1 (one) component, Component 001 or Component 002 |
|    |                |                   |                              | 1. Component 001, Salary and Allowance Payment  
2. Component 002, managing Operational and office maintenance  
   a. Component 001, is only used for output Office Service  
   b. Component 002 is the budget allocated to fulfill the need of operational cost, such as the salary payment, allowance that inherent in salary, table money, and expenditure related to the personnel expenditure.  
   a. Component 002, is only used for output Office Service  
   b. Component 002 is the budget allocated to fulfill the office daily need, power |
<table>
<thead>
<tr>
<th>No</th>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Motor vehicle Unit</td>
<td>Among other: 1. State official vehicle 2. Echelon I official vehicle 3. Echelon II official vehicle 4. 6-wheel vehicle 5. 4-wheel vehicle 6. 2-wheel vehicle</td>
</tr>
</tbody>
</table>

1. It is the output whose nature incidental (adhoc) and produced through the procurement.
2. Output "Motor Vehicle" is the output for fulfilling the need of transportation facility for the officials, staff transportation, office/field operational.
3. Output "Motor vehicle" generally in the form of land transportation means that constitutes the manufacture products and generally/mass marketed.
4. Sub output "motor vehicle" 6-wheel, 4-wheel, 2-wheel constitutes the sub output for fulfilling the need of transportation facility for the staff transportation, office/field operational.
5. Transportation means that has special characteristic and/or its procurement based on special order or used in a special technical task, then its output is stated separately, apart from the output "Motor Vehicle".

| 3. | Data Processing & Communication Devices | Unit | such as:  
| | | | 1. Laptop  
| | | | 2. Computer/ PC  
| | | | 3. Printer/ Multi-purpose printer  
| | | | 4. Scanner/ multi-purpose scanner  
| | | | 5. Server  
| | | | 6. LCD/ Projector  
| | | | 7. Camera/ Handycam/ CCTV  
| | | | 8. Photocopy machine/ Multi-purpose photocopy machine  
| | | | 9. External Hard disk  
| | | | 10. Telephone device  
| | | | 11. Facsimile machine  
| | | | 12. PABX Machine  
| | | | 13. Handkey Machine  

1. It is the output whose nature is incidental (adhoc) and produced through procurement process.  
2. Output "Data Processing & Communication Devices" is the output for fulfilling the need of data processing media, data storage, viewing result of the data processing, and/or communication media.  
3. Output "Data Processing & Communication Devices" commonly in the form of communication devices for the purpose of data processing and telecommunication that support the general
activity of administration in an institution/office.

4. Devices for fulfilling the need of data processing media, data storage, viewing the result of data processing, and/or communication media has special characteristic and/or its procurement is based on special order as well it is utilized for the special technical assignment, then the output shall be determined separately, apart from the Output "Data Processing & Communication Devices".

| 4. Office Facility Equipment | Unit such as: 1. Furniture 2. Lift 3. Genzet 4. Files Cabinet 5. Safe Deposit Box 6. AC 7. Paper shredder 8. Inventory Item Replacement | 1. it is the Output whose nature is incidental (adhoc) and is produced through procurement. 2. Output "Office Facility Equipment" is the output for fulfilling the need of office building facility equipment properly and adequately. 3. Output "Office Facility Equipment" generally in the form of electronic/non electronic that is |
provided for fulfilling the element of feasibility in general for an office building/office.

4. Office Facility Equipment that has special characteristic and/or its procurement is based on special order as well it is utilized for the special technical assignment, then the output shall be determined separately, apart from the Output "Office Facility Equipment".

5. Replacement allocation for the inventory items for the long/newly serving staff maximal as much as 10% of the total sum of staff.

<table>
<thead>
<tr>
<th></th>
<th>5. House/Building</th>
<th>M²/ M²</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>It is the output whose nature is incidental (adhoc) and it is produced through procurement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Output &quot;House/Building&quot; for establishing/constructing/rehabilitating facility and infrastructure or official house.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Output &quot;House/Building&quot; generally in the</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
form of establishing/ constructing/ rehabilitating facility and infrastructure or official house in the form of house/ building, garden, parking space, wall, security post.

4. In case for the fulfilling the Output " House/ Building" is required to procure the land at first, then the land shall be included as the component in the Output " House/ Building".

5. Construction for the house/ building that has special characteristic and/ or its procurement is based on special order as well it is utilized for the special technical assignment, then the output shall be determined separately, apart from the Output " House/ Building".

The purpose of component 002 (office operational, maintenance, and official travel)

<table>
<thead>
<tr>
<th>Description</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily need of the</td>
<td>Such as:</td>
</tr>
</tbody>
</table>

Such as:
<table>
<thead>
<tr>
<th>Office</th>
<th></th>
</tr>
</thead>
</table>
| a. Office stationary, printing material for office management, sanitary equipment;  
b. Photocopy/ computer equipment;  
c. Subscribing for newspaper/ news/ magazine;  
d. Cost for security/ cleaning service, driver, temporary employee (who being employed on contractual basis);  
e. processing for land certificate, payment for Land and Building Tax. |

<table>
<thead>
<tr>
<th>Power &amp; service subscription</th>
<th>Such as:</th>
</tr>
</thead>
</table>
| a. Electricity, telephone, water, gas subscription, including the payment for delay;  
b. Postal and checking subscription;  
c. Telex, internet, bandwith, special communication for diplomat;  
d. office/ building lease, vehicle rent, photocopy rent. |

<table>
<thead>
<tr>
<th>Office maintenance</th>
<th>Such as:</th>
</tr>
</thead>
</table>
| a. House/ building maintenance, network installation, office facility and infrastructure;  
b. maintenance for office vehicles. office/ building lease, vehicle rent, photocopy rent. |

| Payment in | Such as: |
| associated with office operational | a. Honorarium associated with Satker’s operational;  
b. Foodstuff, food supplement;  
c. Medical checkup for employee;  
d. Protocol (pass and toll service for the guest);  
e. Minister/ Head, chairman operational;  
f. Inauguration/oath of service;  
g. Official travel for consultation/coordination. |

1.2.4 Standardization for the Characterized Operational Component

<table>
<thead>
<tr>
<th>Description</th>
<th>Remark</th>
</tr>
</thead>
</table>
| 1 Component 001 (personnel expenditure) | Such as:  
a. Basic salary, allowance inherent to the salary includes table money for civil servant (PNS) (Refers to GPP);  
b. Remuneration;  
c. Allowance for new employee;  
d. Over time, Honorarium non Civil Servant (PNS); and  
e. other legal allowance. |
| 2 Component 002 (Expenditure for the provision of Items for operational Satker) | Such as:  
a. Expenditure for the daily need of the office;  
b. Expenditure for the office operational;  
c. Expenditure for power and service subscription; |
| Component 003 (Operational support for Defense and Security) | Expenditure for the maintenance of office facility and infrastructure; and Expenditure for ordinary/permanent official travel |
| Component 004 (Operational support for Education) | Such as: School Operational Aid (BOS), either within the scope of Kemdikbud or Kemenag; Professional allowance for Non PNS Teacher/lecturer; Honorary allowance for Non PNS professor; State Higher Education Operational Aid (BO PTN); Operational Aid for Early Age Education (BO PAUD). |
| Component 005 (Support for the managing Tusi Unit) | Such as: Expenditure for the procurement of foodstuff for prisoners/ |
detainee;
b. Expenditure for the doctor service;
c. Expenditure for the procurement of medicine;
d. Expenditure for the procurement of post usage medical material;
e. Expenditure for the procurement of foodstuff for patients;
f. Expenditure for the procurement of the raw material of Driving license;
g. Expenditure for the procurement of passport book;
h. Expenditure for the procurement of Marriage Certificate;
i. Goods expenditure for vessel maintenance;
j. Goods expenditure for the maintenance of transmission network; and
k. Other equal expenditure.

1.3 Approach of the Middle-Term Expense Framework (KPJM)

KPJM is the approach of budget preparation on policy basis, by the decision taking that results budget implication in period more than 1 (one) fiscal year.

Generally, the preparation of comprehensive KPJM requires a step of middle-term planning preparation, including:
a. projection for the availability of the budget to finance several government budget plan. This first aspect constitutes the top-down approach stipulated by the fiscal authority;
b. plan indicator of the budget finance need that is required to achieve level of performance that has been targeted. This second aspect constitutes the bottom-Up approach, that is prepared by each policy implementing unit of state expenditure;

c. reconciliation framework that combines such matters above, which are projection for the availability of budget finance resources and the projection for the need of finance to implement the ongoing government policy.

For the purpose to prepare RKA-K/L with the approach of KPJM, K/L need to harmonize activity/ program and the Middle-Term National Development Plan (RPJM Nasional) and Strategic Plan of the State Ministry/ Institution (Renstra K/L), which at the previous step also become the referral in preparing RKP and Renja K/L. Therefore, in the context of Middle Term Output Framework, policy for budget expenditure will always in line with the government priorities.

KPJM implementation makes the policy of budget expenditure allocation is in line with the policy priority that has been stipulated in the middle term, with the projection of fiscal impact to be affected.

1.3.1 Implementation of KPJM at the National Level

1.3.1.1 Review toward Priority Activity Policy

In order to conduct review toward the national activity priority, firstly at each State Ministry/ Institution should understand the framework of the national priority activity as explained in Figure 1.3.
Based on framework above, then each Ministry/Institution conducts review toward mechanism as follow:

1. Does such policy constitutes the priority policy that is stipulated to continue or terminated by the Government? Check the related document, such as RPJMN, RKP and Renja K/L.

2. If it is continued, check if Output-output of such activity priority still continue (ongoing output) or terminating output in accordance with the government's latest policy. Check the related documents, such as RPJMN, RKP and Renja K/L.

3. If it is continued, does output-output of such activity priority constitutes output with certain target and its nature is limited (cap) or the output accommodates each
target changes (demand driven)? Check related documents, such as RPJMN, RKP and Renja K/L.

4. Check the components, output as follow:
   a. check the components, output associated with whether is it ongoing component or non-ongoing component;
   b. if it is ongoing component, check the components of the Output either associated with policy component or supporting policy component;
   c. check the component of supporting policy, if it is fixed price or price adjusted based on the amount of index stipulated by Government; and
   d. check the component of supporting policy, if it is fixed price or adjusted based on the government' stipulation.

5. If it has conduct the review in accordance with output characteristic and component at number 4, do the adjustment calculation toward the allocation of Basic Number, namely:
   a. conducting indexing using the stipulated index, for the components that supports output achievement stipulated by the Government need to be adjusted with the real value; and
   b. conducting calculation of the components that support the achievement of policy output that is stipulated by the Government is fixed price.

Matters need to be taken into account in conducting review:

1. Priority output constitutes the output that is produced from the national activity priority that is included in the Presidential Regulation (Perpres) on
National Mid-Term Development Plan and Perpres on Government Working Plan that is stipulated at every year by the Government.

a. Continued output constitutes the output of the activity priority that is stated continuing at the next fiscal year based on the government decree that is included officially either in the document RPJM or RKP so that it need to be calculated its finance implication for the next fiscal year in the calculation of Mid Term Expenditure Framework (KPJM);
b. Terminated output priority constitutes the output of the priority output that is stated has been terminated at certain fiscal year based on the government decree that is included in either RPJMN document or RKP document so that it does not need to be recalculated its budget implication for the next fiscal year.

2. Output of the National Priority Activity consists of the main component and supporting component.

3. Structure of output achievement follows budget structure in application of PBK.

4. Main Component
   a. It is the component of direct finance from the implementation a policy and directly affect to the output achievement;
   b. The need to main component is affected by the total output volume to be achieved;
   c. Main component is stated to be continued and fixed calculated its finance along the priority output stipulated to be continued by the
5. Supporting Component

a. It is the components, finance that is used to implement and to manage such policy;

b. This supporting component should be relevant to the priority output to be implemented;

c. Supporting component does not directly linked to the total output volume to be achieved.

d. Supporting component whose nature is option, which is can be continued or terminated in associated with the relevance of the priority output achievement in question;

e. Supporting component can be planned to be conducted at the 1st Forward Forecast, 2nd Forward Forecast or 3rd Forward Forecast.

Example:

1) Output provision of Raskin consists of:

   a) Main Component is the cost for purchasing rice for poor people (raskin) as much as Rp2.000/ kg multiplied with target/ sum of raskin receiver;

   b) Supporting component, among other, implementing administration, monitoring and evaluation as well reporting.

2) Output provision of BOS consists of:

   a) Main component for the cost of BOS provision to the student (for example) as much as Rp600.000 / student for urban Elementary School (SD) multiplied with the target/ sum of BOS recipient student;

   b) Supporting component, among other,
implementing administration, monitoring and evaluation, and reporting.

6. Calculation for the forward forecast as initial budget ceiling indicator of the next fiscal year should consider:
   a. Priority Output is stated remaining continue in accordance with RPJM document or RKP document that is still applicable;
   b. Components that are calculated in the forward forecast are the components that are stipulated continuing;
   c. Uncalculated components in the forward forecast are the components that are stipulated terminating/end;
   d. Calculation of forward forecast uses the numbers mentioned in the output table and continuing component.
   e. Calculation for the initial forward forecast is carried out by mean multiplying amount of budget allocation in the component at the basic year with the index. In case the amount of main component is determined by the government is not multiplied to the determined index.

Example: Main component whose amount is stipulated by the government is School Operational Aid (BOS), Health Operational Aid (BOK).

f. Adjustment for the forward forecast hereinafter carried out by mean multiplying the sum of budget allocation in the component of the respective forward forecast with the cumulative index;

g. Index that is applied to calculate the forward forecast are the economic assumptions that are
1.3.1.2 Procedure for the Calculation of Forward Forecast Projection

Generally, calculation for the policy/output cost of the priority activity uses formula below:

\[ \text{Priority output} = \text{Policy Component} + \text{Policy supporting component} \]

\[ \text{Policy component} = \text{price} \times \text{quantity} \times \text{index cumulative} \]

\[ \text{Policy supporting component} = \text{price} \times \text{quantity} \times \text{index cumulative} \]

Procedure for calculating initial forward forecast (baseline). Formula for calculating forward forecast of an output shall be as follow:

1.3.2 Implementation of KPJM at the level of State Ministry/Institution

1.3.2.1 Review toward Program/Activity priority

For the purpose of conducting the review toward technical functional activity, firstly the State Ministry/Institution should understand the framework of the technical functional activity as follow:

Figure 1.4 Program/Technical Functional activity Framework
Based on framework above, each State Ministry/ Institution conducts the review with the mechanism as follow:

1. Does the program/ activity constitutes the program/ activity that is stipulated continuing or terminating by the State Ministry/ Institution? Check if the related document, such as Renstra K/L and Renja K/L;

2. If it is continuing, check if the outputs of such technical functional activity is still continuing (ongoing output) or terminating output in accordance with the latest priority of State Ministry/ Institution. Check the related documents, such as Renstra K/L and Renja-K/L;

3. If it is continuing, does the outputs of such technical functional activity constitutes certain target output that accommodates each change of

Outcome

Program

Technical Functional Activity

Output

Main Component

Supporting Component

Price

Volume

Technical Functional Activity

Output

Main Component

Supporting Component

Price

Volume

Price

Volume

Price

Volume
service target (demand driven)? Check the related document;

4. Check the input, output components, as follow:
   a. Check the related output components, if it is ongoing component or non-ongoing component.
   b. If it is ongoing component, check the components, related output either direct component or indirect component.
   c. Check indirect component, if it is fixed price or can be adjusted to SBM.
   d. Check direct component, if it is fixed price or can be adjusted based on the latest policy of the respective State Ministry/Institution.

5. If the review has been carried out in accordance with the output and component characteristic at number 4, do the adjustment toward the Basic Number allocation, which is by means:
   a. conducting indexing using determined index.
      For the outputs stipulated by the Government can be adjusted with the real value; and
   b. conducting the calculation by multiplying the price with the new target resulted from the adjustment for the outputs of the technical functional activity stipulated by the Government with fixed price.

Matters that should be considered in conducting review:
1. Technical functional activity output constitutes the output produced from the technical functional activity that is mentioned
in the Renstra K/L and Renja-K/L that are stipulated at every year by each K/L.

a. ongoing technical functional output is the output of technical functional activity that is stated continued at the next fiscal year based on the decree of Minister/ Head of K/L in question either it is included in the Renstra K/L document or Renja K/L document so that it is essential to be considered its budget implication for the next fiscal year in the calculation of the Mid Term Expenditure Framework.

b. Terminated priority output is the output of technical functional activity that is stated has ended at certain fiscal year based on decree of the Minister/ Head of K/L in question that is included either in Renstra K/L document or Renstra-K/L so that it does not need to be recalculated its budget implication for the next fiscal year.

2. Technical Functional Activity Output consists of the main component of service and the supporting component of service.

3. Structure for the achievement of output shall follow the structure of budget in the application of PBK.

4. Main Component
   a. It is the direct payment component from the bureaucracy service output/ public satker;
   b. The need for the main component is
affected by the total output to be achieved; and

c. Main component is stated to be continued (ongoing) and its payment shall remain be calculated as long as the technical output in question is stated to be continued by the Government.

5. Supporting component
a. It is the payment component, payment that is used for implementing and managing bureaucracy service/ public satker;
b. This supporting component should be relevant to the output of bureaucracy service/ public to be implemented;
c. Supporting component does not directly linked to the total volume of output to be achieved;
d. It is commonly to be allocated with the good expenditure account (account 52) and capital account expenditure (account 53);
e. Supporting component is optional in nature, which can be continued or terminated in related with the relevance of the output achievement of the technical functional in question;
f. Supporting component does not need to be allocated by the satker in question as long as it has been included in the allocation of operational component and office maintenance;
g. Supporting component can be planned to
be implemented at the 1st Forward Forecast, 2nd Forward Forecast, 3rd Forward Forecast.

Example:

1) Output of the Indonesian Migrant Worker (TKI) Placement Document consists of:
   a) The main component is the cost required to realize the partnership document, such as official travel expense and accommodation for probe into and negotiation with the partner countries for the placement of TKI abroad; and
   b) Supporting component, among other, is the requirement for supporting the realization of such partnership document, such as, honorarium (if required), cost for possibility study for the placement of TKI in certain country, coordination cost for the associated agency, and so on.

2) Output of Pest-Resistant Yielding Varieties consists of:
   a) The main component is the cost utilized in researching and assessing the Pest-Resistant Yielding Varieties (VUTW); and
   b) Supporting component is the costs utilized in supporting the realization of such VUTW, such as cost to conduct
review on the previous research, reference searching, comparative study, etc.

6. Calculation for the forward forecast as the initial budget ceiling indication of the next fiscal year should consider matters as follow:
   a. Technical output shall be stated remaining in accordance with the Renstra K/L document or Renja-K/L document that is still prevailing;
   b. Components to be calculated in the forward forecast are the components that are determined to be continued;
   c. Components that is not calculated in the forward forecast are the inputting components that are determined to be terminated/ end;
   d. Calculation for the forward forecast uses numbers included in the output level of the continued component;
   e. Calculation for the initial forward forecast is carried out by mean multiplying amount of budget allocation within the component in the basic year with the index, by taking into account:

1) The indexing of main component should refers to the latest decree of the respective State Ministry/ Institution; and

2) Supporting component can be directly adjusted to the latest cumulative index.
f. Adjustment for the further forward forecast is carried out by multiplying sum of budget allocation in the component at the respective forward forecast with the cumulative index; and
g. The applied index to calculate the forward forecast is the economic assumptions stipulated in APBN and/ or the stipulated index.

1.3.2.2 Procedure for Calculating Forward Forecast Projection

In general, procedure to calculate technical functional activity output is using the general formula as follow:

\[ \text{Price} \times \text{Quantity} \]

Procedure for calculating the initial forward forecast at the level of K/L using the formula as applied to calculate the forward forecast of an output, as follow:

\[ \text{Output} = \text{Main component} + \text{Supporting component} \]
\[ \text{Main component} = \text{price} \times \text{quantity} \times \text{cumulative index} \]
\[ \text{Supporting component} = \text{price} \times \text{quantity} \times \text{cumulative index} \]

1.3.2.3 Formulation for the Calculation of Forward Forecast for Office Service Activity/ Output, Multi-year Activity/ Output, Non-Multi-Year Activity/ Output

In line with the dynamic change and development in the implementation of Program/ Activity by the respective K/L, hence for improving the quality of calculation for the
number of forward forecast, several changes need to be carried out, such as:

1. Formulation for the Calculation of Forward Forecast for Office Service Activity/Output shall consider matters as follow:
   a. the nature of office service output is on-going;
   b. reflecting the need of operational cost, including the need of personnel and allowance inherent to and the need of goods expenditure for managing office (daily need of the office, operational cost, office equipment maintenance);
   c. calculation for the number of forward forecast shall refer to the existing condition (with the assumption of equal output volume) and multiplying with the stipulated index for the office service output; and
   d. for the need of supplement budget due to the new employee or the maintained asset(s), it is taken into account at the time of reviewing the basic number.

2. Formulation for the calculation of Multi-year Activity/Output shall consider matters as follow:
   a. the nature of Multi-year Output is on-going, as long as the multi-year period has been stipulated;
   b. reflecting the need of cost at every year in accordance with the cost table that has been prepared, either for the main component or the supporting component;
   c. calculation for the forward forecast at every year follows the need of cost in accordance with the cost table with the assumption of equal output and does not need to be calculated to the index;
   d. in case there is the change on cost table or the change duration of multi-year, number of forward
forecast can be adjusted after the change of multi-year permission is approved.

3. Formulation for the calculation of Non-Multi-Year Activity/ Output shall consider the matters as follow:
   a. Non-Multi-Year Output can be originated from the Activity that constitutes the task of unit function or Activity that reflects national assignment/ priority;
   b. For the output that constitutes the tasks of unit function whose nature is on-going, while the Output that constitutes an ongoing assignment is in accordance with the assignment that has been stipulated;
   c. Reflecting the need of cost at every year in accordance with the planned output volume/ target, either for the main component or supporting component;
   d. Calculation for the number of forward forecast at every year shall refer to the planned output volume and multiplied with the stipulated index.

1.3.2.4 Indexing Application

The application of indexing is carried out to produce the calculation of the forward forecast’s number that reflects the real need at the time of implementation. The value of stipulated index in calculation of forward forecast consists of:

1. Index for the need of Personnel Expenditure of Office Service Output.
2. Index for the need of Goods Expenditure of Office Service Output.
3. Index for the Main Component of Goods Infrastructure Output.
4. Index for the Main Component of Non-Infrastructure Goods Output.
5. Index for the Main Component of Service Regulation Output.
6. Index for the Main Component of Service Non-Regulation Output.
9. Index for the Supporting Component of Service Regulation Output.
10. Index for the Supporting Component of Service Non-Regulation Output.

In preparing RKA-K/L, it is obliged to fill the component categories as mentioned above:

1.3.3 Basic Numbers and Fiscal Space

Preparation for the budget for the planned year should be started by observing the forward forecast that has been prepared when preparing the previous budget. The collection of prepared forward forecast will produce budget ceiling indication for the planned year as the Basic Numbers after being revised and adjusted.

Basic Numbers constitute the budget ceiling indication of forward forecast of the repeated activities and/or the activities based on multi years based on the stipulated policy and become the reference of the preparation of Budget Ceiling Indication of the planned fiscal year to be made when preparing the budget.

Example: At RKA-K/L TA 2015, forward forecast has been prepared for the forward forecast of TA 2016, TA 2017 and TA 2018:
Fiscal space constitute budget space that can be used by K/L to propose new initiative. Fiscal space can be observed from the difference calculation of forward forecast K/L that has been revised and adjusted with the budget ceiling of K/L that is available on RKP/ RPJMN of the planned year.

1.3.1.1 Review and Update the Basic Number

Reviewing the basic number constitutes activity conducted at the early of fiscal year for preparing the preparation of Budget Ceiling Indicator for the next fiscal year. Matters that should be taken into account are:

1. The need of budget for Operational Cost, including: Personnel Expenditure and Goods Expenditure. In case there is a deficiency or budget addition due to the presence of new employee or addition of new asset maintenance, supporting information and document can be delivered at the time of reviewing the basic number;

2. The need of budget for Non Operational Cost, including:
   (i). Multi-year project, (ii). output for the function task,
and (iii). output for the function task, and (iii). output for the function task, and (iii). output for the national assignment/ priority;
3. Realization for the previous performance achievement;
4. Performance target plan for the planned year;
5. The stipulated government’s policy.
After reviewing the basic number and addition of new initiative, the basic number need to be re-adjusted through the update of basic number that can be explained as follow:
1. Update of basic number is conducted for two times a year, which is (i). At the time of preparing RKA-K/L based on the Budget Ceiling of July, and (ii). at the time of RKA-K/L based on Budget Allocation K/L of November;
2. The first update of basic number at July has accommodated the sum of basic number of the previous year added with the new initiative that has been approved in the Budget Ceiling Indicative (chance I) and Budget Ceiling (chance II);
3. The second update of basic number at November has accommodated the sum of basic number of the previous year added with the new initiative that has been approved in the Budget Ceiling Indicator, budget ceiling of the Budget, and Budget Allocation (chance III).

1.3.1.2 Steps for Reviewing Basic Number
1. Reviewing basic number for operational cost
   a. Nationally, does the need of operational cost for each K/L obtain adequate budget allocation for 1 year?
   b. In case there is deficiency of budget ceiling allocation, can the effect be clearly identified?
   c. In case the change of personnel, new allowance, BMN data database and other matters related to the
operational cost, does the K/L complete overall document completely?

d. Based on trend analysis, is the calculation the need of operational cost still relevant using the approach of access 2.5% (salary and allowance) and inflation rate 5% up to 7% (operational cost)?

e. During conducting baseline review, operational cost does not to include the presence of new policy, such as the increase of table money, overtime rate, shade dishes money due to such policy will be calculated nationally by the system.

Follow up of the basic number review for the operational cost:

a. In case nationally the provided budget allocation is adequate, but during the implementation there is unit that experience deficiency, revision to the distribution pattern among Program or inter Unit/Satker within K/L in question should be conducted.

b. In case the lack of budget ceiling allocation is occurred, as long as the cause is clearly identified and completed with the right document, then the need of its budget should be calculated becomes baseline.

c. In case there is budget ceiling that is apparently excessive, then the difference should be excluded from the baseline calculation;

d. In case for the application of efficiency gain, can the addition of allocation using access approach and inflation rate be reduced gradually?

2. Basic number review for non operational cost

a. Is the program/ activity/ output highly needed to be
continued?
b. Does the target/ performance objective experience the change in line with the change of policy direction and development priority (environment changed)?
c. Does the implementation of the program/ activity produce optimization (efficient)?
d. Has the implementation of the program/ activity used the appropriate method (contractual or self-management)?
e. Is the Outcome/ Output formulation relevant to the objective of the Program for solving the existing problem?
f. Can the mentioning performance target plan be realistically achieved within 1 year?
g. Has the performance plan for the previous year been able to be achieved well?

Follow up for the basic number review for non-operational cost:

a. If all question is answered "YES", then the need of budget for Program/ Activity/ Output in question is calculated as the basic number.
b. If the question "a)" is answered "NO", then its need of budget "is dropped" is included into the calculation of basic number;
c. In case there is question that is answered with "NO" (other than question "a"), then the formulation of performance target or implementation method need to be reviewed and improved.

1.3.1.3 Revising the basic number

Prior to conduct revision toward the Basic Number for implementing KPJM, K/L should firstly understand the
formulation of output and structure below the output.

1. Formulation of Output Activity

Formulation of Output Activity should obtain the attention for evaluation to the adjustment of Basic Number of the planned year. It is conducted to ensure that the formulation of activity output of the previous year has met the sign and criteria of output. Ultimately, the correct formulation of output will be affected to the calculation of forward forecast number of the planned year.

2. Stipulation of the Budget Structure Below the Output

Budget allocation is prepared within the hierarchy/leveling called budget structure. The complete budget structure consists of program, output, sub-output, component, sub-component, expenditure account, and detailed expenditure. Program has the performance target in the form of outcome. Activity has the performance target in the form of output. While the budget structure below the output (sub-output), component, sub-component, account, and detailed cost) should be interpreted as output achievement process.

In regard with the budget structure below this output, there are some matters that should be taken into account and understood:

a. The role of sub-output is different and cannot be exchanged;

b. Basically, sub-output is the output as it has the similarity in the term of good/service type and measurement unit, but it is not the component that
constitutes the step/ part in the output achievement;
c. Component should be relevant to the output to be achieved. Relevance in question is concerning with the quantity and quality of output to be achieved;
d. Component that concerning to the output quantity shall be categorized in the main component that influences to the calculation of KPJM of an output.

Here below, the case example for the implementation of budget structure in the preparation of RKA-K/L, particularly the output and component of an activity is presented. Example: The activity has output Office Building covering an area of 100 m². The inputting into the working sheet of RKA-K/J can be conducted by mean 2 (two) methods and both methods are correct. Method to input in the budget structure using 2 (two) methods in question constitutes the discretion in preparing working sheet of RKA-K/L

First method:
Output : Office Building 100 m²
Sub-output: Building A (will be constructed covering an area of 60 m²)
Component 1  : Planning
Component 2  : Construction
Component 3  : Supervision
Sub-output: Building B will be constructed covering an area of 40 m²)
Component 1  : Planning
Component 2  : Construction
Component 3  : Supervision

Second method:
Output : Office Building 100 m²
Sub-output : - (without sub-output)

Component 1 : Planning
  Sub-component 1.1: Building A (60 m²)
  Sub-component 1.2: Building B (40 m²)

Component 2 : Construction
  Sub-component 1.1: Building A (60 m²)
  Sub-component 1.2: Building B (40 m²)

Component 2 : Supervision
  Sub-component 1.1: Building A (60 m²)
  Sub-component 1.2: Building B (40 m²)

From both case studies mentioned above, it is seen that the component can be attached anywhere, but shall remain as the step in producing the activity output.

The further step is to revise the Basic Number. The mistakes that might be occurred during stipulating the initial basic number, should be revised to show the correct number.

The primary reasons to revise the basic number, among other, are:

1. K/L makes the mistake in including the Output Volume at the Forward Forecast;
2. K/L makes the mistake in classifying "terminated" or "continued" for the output or component;
3. K/L makes mistake in classifying the "main" or "supporting" component;
4. K/L is too detail in classifying the output, so that sum of output of a K/L is too much;
5. K/L defines too broad the output that further divided into several sub-output that should become the separated output;
6. Nomenclature output K/L does not reflect the form of
goods or service;

7. At the level of component, K/L need to appear the new component or delete unnecessary component; and/or

8. K/L need to conduct sharpening/ improvement of the component formulation.

Steps that are conducted by the K/L to browse the mistake of Basic Number are:

1. Checking the previous planned program/activity whose Forward Forecast is far bigger or smaller compared to the previous budget ceiling (for instance, deviation limit 10%).
   a. If the value is far bigger, such matter might be due to the mistake on inputting Output Value;
   b. If the value is far smaller, such matter might be due to the Output Volume that has not been inputted into the Forward Forecast or output is misclassified as "terminated".

2. Planner conducts the review toward output and component to check, if the nomenclature of output and component has been right.

3. Planner conducts the review toward the output and component, if they need the sharpening of output/component nomenclature or the change of classification of output/component.

4. Do the check, which one of the satker that causes such mistake.

After checking and examination so that the mistake occurred at the Basic Number can be identified, revision toward the Basic Number can be classified becoming the revision at the level of output and revision
1. Revision at the level of output
   a. Revision the mistake of output Classification
      "terminated" or "continued"

In order to revise the mistake due to misclassification of "terminated" or "continued", firstly, it should be understand which one is the output that is classified as "terminated". "terminated" classification shall be given to:

1) Short-term project or project with limited period, such as the construction of new building; or
2) Project financed with Debt or finance by the other donor, and there is not any approval to continue such finance.

K/L has the opportunity to re-classify the output that has been classified as "terminated" output to be the "continued" output, but it can reduce the fiscal space of K/L in proposing new initiative.

Example:
The Ministry of Finance implements the program of state finance management, development of budgeting system activity that one of the outputs is 'application of RKA-K/L'. This activity is planned to be repeated at every year, yet, due to the technical mistake, the output is classified as terminated output in 2015. Due to this mistake, the there is not forward forecast for the output in 2016.

Revision is made by reappearing the output,
which causes the increase of initial Basic Number of such Ministry of Finance, with the consequence the lack of fiscal space for the new initiative in 2016.

b. Output incorporation
In determining the output, K/L often defining the overall goods that are produced by the activity as the output. The provision is that, the produced goods can be classified into the single output if such goods are similar.

Example:
1. A K/L has the output several 2-wheel vehicle, 4-wheel vehicle, and 6-wheel vehicle. Due to the presence of standardization of output, then the formulation of output for the procurement of such motor vehicle becoming the output motor vehicle, in which 2-wheel motor vehicle, 4-wheel motor vehicle, and 6-wheel motor vehicle become its sub-outputs. Provision concerning the standardization of output as mentioned in sub chapter Implementation of Budgeting on Performance Basis.

2. Several K/L are still formulating the output in too detailed size. For instance, procurement for the stairs, lamp, and garbage bin shall be formulated as an output. It should be that such matter is not at the level of output except for the detail for office equipment output.

c. Formation of new output from the output that is too broad
K/L often defines an output too broad so that it less detailed or too general so that it less reflecting whether projects conducted by K/L in question. Although such output is detailed into the sub-outputs, but it had better K/L in question separates such sub-outputs become the separated output (appearing the new output), but such new output beyond the new initiative.

Example:
At the Ministry of Health, Poltekes produces the output education service that further elaborated to the sub-output of nursing education and paramedic education. The difference is possible in elaborating the step of sub-output achievement in question (component). In order to be more precise, both sub-outputs can be made as the separated output. The appearance of new output in question shall not be classified as a new initiative as such new output comes from the existed sub-output and there is not any finance addition.

d. Adjustment of output nomenclature
Based on the review toward the nomenclatures K/L’s output in 2015, there is remain K/L whose nomenclature does not reflects goods or service. For the revision of basic number K/L can conduct the improvement the formula of output so it reflects good and service produced for any activity.

Example:
1) A K/L has output "Tersusunnya Jurnal
Kesehatan Anak" for the material preparation of child health journal, the output in the form of service. The word "tersusunnya" does not refer to good or service, so the formulation for the output shall be adjusted becoming "Penerbitan Jurnal Kesehatan Anak".

2) A K/L has output "terlaksananya pengelolaan administrasi Sekretariat Jenderal Kementrian A", for this output, it had better to be changed to "Layanan Administrasi dan Sekretariat Jenderal Kementrian A."

e. Revision for the inclusion of Output Volume

Several K/L might has included Output Volume that is bigger or smaller than it should be planned. When revision the Basic Number, K/L can correct the inclusion of such output volume. The checking toward output volume can be compared to the output volume included in the Government Working Plan (RKP).

Example:
Ministry A conduct activity in 2015 that is planned to be continued until 2018. In 2015 it produces the output Rp100,000 and for the next year it is planned to be implemented for 100 outputs anymore, yet the technical error is occurred so that the Output Volume at the Forward Forecast is included as 10,000 so that significant increase is occurred than it should be. Correction shall be made by matching the Output with the output included in RKP.
2. Correction at the level component
   a. Sharpening component formulation
      Component of an output should be relevant with
      the output to be achieved. Revision for
      sharpening the component includes improving
      the nomenclature of component formulation.
      Nomenclature of component uses active verb that
      reflects the step of output achievement.
      Example: (usage of the correct nomenclature)
      Output   : Motor Vehicle
      Sub-output : 2-wheel Motor Vehicle
      Component : Procurement 2-Wheel Motor
                 Vehicle (word "procurement" shows
                 the active verb).
      Showing the new component
      Showing new component should consider the
      policy of K/L in question. Such new component
      appear (one of them) due to the error at the
      beginning of preparation of the budget that has
      not accommodated such component.
   b. Deleting component
      Deleting component from an output can be
      implemented after conducting review toward the
      forward forecast that has been prepared. In case
      based on the review such component is not
      needed, K/L can delete such component.
      Example:
      A K/L has output "training for the field of
      education " that will be conducted for 3 years.
Based on review in the second year, component 'Module Preparation' is not needed anymore, so that this component can be deleted and become the fiscal space for such K/L.

c. Revision for misclassification "terminated" or "continued"

Revision for the error "terminating" or "continued" of a component can be considered from the matters as follow:

1) Error when processing data to the application RKA-K/L, component that should be classified "terminating" in certain year is classified as the continued component or otherwise. Such administrative error can be revised.

2) Main component always, in general, follow the output, if the output is "continued" the component tends to "continued".

3) Supporting component is not directly linked to the output so that it can be classified "terminated" although the output is classified as continued.

<table>
<thead>
<tr>
<th>Component</th>
<th>Continued/ terminated</th>
<th>Main/ supporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training implementation</td>
<td>Continued</td>
<td>Main</td>
</tr>
<tr>
<td>Evaluation for training</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
<tr>
<td>implementation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Module preparation</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
<tr>
<td>Participant selection</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
</tbody>
</table>
In case a component in the forward forecast has been classified as "terminating" but the revision has been made so that the component "continued", either due to administrative error or the revision after review has been made toward the need of such component, it will directly reduce fiscal space of the Ministry in proposing new initiative.

d. Revision for misclassification of "main" and "supporting" component

Reclassification toward the component from "main component" becomes "supporting component" will make the impact to the number of forward forecast that has been prepared. Characteristic of the "supporting component" that should be indexed and is not directly linked to the change of Output Volume, if it is changed into "main component" whose characteristic is directly linked to the Output Volume and it is commonly not indexed or otherwise it will change the structure from the process step of the output achievement.

Example:
Ministry of Home Affair conduct the activity of the improvement of Self-Reliance of Rural Community with the output the provision of Standalone Direct Aid (BLM). Component for such activity are:
After evaluation is carried out, in 2016 policy component "socialization for the provision of BLM" is classified as main component as for it is very influenced by the Output Volume.

Due to such policy, Basic Number of 2016 increases as much as 45 that will reduce the fiscal space in 2016.

1.3.1.4 Adjustment of Basic Number (Baseline)

Adjustment of the Basic Number constitutes the process making the Basic Number that has been prepared in the planned previous year (for instance, 2015) in accordance with the assumptions or parameters that will be occurred at the planned year (for instance, 2016). Parameter that needs to be adjusted, namely, economic parameter that is
automatically made by the application system of RKA-K/L and non-economic parameter that is adjusted manually by the planner. In addition to the adjustment of parameter, the adjustment of Basic Number also includes the preparation of the new Forward Forecast Number (3 years of the planned year).

There are three matters that becomes the cause to make adjustment to the Basic Number, namely:

1. Adjustment of economic parameter

   Economic parameter that is applied in the approach of KPJM in preparing the budget is the economic assumptions that are included in APBN, but the application of current KPJM, the applied assumption is the inflation.

   At every year, inflation forecast is different from the previous year, therefore update to the assumption of inflation to be applied at the planned year need to be conducted. Assumption of inflation that is applied as adjustment of parameter in order the planned expense at the planned year is precise.

   When the adjustment is conducted with the assumption of inflation (new), in preparing budget in the planned year, expense forecast can increase or decrease in accordance with the increase or decrease of such assumption of inflation.
Model for the adjustment of inflation (initial inflation 5.3%) 

<table>
<thead>
<tr>
<th>Code</th>
<th>B/L</th>
<th>Bgn year</th>
<th>End year</th>
<th>Nature of cost</th>
<th>Index</th>
<th>Cost</th>
<th>TA 2015</th>
<th>2016 PM1</th>
<th>2017 PM2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program I</td>
<td></td>
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<td>Activity</td>
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<td></td>
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<tr>
<td>aaaa, bb</td>
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<td></td>
<td>Output volume</td>
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<td>10</td>
<td>10</td>
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<td></td>
<td></td>
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<tr>
<td>aaa, bb, cc</td>
<td>Comp 1</td>
<td>B 2011</td>
<td>Main</td>
<td>Yes</td>
<td>100</td>
<td>1.000</td>
<td>1.053</td>
<td>1.109</td>
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</tbody>
</table>

In 2015, when preparing for the forward forecast (PM1) in 2016 the applied assumption of inflation (parameter) is 5.3%, if in 2016 the applied inflation is 4%, then the adjustment toward 2016, to be prepared, shall be conducted.

Note: Adjustment to the inflation is conducted automatically by the system.

2. Adjustment for the non-economic parameter.

Economic parameter constitutes the parameter relates to the government policy or K/L. Scope of economic parameter that should be adjusted:

a. Adjustment of the personnel expenditure is adjusted to the change of personnel database.
b. Addition or decrease of Output Volume

K/L can increase or decrease Output Volume for each activity without adding the budget, while for the decrease of Output Volume target is only allowed for output that is the priority of the K/L.

a) Addition of the Output Volume can be made by K/L with the finance source of the optimization of the K/L in question.

b) Decrease of Output Volume can be made in evaluation of the previous year of the Output Volume that becomes the unachieved target by K/L. Decrease of Volume Output can only be made at the priority activity of K/L.

Example:

It is assumed that Ministry A in 2015 only realizes the achievement of output as much as 70%. Then for the adjustment of Basic Number in 2016, volume and budget ceiling of the last year budget should be reduced by 30% and afterward new forward forecast shall be recalculated.

Initial Basic Number:

<table>
<thead>
<tr>
<th>Program 1</th>
<th>B/L</th>
<th>Beginning year</th>
<th>Cost nature</th>
<th>Index</th>
<th>Cost</th>
<th>2015 TA</th>
<th>2016 PM1</th>
<th>2017 PM2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
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<td>Output Volume</td>
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<td>Without Sub-output</td>
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<td></td>
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<tr>
<td>Comp 1</td>
<td>L</td>
<td>2011</td>
<td>Main</td>
<td>Yes</td>
<td>100</td>
<td>1.000</td>
<td>1.053</td>
<td>1.109</td>
</tr>
</tbody>
</table>
Adjustment (realization 70% and assumption of inflation is remaining)

<table>
<thead>
<tr>
<th></th>
<th>B/L</th>
<th>Beginning year</th>
<th>Cost nature</th>
<th>Index</th>
<th>2015 Cost</th>
<th>2016 PM1</th>
<th>2017 PM2</th>
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</thead>
<tbody>
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<td></td>
<td></td>
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<tr>
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<td>2011</td>
<td>Main</td>
<td>Yes</td>
<td>100</td>
<td>700</td>
<td>737</td>
</tr>
</tbody>
</table>

c. Budget Reduction

Pursuant to the Regulation of the Minister of Finance on the implementation of Reward and Sanction in 2015 will directly affect the Basic Number that has been prepared based on the Forward Forecast. Sanction imposition to K/L that does not fully implement the budget of 2014 (the previous fiscal year) will result the reduction of budget in 2015 (in the current year) and will affect to the reduction of forward forecast at the planned year (Basic Number). The usage of budget due to the sanction does not reduce the planned Output Volume target.

For example:
Ministry A in 2014 does not fully implement budget so that it subject to sanction in 2015 as much as Rp200. Reduction of budget will affect the Basic Number (baseline) in 2016 so that it needs to
conduct the adjustment in accordance with the table as follow:

<table>
<thead>
<tr>
<th>Program 1</th>
<th>B/L</th>
<th>Beginning year</th>
<th>Cost nature</th>
<th>Index</th>
<th>Cost 2015 TA</th>
<th>Cost 2016 PM1</th>
<th>Cost 2017 PM2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
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</tr>
<tr>
<td>Output 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output Volume</td>
<td>L</td>
<td>2011</td>
<td>Main</td>
<td>Yes</td>
<td>100</td>
<td>1.000</td>
<td>1.053</td>
</tr>
<tr>
<td>Without Sub-output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comp 1</td>
<td>L</td>
<td>2011</td>
<td>Main</td>
<td>Yes</td>
<td>80</td>
<td>900</td>
<td>842</td>
</tr>
</tbody>
</table>

After being resulted by the imposition of sanction, budget reduction also can be occurred if K/L conduct optimization. In case the budget reduction in question constitutes the result of optimization, K/L can propose new initiative that is implemented in accordance with the proposal mechanism. Budget reduction can be made at the national priority activity, field priority, and priority K/L.

d. Reduction of Output Volume target and budget
Reduction of Output Volume target and budget can be made in case in evaluation of the previous year the targeted Output Volume cannot be achieved by K/L. Output Volume target and Budget reduction is only for the priority activity of K/L.

e. Reallocation of Budget and Volume Output target as well Budget Ceiling of K/L

In implementing KPJM K/L, flexibility is given, in conducting the output volume target reallocation in conducting the adjustment, as long as in the budget ceiling of the budget for the national priority/field or budget ceiling of the priority budget of K/L.

f. Moving the Output Volume target to the future

When performing Basic Number K/L is provided with the flexibility to move Output Volume to the next fiscal year in accordance with the considerations for Output Volume target in question. Moving Output Volume target to the future is not followed with its budget carried cover.

3. Forecasting the new forward forecast

Primary basic for the implementation of KPJM is the rolling budget. As the part of budget preparation at every year, then the new forward forecast should be included in the Basic Number.

a. new forward forecast for the supporting component

Supporting component constitutes the component that is not directly linked to the Output Volume and it is indexed during the calculation of its forward forecast.

Model calculation for the forward forecast for the supporting component:
Adjustment for the supporting component will automatically be conducted by the system as long as such component is classified as the repeated component. While for the supporting component that is terminated will only arrive to the year in which such component is terminated. Model for the calculation of supporting component that is terminated in certain year (2018).

<table>
<thead>
<tr>
<th>Code</th>
<th>B/L</th>
<th>Beginning year</th>
<th>Cost nature</th>
<th>Index</th>
<th>Cost</th>
<th>2015 realization</th>
<th>2016 TA</th>
<th>2017 PM1</th>
<th>2018 PM2</th>
<th>2019 PM3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa,</td>
<td>L</td>
<td>2011</td>
<td>Supporting</td>
<td>Yes</td>
<td>100</td>
<td>1.000</td>
<td>1.040</td>
<td>1.081</td>
<td>1.125</td>
<td>1.170</td>
</tr>
<tr>
<td>bb, cc</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b. New forward forecast for the main component

Calculation of the forward forecast for the main component is directly associated to the output Volume of the activity so that the increase or reduction of the Output Volume directly will reduce the cost of main component. The other characteristic of the main component is in the term of indexing. The main component can be indexed if it is determined with the other policy and cost for such main component is fulfilled with the market price.

Example:

preparation for the new forward forecast of the main component (without indexing):

<table>
<thead>
<tr>
<th>Program 1</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Index</td>
<td>1.00</td>
<td>1.04</td>
<td>1.08</td>
<td>1.12</td>
<td>1.17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>B / L</th>
<th>Beginni ng year</th>
<th>Cost nature</th>
<th>Index</th>
<th>Cost 2015 realization</th>
<th>2016 TA</th>
<th>2017 PM1</th>
<th>2018 PM2</th>
<th>2019 PM3</th>
</tr>
</thead>
<tbody>
<tr>
<td>aaaa</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>bb</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb, cc</td>
<td>L</td>
<td>2011</td>
<td>Main</td>
<td>No</td>
<td>100</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
</tr>
</tbody>
</table>
Example:

adjustment for the forward forecast of the main component (indexed)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>1.00</td>
<td>1.04</td>
<td>1.081</td>
<td>1.125</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output Volume</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without Sub-output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb, cc</td>
<td>Comp 1</td>
<td>L</td>
<td>2011</td>
<td>Main</td>
<td>Yes</td>
<td>100</td>
<td>1.000</td>
<td>1.040</td>
<td>1.080</td>
<td>1.125</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1.3.4 Illustration of Review and Implementation of RPJM

1.3.4.1 Illustration for the review of implementation for National Level KPJM

Illustration I

(Model for the inflation changes and policy price is remaining)

Fiscal Year 2015

Inflation 2015 10%

<table>
<thead>
<tr>
<th>Priority Output Name</th>
<th>Budget 2015</th>
<th>PM1 2016</th>
<th>PM2 2017</th>
<th>PM3 2018</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Policy component</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>continued</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>200</td>
<td>100</td>
<td>121</td>
<td>133</td>
<td>continued</td>
</tr>
<tr>
<td>3. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated 2015</td>
</tr>
<tr>
<td>Total output cost A</td>
<td>350</td>
<td>310</td>
<td>321</td>
<td>333</td>
<td></td>
</tr>
</tbody>
</table>

Fiscal Year 2016

Inflation 2016 8%

<table>
<thead>
<tr>
<th>Priority Output Name</th>
<th>Budget</th>
<th>PM1</th>
<th>PM2</th>
<th>PM3</th>
<th>Remark</th>
</tr>
</thead>
</table>


### Output A

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Policy component</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>200,00</td>
<td>108,00</td>
<td>116,64</td>
<td>136,05</td>
</tr>
<tr>
<td>3. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>Terminated 2015</td>
</tr>
<tr>
<td><strong>Total output cost A</strong></td>
<td>350,00</td>
<td>308,00</td>
<td>316,64</td>
<td>336,05</td>
</tr>
</tbody>
</table>

Explanation of the calculation for budget allocation of 2016 with the changed assumption of inflation is as follow:

1. Budget indication of 2016 comes from the forward forecast 1 2016;
2. For calculating budget allocation of 2016, it is performed as follow:

<table>
<thead>
<tr>
<th></th>
<th>cost of policy component 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Policy component of 2016</td>
<td>200</td>
</tr>
<tr>
<td>2. Supporting component 2016</td>
<td>cost of supporting component 2015 x inflation index cumulative $110 \times \left(\frac{1.08}{1.10}\right)$</td>
</tr>
<tr>
<td><strong>Total cost of Output A 2016</strong></td>
<td>Policy component 2015 + Supporting component 2015</td>
</tr>
</tbody>
</table>
Illustration II
model inflation changed and policy price is adjusted to real price

Fiscal Year 2015
Inflation 2015 10%

<table>
<thead>
<tr>
<th>Priority Output Name</th>
<th>Budget 2015</th>
<th>PM1 2016</th>
<th>PM2 2017</th>
<th>PM3 2018</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Policy component</td>
<td>200</td>
<td>220</td>
<td>242</td>
<td>266</td>
<td>continued</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>continued</td>
</tr>
<tr>
<td>3. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated 2015</td>
</tr>
<tr>
<td>Total output cost A</td>
<td>350</td>
<td>330</td>
<td>363</td>
<td>399</td>
<td></td>
</tr>
</tbody>
</table>

Fiscal Year 2016
Inflation 2016 8%

<table>
<thead>
<tr>
<th>Priority Output Name</th>
<th>Realization 2015</th>
<th>Realization 2016</th>
<th>PM1 2017</th>
<th>PM2 2018</th>
<th>PM3 2019</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Policy component</td>
<td>200,00</td>
<td>216,00</td>
<td>233,28</td>
<td>251,94</td>
<td>272,10</td>
<td>continued</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>200,00</td>
<td>108,00</td>
<td>116,64</td>
<td>136,05</td>
<td>136,05</td>
<td>continued</td>
</tr>
<tr>
<td>3. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated 2011</td>
</tr>
<tr>
<td>Total output cost A</td>
<td>350,00</td>
<td>324,00</td>
<td>349,92</td>
<td>337,91</td>
<td>408,15</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of the calculation for the budget allocation of 2016 with the changed inflation assumption and policy price is adjusted to the real price, shall be as follow:

1. Budget indication of 2016 comes from the forward forecast 2016
2. For calculating the budget allocation of 2016 is performed as follow:

<table>
<thead>
<tr>
<th>1. Main component of 2016</th>
<th>cost of main component 2015 x Inflation index cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>220 x (1.08/1.10)</td>
</tr>
<tr>
<td></td>
<td>216,00</td>
</tr>
</tbody>
</table>
2. Supporting component 2016 | cost of supporting component 2015 x inflation index cumulative  
---|---  
| 110 x (1.08/1.10)  
| 108,00  
| Total cost of Output A 2016 | Policy component 2015 + Supporting component 2015  
---|---  
| 216,00 + 108,00  
| 324,00  

Example:
Provision for the Raskin (rice for poor people)
Government stipulates the policy for the provision of raskin to the poor people with the criteria, each family is entitled to obtain raskin as much as 10kg/month and it is provided in the form of rice in accordance with the market price. Rice price in 2014 is 4,000/kg and inflation 10% per year. Policy of raskin is begin to be given in 2014 and number of poor people in 2014 is 10 thousand people and it is assumed to increase as much as 10% at every year based on the calculation of the Statistic Central Bureau

Review:

<table>
<thead>
<tr>
<th>Policy Description</th>
<th>Review</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Policy</td>
<td>Each poor people is entitled to obtain raskin</td>
<td>Authority implementing policy included into RKP</td>
</tr>
<tr>
<td>Effective Date of Policy</td>
<td>Year 2014</td>
<td></td>
</tr>
</tbody>
</table>
| Content of policy | Provision of raskin 10kg/ poor people  
| Rice price shall be adjusted to market price  
| Data of the poor people in 2014 as much as 10 thousand people  
| It is predicted that the poor people will increase 10%/ year |

Activity | Yes |
<p>| Consistent to the government’s policy |</p>
<table>
<thead>
<tr>
<th>Output Activity</th>
<th>Provision of raskin to 10 thousand people</th>
<th>Output Nature</th>
<th>Relevant to the activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Nature</td>
<td>Continued</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Terminated</td>
<td>No</td>
<td>if it is terminated, review does not need to be continued</td>
</tr>
<tr>
<td>Component nature</td>
<td>Continued</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Terminated</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Price treatment</th>
<th>Fixed price</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volume treatment</th>
<th>Fixed volume</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total allocation</th>
<th>Total calculation of the need allocation after being adjusted</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Estimation Payment of Policy:

<table>
<thead>
<tr>
<th>Name</th>
<th>Policy Price</th>
<th>Sum of Poor People 2010</th>
<th>Budget 2014</th>
<th>PM 1 2015</th>
<th>PM 2 2016</th>
<th>Select: continued or terminated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy component</td>
<td>@10kg x Rp4,000/ kg</td>
<td>10,000 increases 10%/ year</td>
<td>400.00</td>
<td>440,00</td>
<td>484,00</td>
<td>Continued</td>
</tr>
<tr>
<td>Supporting component of the policy (it is described in accordance with the need for managing and implementing the policy)</td>
<td></td>
<td></td>
<td>100,00</td>
<td>110,00</td>
<td>121,00</td>
<td>continued</td>
</tr>
</tbody>
</table>

| Total cost of output for the provision of raskin | 500,00 | 550,00 | 605,00 |
1.3.4.2 Illustration for the review of implementation KPJM Level K/L

Illustration III

(model changed inflation and policy price is fixed)

Fiscal Year 2015

Inflation 2005 10%

<table>
<thead>
<tr>
<th>Name of the Technical Functional Output</th>
<th>Budget 2015</th>
<th>PM1 2016</th>
<th>PM2 2017</th>
<th>PM3 2018</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output of Office Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary component</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>continued</td>
</tr>
<tr>
<td>2. O &amp; P component</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>continued</td>
</tr>
<tr>
<td>Output service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Main Component</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated</td>
</tr>
<tr>
<td>Total output cost A</td>
<td>450</td>
<td>410</td>
<td>421</td>
<td>433</td>
<td></td>
</tr>
</tbody>
</table>

Fiscal Year 2016

Inflation 2016 8%

<table>
<thead>
<tr>
<th>Priority Name</th>
<th>Output service office</th>
<th>Realization 2015</th>
<th>Realization 2016</th>
<th>PM1 2017</th>
<th>PM2 2018</th>
<th>PM3 2019</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output service office</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary component</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td></td>
<td>continued</td>
</tr>
<tr>
<td>2. O &amp; P component</td>
<td>200,00</td>
<td>108,00</td>
<td>116,64</td>
<td>136,05</td>
<td>136,05</td>
<td></td>
<td>continued</td>
</tr>
<tr>
<td>Output service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Main component</td>
<td>100,00</td>
<td>100,00</td>
<td>100,00</td>
<td>100,00</td>
<td>100,00</td>
<td>100,00</td>
<td>Continued</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated</td>
</tr>
<tr>
<td>Total output cost of Technical Functional</td>
<td>350,00</td>
<td>324,00</td>
<td>349,92</td>
<td>337,91</td>
<td>408,15</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Calculation procedure:

<table>
<thead>
<tr>
<th>Technical Functional Activity 2016</th>
<th>Output Office Service + Output Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Service Office</td>
<td>Salary component + Operational &amp; Maintenance component</td>
</tr>
<tr>
<td>Output Service</td>
<td>Main component of service + Supporting component</td>
</tr>
</tbody>
</table>
### Illustration IV

(model of the changed inflation and policy price is adjusted to real price)

#### Fiscal Year 2015

**Inflation 2005 10%**

<table>
<thead>
<tr>
<th>Name of the Technical Functional Output</th>
<th>Budget 2015</th>
<th>PM1 2016</th>
<th>PM2 2017</th>
<th>PM3 2018</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output of Office Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary component</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>continued</td>
</tr>
<tr>
<td>2. O &amp; P component</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>continued</td>
</tr>
<tr>
<td>Output service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Main Component</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td></td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated 2015</td>
</tr>
<tr>
<td>Total output cost A</td>
<td>450</td>
<td>420</td>
<td>442</td>
<td>466</td>
<td></td>
</tr>
</tbody>
</table>

#### Fiscal Year 2016

**Inflation 2016 8%**

<table>
<thead>
<tr>
<th>Priority Name</th>
<th>Realization 2015</th>
<th>Realization 2016</th>
<th>PM1 2017</th>
<th>PM2 2018</th>
<th>PM3 2019</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output service office</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary component</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>continued</td>
</tr>
<tr>
<td>2. O &amp; P component</td>
<td>200,00</td>
<td>108,00</td>
<td>116,64</td>
<td>136,05</td>
<td>136,05</td>
<td>continued</td>
</tr>
<tr>
<td>Output service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Main component</td>
<td>100,00</td>
<td>108,00</td>
<td>116,64</td>
<td>125,97</td>
<td>136,05</td>
<td>Continued</td>
</tr>
<tr>
<td>2. Supporting component</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Terminated 2011</td>
</tr>
<tr>
<td>Total output cost of Technical Functional</td>
<td>450,00</td>
<td>416,00</td>
<td>433,28</td>
<td>451,94</td>
<td>452,10</td>
<td></td>
</tr>
</tbody>
</table>
Calculation procedure:

<table>
<thead>
<tr>
<th>Technical Functional Activity 2016</th>
<th>Output Office Service + Output Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Service Office</td>
<td>Salary component + Operational &amp; Maintenance component</td>
</tr>
<tr>
<td>Output Service</td>
<td>Main component of service + Supporting component of service</td>
</tr>
<tr>
<td>Supporting output 2016</td>
<td>salary allocation 2015</td>
</tr>
<tr>
<td>1. Salary component 2016</td>
<td>allocation O &amp; P 2015 x Index cumulative</td>
</tr>
<tr>
<td>2. O &amp; P Component 2016</td>
<td>110 x 1.08/ 1.10</td>
</tr>
<tr>
<td></td>
<td>108.00</td>
</tr>
<tr>
<td>Output of service 2016</td>
<td>allocation of the main component 2015 x index cumulative</td>
</tr>
<tr>
<td>1. Main component of service 2016</td>
<td></td>
</tr>
<tr>
<td>2. Supporting component of service 2016</td>
<td>50 x 0 (0 is due to it is terminated in 2015).</td>
</tr>
</tbody>
</table>

Example:

Activity of the Implementation of BUN Proxy in the region (Technical Functional Activity)

At the beginning in KPPN Jakarta I in RKA-K/L 2014 consists of:

1. Management activity of salary, allowance and honorarium;
2. Activity management of the office operational and office maintenance;
3. Budget administration, treasurer management; and
4. Management and controlling of the budget

Based on the result of restructuring, activity at KPPN Jakarta I becomes the Activity of Implementing BUN Proxy in the region. Output of this activity is the service for issuance SP2D as much as 10,000 unit. In order to achieve such Output, it is carried out by identifying the input components of its support and assumption, namely:

1. Payment component of salary, allowance and honorarium
   - Salary payment model: salary index x sum of personnel
   - Sum of personnel Assumption: 50 persons
   - Salary index: comply with provision of the PP salary.

2. Implementing component of operational and office maintenance
Payment model: operational index x sum of personnel
operational: maintenance index x sum of asset

3. Implementing component of the fund disbursement service as much as 10,000 SP2D

Model for implementing

SP2D: price of SP2D x volume of the issued SP2D
Assumption: price of SP2D Rp5,000/ unit

Issued SP2D as much as 10,000/ year

(in million)

<table>
<thead>
<tr>
<th>Program/Activity</th>
<th>Current Budget</th>
<th>Budget</th>
<th>Forward Forecast</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>State Treasury Management Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity of the Implementation BUN Proxy in region</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment of salary, allowance and honorarium</td>
<td>2.700</td>
<td>2.700</td>
<td>2.700</td>
<td>2.700</td>
</tr>
<tr>
<td>Implementation of Operational and office maintenance</td>
<td>2.600</td>
<td>2.808</td>
<td>3.033</td>
<td>3.276</td>
</tr>
<tr>
<td>Implementation of fund disbursement service</td>
<td>50</td>
<td>54</td>
<td>58</td>
<td>63</td>
</tr>
<tr>
<td>Basic allocation</td>
<td>5.350</td>
<td>5.562</td>
<td>5.791</td>
<td>6.39</td>
</tr>
</tbody>
</table>

1.3.5 Preparation and Stipulation of New Initiative

Preparation and stipulation of the new initiative constitutes
one of the principles within the Mid Term Expenditure Framework to facilitate K/L in obtaining supplement budget beyond the stipulated basis number. Matters that need to be considered in preparing and stipulating new initiative are, as follow:

1. New initiative proposal should be in line with the policy direction and development priority stipulated by the President;
2. New initiative category, finance resources, and proposal submission period shall be adjusted to the budgeting cycle.
3. Provision associated with the preparation procedure of the new initiative should be guided with the Regulation of the Minister of National Development Planning on the Procedure for the Preparation of New Initiative.

1.4 Budget Classification

Budget classification constitutes the budget grouping based on the organization, function, and type of budget (economy) that aims to observe the amount of allocation by organization of K/L, government tasks, and expenditure of K/L.

1) Classification by organization

Classification by organization constitutes the grouping of budget allocation according to the organizational structure of K/L. Organization means K/L that is established to perform certain tasks pursuant to the Constitution 1945 and the prevailing legislation. A K/L can be consisted of units organization (Echelon I Unit) that constitutes the part of a K/L. And an organizational unit can be supported by satker that is responsible to perform activity of the program of the echelon I unit or the government policy and function as Budget User Proxy.

Budget classification by organization according to K/L is called as Budget Part (BA). It is observed from it managed, Budget Part of K/L can be grouped into 2 types. Fist, Budget Part of K/L that hereinafter referred
to as BA-K/L is the budget group that is authorized to the Minister/Head of Institution as the Budget User. Second, Part of the General State Treasurer, hereinafter referred to as BA-BUN, means the group of budget that is managed by the Minister of Finance as the fiscal manager.

Stipulation of an organization as the Budget Part in relation with the State financial management, should consider matters as follow:

1. Financial Management of the State Ministry/ Institution (K/L)
   a. Minister/ Head of Institution is the Budget User/Property User of the K/L headed (Article 4 section 1, Law Number 1 Year 2004 on State Treasury);
   b. President as the holder of the power of state finance management authorizes the management of state financial to the Ministry/ Head of Institution as the Budget User/ Property User of K/L headed (Article 6 section 2 letter b, Law Number 17 Year 2003 on State Finance);
   c. Institution means State Institution and Non-State Ministry Government Institution (LPNK);
   d. Within the Scope of State Institution, the Head of Institution means the Official who is responsible to the financial management of the institution in question (elucidation of Article 6 section (2) letter h, Law Number 17 Year 2003);
   e. Minister/ Head of Institution as the Budget User shall be obliged to prepare RKA-K/L on the controlled Budget Part (Article 4 section (2), PP Number 90 Year 2010 on the Preparation of RKA-K/L);
   f. Budget Part constitutes the group of budget by nomenclature of K/L, therefore each K/L has its own budget part code.

Based on matters mentioned above, it is concluded that:

a. Minister, Head of LPNK, and Secretary General of the State Institution are the Budget User who obtains the authority from the President to manage state finance from the K/L headed.
b. As the Budget User, the Officials mentioned in letter a above is directly responsible to the President and is obliged to prepare RKA-K/L upon the controlled Budget Part.

2. Financial Management of the Non Structural Institution (LNS):
   a. Institution other than LPNK is called LNS;
   b. Financial management of LNS can be implemented as the standalone budget part or as the working unit (satker) of K/L;
   c. In order to determined the financial status management of a new Government institution, matters below need to be conducted:
      1) Research on the legal basis of its establishment, in the form of Government Regulation (PP) or Presidential Regulation (Perpres). PP or Perpres in question states that the head of institution is responsible to the President; and status the institution as LPNK;
      2) In case point 2.c.1 above has been met, then such institution included as LPNK so that it shall be entitled to be given with the budget part with the separated code; or Budget User code as long as at the establishment document has been mentioned as the Budget User.

Hereafter, Organizational unit at K/L, as description mentioned above means the echelon I unit that is responsible to the achievement of the target program/outcome and coordination upon the implementation of activity by the satker. In this matter, the party responsible to a program, mostly are the Echelon IA Unit.

In regard with the responsible to a technical program, K/L and its Echelon IA Unit, is classified in the general rules as follow:
   1) Group of High State Institution can utilize more than 1 (one) technical program in accordance with its scope of authority;
   2) Group of Ministry for each 1 Echelon IA Unit that is external service will use 1 (one) Technical Program;
   3) Group of State Ministry and Coordinating Ministry uses 1 (one)
Technical Program for its all Echelon 1A Units;

4) Group of the Non Ministry State Institution (LPNK) and Non-Structural Institution uses 1 (one) Technical Program for its Institution.

While the Satker at organizational unit of K/L is the satker either in head office or in regional office or the satker that obtains assignments from the organizational unit K/L. A Satker is stipulated as Budget User Proxy in the budget management.

For the effectiveness of budget management, K/L could propose the new satker as KPA to implement the authority and responsibility management that comes from the head office of K/L in case it meets the criteria as follow:

1) Must/ obliged to have the complete units as an entity (unit that implements the planning function, implementation, supervision, reporting and accounting);

2) It constitutes the part of organizational structure K/L and/ or implement function tasks of K/L;

3) Characteristic of the handled task/ activity is complex/ specific and different to its parent office;

4) There is assignment that is specifically from the Budget User/ Budget User Proxy, Echelon I Satker in question;

5) Location of the Satker in question in at the different province/ regency/ municipality with its parent office.

While the proposal/ stipulation of Budget Part that is at K/L can be made with the procedure as follow:

1. Director General of Budget c.q Director of Budget I, Director of Budget II, Director of Budget III analysis / assess the request proposal of the Budget Part or Satker as KPA from K/L based on criteria mentioned above;

---

1 Criteria number 1, 2 and 3 are the mandatory criteria, while number 4, and number 5 are the optional criteria (it is allowed to meet one of the criteria of optional criteria).
2. In case based on the result of assessment to the proposal in question, if deemed fulfilling the requirement, it can be considered to be approved, then the Director of Budget I, Director of Budget II, and Director of Budget III deliver recommendation notes as well request for the Budget Part code or Satker as KPA to the Directorate of Budgeting System.

3. Director General of Budget c.q. Director of Budget I, Director of Budget II, and Director of Budget III notify the approval/ refusal in written upon the proposal in question to the concerned K/L.

2) Classification by Function

Function is the realization of administration tasks at certain field that is implemented for achieving the national development objective, while the Sub-Function constitutes the further elaboration/ more detail of the function description.

Utilization of function and sub-function shall be adjusted to the primary task and function of the respective K/L. Its utilization is related to the activity (constitutes the elaboration of the program) that is implemented and consists of one or several activities using the available resources to achieve the measured result in accordance with its mission to be implemented by institution or community participation within the coordination of K/L in question.

3) Classification by Type of Expenditure

Type of expenditure or classification according to economy within the expenditure classification is applied in the budget document either in preparation, implementation and accountability/ reporting process of the budget. Yet, the usage of the type of expenditure in such document has different objective. In regard with the preparation process of the budget in the RKA-K/L document, the objective of utilization of this type of expenditure is intended to identify the distribution of budget allocation into the type of expenditure. In the financial management, there are type
of expenditure as follow:

1. Personnel Expenditure

Compensation for the employee either in the form of money or good, that should be paid to the government employees, Civil Servant and the employees that are employed by the Government who has not the status as civil servant (PNS) and/ or Non-PNS as the reward for the job that has been done for supporting the function task of the government unit organizational, unless for the job related to the capital establishment and/ or activity that has output from the Salary and Allowance Expenditure, Honorarium/ Overtime/ Special Allowance Expenditure and Expenditure for Transit Officer, as wel Social Contribution Expenditure.

2. Goods and Service Expenditure

Expenditure for the purchase of good and/ or service that has been ended to produce goods and service either to be marketed or not marketed and the procurement for the good that is intended to be handed or sold to the community/ regional government (pemda) includes the transfer of money beyond the criteria of social aid expenditure, as well travel expenditure. In terms such expenditure includes the honorarium or vacation provided for the implementation of the activity to produce good and/ or service. This good expenditure consists of Operational Goods Expenditure and Non Operational Good Expenditure, Maintenance Expenditure, Travel Expenditure, Public Service Entity Expenditure, as well Goods Expenditure to be Handed to the Community/ Pemda.

3. Capital Expenditure

Budget expenditure that is utilized to obtain or to add the fixed/ other asset value that give the benefit for more than one accounting period and excess minimal limit of fixed/ other asset capitalization that are stipulated by the Government. When conducting the bookkeeping of acquisition value of the asset, all required finance
from the procurement planning, implementation up to such asset are ready to be utilized for daily operational shall be calculated. Such fixed/other asset is utilized for the daily operational of the working unit (satker) or utilized by the community/public and registered as the related asset of K/L registration and not for sale/to be handed to the community/pemda. This Capital Expenditure consists of Land Capital Expenditure, Machine & Equipment Capital Expenditure, Building and Construction Capital Expenditure, Road, Irrigation & Network Capital Expenditure, Miscellaneous Capital Expenditure, Fixed/Other Asset Value Added Expenditure as well Public Service Entity Expenditure.

4. Debt Payment Liability Expenditure
Payment made upon liability of the utilization of principal outstanding, either domestic or international principal outstanding that is calculated based on the position of short term or mid term loan, includes the payment of fine in the form of interest payment as well the other related fees in relation with the revenue of domestic or international grants. This special expenditure is utilized in the activity of Budget Part of BUN.

5. Subsidy Expenditure
Expenditure or budget allocation that is given by the Government to the state owned enterprise, governmental institution or the third party who produce, export, import goods and/or service that fulfilling the live of many people such that its selling price becomes affordable by the community. This expenditure, among other, is utilized to distribute the subsidy to the community through state owned enterprises and/or the private company. This type of special expenditure is used in the activity of Budget Part of BUN.

6. Grants Expenditure
Government expenditure in the form of transfer that the purpose has specifically been stipulated as voluntary, discretionary, unbinding,
does not need to be paid back and does not continuously conducted with the agreement text between the grantee and grantor to the other country, international organization, and regional government with the transfer of right in the form of money, good or service. It is included into this expenditure are the loan and/or subsidiary grants to the region.

7. Social Aid Expenditure

Expenditure in the form of transferring money, goods or service that is given by the Central/Regional Government to the community/public for protecting the community from the possibility of social risks, improving economic capability and/or welfare of the community.

8. Miscellaneous Expenditure

State expenditure for the payment upon the government’s liabilities that is not included into the category of personnel expenditure, good expenditure, capital expenditure, debt payment expenditure, subsidy expenditure, grants expenditure and social aid expenditure, as well for the reasons of urgency and unpredictable before.

2. Instrument in the Preparation of RKA-K/L

2.1 Performance Indicator

In the approach of Budgeting on Performance Basis (PNK) there is one of the instruments called with Performance Indicator. Performance Indicator is the measurement unit or instrument applied to measure the level of Performance, either of which is planned or of which has been achieved in implementing the approach. Based on the conceptual basis, the objective of PNK implementation, and instrument applied in the implementation of PBK, it can be concluded that operationally the primary principle of the PBK implementation is the obvious linkage between the performance target of the policy contained in the national development planning document and the amount of budget finance.
allocation to be allocated by K/L in accordance with its functions that are reflected in the organizational structure of K/L.

Such planning documents includes the Government Working Plan (RKP) and Renja-K/L. While for financing such Renja, budget finance allocation to finance such Renja will be reflected in the RKA-K/L and DIPA document, which will integrate between the planning and budgeting for the period 1 fiscal year. Relation between the planning document and budgeting is illustrated as follow:

Figure 1.5 Relationship between Planning Document and Budgeting

Government determines the development priority along with the activities to be performed in the RKP document. Expectation of such document is the national outcome/ performance as mandated by the Constitution.

Hereafter, based on the borne task and function and referring to the RKP in question, K/L prepares for:

a. Program, Major Performance Indicator (IKU) of the Program, and outcome at Echelon I Unit in accordance with its functions;

b. Activity, Major Performance Indicator (IKU) of the Activity, and output at the spending unit at the level of Echelon I Unit shall be in accordance with the Program that becomes its responsibility.

K/L formulates the program and activity refers to the Joint Circular Letter between the Minister of National Development Planning/ Chairman of National Development Planning Board (Bappenas) and Minister of Finance dated 19 June 2009 No. 0142/MPN06/2009 and No. SE-1848/MK/2009 concerning the Guidance of the Planning and Development Reform, particularly concerning the restructuring government’s program and
activity that will be financed with the budget. The formulation of program and activity to be resulted reflecting the functions and tasks of K/L or certain assignment in the framework of National Development Priority in consistent means.

Outcome of the restructuring has been implemented in the RKP, Renja K/L, RKA-K/L and DIPA document in 2010. Matters that have been implemented in 2010 (implementation of PBK, KPJM, and New Format of RKA-K/L in full) constitutes the basic implementation of PBK of 2011 and the next years. However, there are some adjustments/ changes that is made for the development of PBK implementation. This formulation of performance indicator illustrates the successful level of the program/activity that has been carried out along with the expected Output/Outcome. This performance indicator that will be used as the measurement unit after such program/activity is implemented. Indicator can be applied either in program or activity level within the implementation of PBK can be observed from the point of view as follow:

a. Input
   Input indicator is intended to report the number of resources required in implementing an activity of a program or activity;

b. Output
   Output indicator is intended to indicate the quantity of good/service produced by a program/activity.

c. Outcome
   Outcome indicator is intended to project the positive impact (including service quality) of a program/activity.

Based on matters mentioned above, in preparing the budget it is necessary to basically understand concerning the flow of thought:

a. Linkage or relevance between activity and program that cover with;

b. Linkage or relevance between the output of the activity with the method or mechanism of its achievement through the component.
   Linkage of the inter-components as the step for achieving the output,
so that irrelevant step/ part of activity for achieving the output is not found.

2.2 Cost Standard

For the preparation of RKA-K/L, in associated with the cost standard should be guided with the prevailing regulation and/or the provisions that sets out concerning the Cost Standard. In applying the Cost Standard, matters as follow should be taken into account:

a) Usage of Cost Standard on the preparation of RKA-K/L shall be the responsible of K/L;

b) In the process of review RKA-K/L and the Study of RKA-K/L, for the output that has been stipulated by the Minister of Finance as SBK, review of RKA-K/L and study shall be conducted by matching the sum of money of the output achievement mentioned in RKA Satker and SBK;

c) For the implementation of cost standard structure, in the preparation of RKA-K/L is obliged to fill the type of output (infrastructure goods, non-infrastructure good, service regulatory, or non regulatory service).

2.3 Performance Evaluation

Performance Evaluation, constitutes the appraisement toward the achievement the Performance Target, planning consistency and implementation, as well the budget absorbing realization. Performance Evaluation as one of the instruments of budgeting on performance basis in the preparation of Working Plan and Budget of the Ministry/Institution (RKA-K/L) has the essential role in realizing the accountability of budget management and improving the budgeting program quality. Hence, the performance evaluation upon the implementation of RKA-K/L should be conducted by the responsible persons of the respective echelon I/ unit equal to echelon I in accordance with the policy that has been stipulated by the Minister/Head of Institution as the Budget/ Property
User.

The obligation to conduct measurement and evaluation toward the performance is mandated in Article 19 and Article 20 PP Number 90 Year 2010 on the Preparation of Working Plan and Budget of the State Ministry/ Institution whereas the Minister/ Head of Institution conducts performance measurement and evaluation upon the implementation of RKA-K/L of the previous year and the current fiscal year at least consists of:

a. output;
b. outcome;
c. level of efficiency;
d. consistency between the planning and implementation; and
e. realization budget absorption.

Result of such performance measurement and evaluation RKA-K/L is delivered to the Ministry of Finance and Ministry of National Development Planning as the consideration material of the reward and sanction implementation in stipulating budget ceiling of the ministry/ institution.

In order to facilitate the implementation of performance supervision and evaluation upon the implementation of RKA-K/L DIPA, Ministry of Finance has stipulated the Regulation of the Minister of Finance Number 249/PMK.02/2011 on the Procedure for Performance Measurement and Evaluation Upon the Implementation of RKA-K/L that is supported with the information technology in the form of web basis e-money budget. Such application can be used at all Satker at anytime during the current fiscal year, and functions as the supervision tool, evaluation and reporting of the budget achievement (RKA-K/L DIPA) per program by all echelon 1 units equal to echelon 1 at the respective Ministry/ Institution, as well can be utilized by Minister/ Head of Institution at anytime to monitor and evaluate the achievement of budget performance (RKA-K/L-DIPA) per program of the current fiscal year that is implemented by the echelon I unit/ unit equal to echelon I as the program responsible person.
3. Preparation Process of RKA-K/L

3.1 Flow and Cycle of Budgeting

Figure 1.6 Budgeting Cycles

<table>
<thead>
<tr>
<th>PERIOD UNIT</th>
<th>PLANNING (JAN-APR)</th>
<th>PREPARATION (MAY-JUL)</th>
<th>SESSION (AUG-OCT)</th>
<th>STIPULATION (NOV-DEC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPR</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>preliminary discussion of RAPBN 9KBM, PPKF and RKP May 20</td>
<td>Session of RAPBN, RUU APBN, Financial Note, DHP RKA-K/L and DHP RDP</td>
<td>Stipulation of Kepres RABPP and DHP RDP BUN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Stipulation of Development Priority Policy Direction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRESIDENT</td>
<td>Prep for resource envelope, proposal of policy APBN and preparation for indicators</td>
<td>Prep for KEM, PPKF, and Preliminary Discussion</td>
<td>Stipulation of Allocation of K/L Budget</td>
<td></td>
</tr>
<tr>
<td>KEMENKEU c.q. DJA</td>
<td>Prep for KEM, PPKF, and Preliminary Discussion</td>
<td>Session of RAPBN, RUU APBN, Financial Note, DHP RKA-K/L and DHP RDP</td>
<td>Stipulation of RUU APBN</td>
<td>Prepr &amp; Stipulation of DIPA</td>
</tr>
<tr>
<td>KEMEN. PPN /BAPPENAS</td>
<td>Prep for resource envelope, proposal of policy APBN and preparation for indicators</td>
<td>Budget ceiling preparation K/L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>K/L</td>
<td>Adj. of RKA-K/L and review RKA-K/L by APIP K/L</td>
<td></td>
<td>Preparation Kepres RABPP</td>
<td></td>
</tr>
</tbody>
</table>

3.2 Steps within the Process of Stipulating Budget Ceiling K/L
3.2.1 Indicative Budget Ceiling

For preparing indicative budget ceiling of the planned current year, through the process as follow:

1. President stipulates the direction of policy and national development priority
   At the early year, President stipulates the direction of policy that will be done in the planned year, here, the President stipulates priority of the national development that will be conducted at the planned year. In addition, President also stipulates the allocation priority from the budget owned by the Government. This direction of policy and budget priority will be the basic consideration in preparing RKP.

2. K/L evaluates basic number (baseline)
   Forward forecast that has been included at the planning and budgeting document of the previous year will be made as the baseline for the planning and budgeting of the planned year. However, the included number in the forward forecast should be firstly adjusted/ reviewed to obtain the right number and to be used. In such process of review, it shall focus on the stipulation 'continue' or 'terminating' of an output, amount of the output volume, stipulation of the output component (main or supporting), as well the evaluation of the input component of the output, as well evaluation of such input component from the output that is required at the planned year.

3. K/L can prepare for the new initiative plan
   In case there is Program/ Activity/ Output that will be conducted and has not been conducted at the previous year, K/L could propose for such plan with the mechanism of new initiative. New initiative can be proposed for three times opportunity, which is the first opportunity prior to indicative budget stipulation, second opportunity prior to the budget
ceiling stipulation, and the third opportunity prior to the stipulation of budget allocation. Matters related to the proposal mechanism of such new initiative shall be guided with the Regulation of the Minister of National Development Planning/Chairman of the National Development Planning Board that sets out the Procedure for Preparation of New Initiative.

4. Ministry of the National Development Planning/ Bappenas and Ministry of Finance evaluate baseline and study the new initiative proposal

Ministry of National Development Planning/ Bappenas and Ministry of Finance will conduct evaluation toward the result of baseline review that has been conducted by K/L. This evaluation is made to ensure that the review has been done correctly. In addition, Ministry of National Development Planning/ Bappenas and Ministry of Finance will also evaluate the proposal for new initiative proposed by K/L. Evaluation is conducted to ensure whether the new initiative is feasible to be approved for implementation or not. In addition, Ministry of National Development Planning/ Bappenas and Ministry of Finance will also conduct evaluation to the implementation of the ongoing Program and Activity, as the consideration in the preparation for the Program and Activity that will be implemented in the planned year, which further will be included in the budget ceiling indicative to be stipulated.

5. Ministry of Finance prepares the fiscal capacity forecast

Ministry of Finance prepares the fiscal capacity forecast for the preparation of Indicative Budget Ceiling of the planned fiscal year, including the adjustment of budget ceiling indicative of the midterm budget at least on February.

6. Ministry of National Development Planning/ Bappenas and
Ministry of Finance prepare the Budget Ceiling Indicative

The budget ceiling indicative for the planned fiscal year is prepared by taking into account the fiscal capacity and for fulfilling the national development priority. Such Budget Ceiling Indicative shall be detailed by organizational unit, program, activity, and finance indication to support Policy Direction that has been stipulated by the President. The stipulated Budget Ceiling Indicative along with the national development priority that has been included into the preliminary planning of Government Working Plan (RKP) is delivered to the K/L using the Joint Circular Letter signed by the Minister of Finance and Minister of National Development Planning on March. Budget Ceiling Indicative is detailed into the organizational unit, Program and Activity. Numbers mentioned in the Budget Ceiling Indicative are obtained from the number of forward forecast that has been included in the previous year that has been passed the adjustment process added with the new initiative at the approved/ accommodated first chance.

It is illustrated in figure below, the process up to the stipulation of budget ceiling indicative:
3.2.2 Budget Ceiling

1. Minister/ Head of Institution prepares the Renja K/L

In preparing Renja K/L, K/L shall be based on the letter concerning the Budget Ceiling Indicative and agreement result of trilateral meeting. Renja K/L is intended to be prepared with the Performance Basis Approach, Long Term Expenditure Framework, and Integrated Budgeting that includes:

- Evaluating the implementation of ongoing Program and Activity;
- Studying the new initiative proposal;
- Adjusting baseline;
- Considering the fiscal capacity.

Notes:
1. Number of forward forecast of the previous year;
2. Baseline adjustment;
3. First chance new initiative;
4. Indicative Budget Ceiling
2. Trilateral Meeting

Preparation process of Renja K/L is conducted by the trilateral meeting among K/L, Ministri of Planning, and Ministry of Finance. This meeting is conducted after the Indicative Budget Ceiling is stipulated up to the deadline of Renja K/L delivery to the Ministry of Planning and Ministry of Finance. This meeting is aimed to:

a. improve coordination and understanding among K/L, Ministry of Planning, and Ministry of Finance, in regard with the achievement of the national development’s target priority included in RKP;

b. maintain the joint commitment available in the planning document and budgeting document, which is among RPJMN, RKP, Renja K/L and RKA-K/L;

c. obtain the joint commitment upon the improvement that need to be made toward the Preliminary Draft of RKP, which is the certainty concerning on: priority activity; sum of PHLN; support of the Private-Government Partnership (KPS); Render Responsive Budget (ARG); educational budget; PNBP/BLU; Mitigation and Climate Change Budget for the associated K/L; new initiative; operational expenditure; need for pure rupiah addition; and transfer of De-concentration and Co-Administration.

3. K/L delivers Renja K/L to the Ministry of Planning and Ministry of Finance

Minister/ Head of Institution delivers Renja K/L to the Ministry of Planning and Ministry of Finance for improvement material to the Preliminary Planning of RKP and preparation of the detailed
budget ceiling by organizational unit, function, program, and activity as the part of preliminary discussion material for the Draft of APBN.


5. Government delivers the ideas of the RAPBN discussion
   Government delivers the ideas of the RAPBN discussion, which includes:
   a. Macroeconomic Framework (KEM), Principal Fiscal Policy (PPKF);
   b. RKP;
   c. Detailed organizational unit, function, program and activity.

6. Minister of Finance stipulates the Budget Ceiling K/L
   For the preparation of RKA-K/L, Minister of Finance stipulates the Budget Ceiling K/L by the guidance to the fiscal capacity, amount of Indicative Budget Ceiling, Renja K/L, and by taking into account the result of Performance evaluation of the Ministry/ Institution. Budget Ceiling of K/L is intended to illustrate the Policy Direction that has been stipulated by the President that is detailed by organizational unit and program. Numbers included in the budget ceiling are the number available in indicative budget ceiling, this baseline adjustment (if required) is added to the new initiative at the second chance that is accommodated/approved. Budget Ceiling K/L is delivered to each Ministry/Institution at not later than the end of June.

It is illustrated in figure below, the process up to the stipulation of budget ceiling:
3.2.3 Budget Allocation

1. Minister/ Head of Institution prepares for the RKA-K/L

Minister/ Head of Institution prepares for the RKA-K/L based on:

a. K/L Budget Ceiling;
b. Renja-K/L;
c. RKP resulted from the agreement between the Government and DPR at the preliminary discussion of the Draft APBN;
Preparation of K/L is intended, including, to accommodate the proposal of New Initiative. RKA-K/L constitutes the preparation material for Bill Draft of APBN after previously being studied in the studying forum among the K/L, Ministry of Finance and Ministry of Planning. RKA-K/L becomes the material of the preparation of Bill Draft APBN after previously being studied in the studying forum among the K/L, Ministry of Finance and Ministry of Planning.

2. K/L conduct the session for RKA-K/L with the House
   For the preliminary discussion of for the Draft of APBN, K/L conduct the session of RKA-K/L with the House of Representative. The session is focused on the consultation and New Initiative.

3. Adjustment on the new initiative
   In the session of RKA-K/L with the House, adjustment toward the new initiative can be conducted as long as:
   a. it is in accordance with RKP;
   b. achievement of K/L performance target;
   c. does not exceed the Budget Ceiling K/L.

4. Studying of RKA-K/L
   Studying of RKA-K/L is completed at least at the end of July. Studying RKA-K/L is conducted in integrated manner, which includes:
   a. budget feasibility toward the performance target;
   b. target consistency of K/L performance and the RKP

5. Ministry of Finance collects the RKA-K/L as the result of studying to be used as:
   a. preparation material for the Financial Notes, Draft APBN, and RUU APBN;
b. Supporting document of RAPBN session.

After being discussed in the cabinet session, Financial Notes, RAPBN and RUU APBN is delivered to the House by the Government at no longer than August. Result of the RAPBN and RUU APBN session are included into the minute of session agreement of RAPBN and RUU APBN and it is final. Minute of agreement session is delivered by Ministry of Finance to the K/L, to be the basic for making the adjustment of RKA-K/L.

6. Result of Adjustment of RKA-K/L is delivered to the Ministry of Finance to be studied and then as the basic for preparation of the Presidential Decree concerning the K/L and BUN Budget Allocation. K/L Budget Allocation is detailed by budget classification. While the Budget Allocation of BUN is detailed based on:

a. The need of Central Government; and
b. Block Grants.

7. Government stipulates the k/L Budget Allocation and Minister of Finance as the General State Treasurer.

Numbers included in the Budget Allocation are the numbers included in the minute of session agreement result of RUU APBN, the adjustment of baseline (if it is required), added with the new initiative at the third chance that is accommodated/approved.

Afterward the Minister/ Head of Institution prepares for the budget implementation document with the guidance of the budget allocation that has been stipulated in Presidential Decree on RABPP, and then it is delivered to the Minister of Finance for legalization. Minister of Finance legalizes the budget implementation document at no longer than December 31. The process of stipulation of the budget allocation can be illustrated as follow:
The next step is, Minister of Finance legalizes the budget implementation document prepared by the Minister/Head of Institution at no longer than December 31.

4. Conditions in Allocating the Budget

4.1 Calculating Allocation of Personnel Expenditure at Satker

Allocating the salary and allowance for the personnel in order to be more realistic to the need, then the allocation budget is conducted based on the data, using the application to calculate the allocation of Personnel Expenditure at the Output of Office Service. Such application in the form of the Application Basic Salary of the Employee (Aplikasi Gaji Pokok Pegawai - GPP) of the Directorate General of Treasury, producing the latest information concerning the employee within the Satker and it has been validated by the Office of State Treasurer Service (KPPN). Cost of
salary and allowance of the employee is allocated to the component 001 (at the output of Office Service). Budget allocation is conducted with the step as follow:

1) Data resulted from GPP is transferred to the Personnel Expenditure module within the application of RKA-K/L;

2) Application RKA-K/L will calculate automatically the need of Salary and Allowance of the Employee of a Satker for the planned year.

In case K/L does not utilize GPP application, K/L could directly input the personnel data that has been updated in the Personnel Expenditure module in the RKA-K/L Application. By the application SPAN, the calculation of the need of personnel expenditure, will be facilitated by SAKTI application in integrated manner.

Particularly for the allocation of Non-Permanent Employee (PTT) Doctor Salary and PTT Midwife Salary, the rules below shall be applied:

Ministry of Health should calculate the non-permanent personnel (PTT) doctor and midwife salary with the guidance of the Circular of the Director General of Budget dated 5 January 2001 No.SE-07/A/2001 concerning the Payment Implementation for the Income of Doctor and Midwife as the Non-Permanent Personnel (PTT) during the service period and the Joint Decree 9SKB) of the Minister of Health and Minister of Finance No.1537/Menkes-Kessos/SKB/X/2000 and No.410/KMK.03/2000 dated 11 October 2000 on the Remuneration Implementation of the Non-Permanent Personnel Doctor and Midwife During Service Period.

While the allocation of expenditure account that includes within the Personnel Expenditure shall comply with the rules as follow:

1) Honorarium
   a. Teaching honorarium for the Non-Permanent Personnel Teacher;
   b. Overtime teaching honorarium for Permanent/ Non-Permanent Personnel Teacher;
   c. Official examination honorarium;
d. Teaching honorarium, provided to, among other, the extraordinary teacher within the scope of the Ministry of National Education or beyond the scope of the Ministry of National Education whose tariff has obtained the approval from the Minister of Finance.

2) Overtime Fee
Provision for the overtime fee for the planned year shall be based on the tariff stipulated by the Minister of Finance, by calculating the maximum 100% compared to the allocation of overtime fee of the previous year. Special for the new satker, overtime fee can be allocated with the calculation for the overtime each employee is maximum 16 hours per month. Allocation of overtime budget is the highest limit in a fiscal year.

3) Miscellaneous
   Miscellaneous personnel expenditure includes:
   a. Personnel Expenditure for the Contract Service Allowance (TID);
   b. Other legal allowance whose tariff has obtained the approval from the Minister of Finance

4) Side-Dishes Money (ULP)
   Side-Dishes Money (ULP) for the member of TNI/ POLRI is calculated based on the calendar day per member.

5) Table Money for Civil Servant
   a. Expenditure for the PNS’ table money pre working day per PNS and be calculated maximum 22 working days at every month;
   b. Payment for table money for PNS who is employed, as long as it is not paid by the origin institution.

6) Condolence Money
   It is borne to the account of condolence money, regardless budget ceiling of the concerned account.

4.2 Allocation of the Budget for the Construction State’s House/ Building
In general, budget allocation for the constructions/ renovation of the state’s house/ building, guides with the Regulation of the Minister of
Public Work that sets out concerning the Technical Guidance for the Construction for the State’s House/ Building. Basic for the allocation of its budget shall be as follow:

1) For the construction of new state's house/ building or the renovation of the state's house/ building located in Indonesia is the calculation of the need of state's house/ building construction/ renovation cost or the equal from the Ministry of Public Work or local Office of Public Work;

2) For the renovation of the state’s house/ building located abroad (representative office) that changes the building structure is the calculation of the need of state's house/ building construction/ renovation cost or the equal from the Ministry of Public Work can be prepared by the local planning consultant;

3) For the renovation of the state’s house/ building located abroad (representative office) that does not change the building structure is the calculation of the need of state's house/ building construction/ renovation cost or the equal from local planning consultant.

4.3 Application of the Standard Account Chart (BAS)

The adjustment of the budget norm and accounting norm for synchronizing the budget planning through the preparation of RKA-K/L and budget implementation through the preparation of financial report using the Standard Account Chart. Improvement is conducted continuously for increasing the accountability and transparency of the budgeting process. Currently the provision that sets out BAS is the Regulation of the Minister of Finance Number 214/PMK.05/2013 on Standard Accounting Chart. In general, Standard Accounting Chart is set out as follow:

1) Goods and Service Expenditure

Goods expenditure can be classified as Good (Operational and Non-Operational) and Service, Expenditure Maintenance Expenditure, Official Travel Expenditure. Accounts that are included into Goods
Expenditure consist of:

a. Operational Goods Expenditure, such as:
   - Daily need of the office;
   - Procurement/ replacement office inventory whose value is below capitalization;
   - Procurement for foodstuff;
   - Food supplement;
   - Procurement for official uniform;
   - Honorarium of the commitment maker official that is included into the group of Operational Good Expenditure (5211), which is honorarium associated with the satker operational (account 521115);
   - Other good expenditure that is directly support the smoothness of State Ministry/ Institution.

b. Non-Operational Good Expenditure
   It constitutes the expenditure utilized to finance non-operational activity for the implementation of an activity of the satker.
   Expenditures that include into this criteria, such as:
   - Material Expenditure;
   - Transit Good Expenditure;
   - Vacation, fund provision for the reward the examiner and or examination’s answer paper reviewer. This expenditure shall be borne to the non-operational and constitutes the input of the concerned output. Its budget allocation constitutes the highest limit within one fiscal year.
   - Honorarium related to the output;
   Utilization of Honorarium Account associated with the Activity Output in question should be selective and can be allocated to the activity, as long as:
   a) Its implementation requires the establishment of
committee/team/working group;  
b) Having the clear and measured output;  
c) It is coordinative by involving the other satker/organization;  
d) It is temporary so that its implementation need to be prioritized or beyond the working hours;  
e) It constitutes the function or certain task to PNS in addition to the daily primary task;  
f) It is not operational that can be completed internally by the Satker.

c. Other good expenditure that is directly support the non-operational activity.

d. Service Expenditure  
Expenditures for the power and service (electricity, telephone, gas, and water) subscription, postal and checking service, consultant service, lease, professional service and other service.

e. Maintenance Expenditure  
Maintenance Expenditure constitutes the expenditure that is included to maintain the existed fixed asset or other fixed asset into the normal condition whose value does not meet the capitalization value as stipulated by the government with the Regulation of the Minister of Finance.  
Maintenance Expenditure includes, among other, land maintenance, building and office maintenance, official residence, official motor vehicle, irrigation network, machine equipment, and other facilities associated with the government administration.  
Expenditure for the building maintenance, office, official resident, motor vehicle, and others associated with the government administration includes the reparation of the equipment and building facility (in accordance with the general budget cost), whose value is below the capitalization.
For example:
An institution plans to allocate the budget as much as Rp2,000,000,- to replace oil for 10 official motor vehicle. Such institution will include the maintenance expenditure in APBN as much as Rp2,000,000,-. Upon such expenditure realization is recorded and presented as Maintenance Expenditure, due to the expenditure for such maintenance expenditure does not meet the permanent asset capitalization, which is due to it does not add the age, benefit, or capacity, as well cost per unit below the capitalization value limit.

f. Official Travel Expenditure
Expenditures for official travel. Travel expenditure consists of the Ordinary Travel Expenditure, Permanent Travel Expenditure and Other Travel Expenditure. Allocation of the budget in the budgeting document for the purpose of Travel Expenditure, the amount shall comply with the provision set out in the Regulation of the Minister of Finance on the applicable Cost Standard.

2) Implementation the concept of full costing at the type of expenditure:
   a. Good and Service Expenditure
   At the preparation of RKA-K/L using the concept of full costing, it means that all costs required for the procurement good/ service in question is included into the full costing of the good/ service in question (including the meeting cost and official travel). For the applied expenditure account should be in accordance with the purpose as set out in PMK on Standard Account Chart.

   b. Social Aid
   An output that is produced by the activity for the purpose of aid to the educational and/ or worship institute (that contribute to the social aid activity), its budget allocation is inputted into the 2 (two) type of expenditure, which is the Good Expenditure (including the honorarium for the implementation with the account code
521213) as the description at the Good Expenditure mentioned above) and the Social Aid Expenditure to accommodate the sum of aid allocation to be provided (Educational Institution Social Aid Expenditure Account or Educational Institution Social Aid Expenditure Account).

3) Implementation of capitalization concept

Capitalization concept in the preparation of RKA-K/L associated with the type of Capital Expenditure. In order to find out whether an expenditure can be included as capital expenditure or not, it is required to know the definition of permanent asset or other permanent assets and criteria of permanent asset capitalization. Permanent asset as characteristic as follow: tangible, will add the government’s asset, has benefit more than one year, it is material value (upon the capitalization value). While the characteristic of the other permanent asset is it will add the government’s asset, has benefit more than one year, it is relative material (up on the capitalization).

An expenditure can be categorized into the type of capital expenditure, in case:

a. Such expenditure results the acquisition of permanent asset or other permanent asset such add the government’s asset;

b. Such expenditure exceeds the minimal limit of permanent asset capitalization or the other asset that has been stipulated by the Government;

c. Asset acquisition is intended to be used in the government operational, not for sale or to be handed to the community;

In associated with the concept of full costing stipulates that all expenses that result the availability of ready-to-use asset, then all expenses include into the capital expenditure. Such expenditure fulfill the minimum limit of capitalization (relative material) of permanent asset or other asset.
In addition to the capital expenditure for the permanent/ non-permanent asset acquisition, expenditure for the expenses after acquisition of permanent/ non-permanent asset can also be inputted as the Capital Expenditure. Such expense can be categorized as capital expense in case it meet the requirement that such expenditure result the addition of benefit period, capacity, quantity and asset volume that has been owned. It is included the expense for building whose renovation value is 2% of the asset value, based on the calculation of Dirjen Cipta Karya.

Here below is the model expense that is included in the category of good expenditure and capital expenditure in related with the capitalization concept:

Example for the expense that is included in the category of Good Expenditure:

<table>
<thead>
<tr>
<th>No.</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Filling freon AC, Service AC</td>
</tr>
<tr>
<td>2</td>
<td>Purchasing tire, oil, gasoline, service/ tune up</td>
</tr>
<tr>
<td>3</td>
<td>Painting, creating non permanent partition, purchasing gordyn</td>
</tr>
<tr>
<td>4</td>
<td>Improving patholes/ periodical maintenance</td>
</tr>
<tr>
<td>5</td>
<td>Processing fee for STNK/ BPKB</td>
</tr>
<tr>
<td>6</td>
<td>House to be handed to the community</td>
</tr>
<tr>
<td>7</td>
<td>Machine and equipment to be handed to the third party</td>
</tr>
<tr>
<td>8</td>
<td>Payment for security and cleaning service</td>
</tr>
<tr>
<td>9</td>
<td>Purchasing accu for the official motor vehicle</td>
</tr>
<tr>
<td>10</td>
<td>Purchasing lamp for office room</td>
</tr>
<tr>
<td>11</td>
<td>Repairing building roof</td>
</tr>
<tr>
<td>12</td>
<td>Replacing compressor</td>
</tr>
<tr>
<td>13</td>
<td>Spare part of laboratory, chemical material, injection equipment</td>
</tr>
<tr>
<td>14</td>
<td>Infrastructure for the handling of mudflow</td>
</tr>
<tr>
<td>15</td>
<td>Procurement for anti virus</td>
</tr>
</tbody>
</table>
Example for the expense that is included in the category of Capital Expenditure:

<table>
<thead>
<tr>
<th>No.</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Purchasing for memory PC, upgrade PC</td>
</tr>
<tr>
<td>2</td>
<td>Purchasing for furniture, dispenser</td>
</tr>
<tr>
<td>3</td>
<td>Construction the road, irrigation and network</td>
</tr>
<tr>
<td>4</td>
<td>Overhaul for official vehicle</td>
</tr>
<tr>
<td>5</td>
<td>Auction fee for asset procurement</td>
</tr>
<tr>
<td>6</td>
<td>Improvement the road from gravel to hotmix</td>
</tr>
<tr>
<td>7</td>
<td>Purchasing tape for official vehicle</td>
</tr>
<tr>
<td>8</td>
<td>Addition for network and telephone device</td>
</tr>
<tr>
<td>9</td>
<td>Addition for the electricity network</td>
</tr>
<tr>
<td>10</td>
<td>Official travel for asset procurement</td>
</tr>
<tr>
<td>11</td>
<td>Payment for the planning consultant of the construction building/house</td>
</tr>
<tr>
<td>12</td>
<td>Repairing the roof from sink to multiroof</td>
</tr>
<tr>
<td>13</td>
<td>Procurement for the map, network, software, institution logo, health equipment</td>
</tr>
<tr>
<td>14</td>
<td>Film making</td>
</tr>
<tr>
<td>15</td>
<td>Satellite imaging interpretation project</td>
</tr>
</tbody>
</table>

In the preparation process of RKA-K/L, asset obtained in the good/service procurement is divided into:

- If it becomes K/L’s asset: then the budget allocation uses the type of capital expenditure, and further will be recorded in LKPP (Balance Sheet), or
- If it is not K/L’s asset: its budget allocation uses type of good expenditure or social aid.

4.4 Preparation for RKA-K/L at Representative Satker RI Abroad

In regard with the preparation for RKA-K/L at the Representative
Satker RI Abroad, it is particularly comply with the rules as follow:

1) Establishment for the foreign Currency Rate
   a. The applied foreign currency in the calculation of RKA-K/L shall comply with the prevailing regulation;
   b. Exchange rate USD against Rupiah that is applied in the calculation of allocation shall be the exchange rate applied in the assumption of APBN.

2) Allocation by the Expenditure Type
   a. Personnel Expenditure
      1. Regulation concerning the budgeting for the personnel expenditure to the abroad service official at the representative of the Republic of Indonesia either for the component or amount shall comply with the prevailing legislation.
      2. Personnel Expenditure Allocation at the RI representative at the abroad includes the budget allocation for local staff salary. Inclusion of the budget allocation in RKA-K/L for the local staff uses account expenditure of Local Staff Expenditure (code 511149).
      3. Home Staff Salary at the RI Representative abroad includes the Technical Attaché and Defense Attaché shall be based on the payroll at least May of the current year. Abroad Living Allowance (TPLN) consists of the primary allowance and family allowance. Primary Allowance is the multiply between the Baseline of Abroad Allowance (ADTLN) with the percentage of Primary Number Abroad Allowance (APTLN) of the respective Home Staff. Family Allowance consists of husband/ wife allowance (15% x primary allowance) and child allowance (10% x primary allowance) whose amount shall comply with the prevailing legislation, with the maximum children covered is 2 (two) in accordance with the provision of child allowance for Civil Servant;
4. If the filling allocation will be conducted to the difference of maximum F-B (vacant formation) as much as the withdrawal/placement plan of the home staff (including the Head of Representative) by attaching List of Withdrawal/Placement Plan of the Home Staff that is signed by the Secretary General of the Minister of Foreign Affair and at least includes the period of withdrawal/placement as well diplomatic title. For the family allowance, it is maximally assumed for 1 wife 2 children.

5. Miscellaneous Allowance of Home Staff budget allocation shall be calculated maximum 40% of the Abroad Salary/TPLN Home Staff allocation with the calculation of Home Lease Allowance 25% of the TPLN and Medical Restitution Allowance 15% of TPLN unless otherwise regulated by the Minister of Finance.

b. Good and Service Expenditure

1. Budget allocation for the building lease shall be based on the applicable building lease contract. In case the Technical Attaché/Defense Attaché places the same building and within the building lease contract with the building lease agreement of the RI's representative, then the allocation of its budget only to RKA-K/L Satker of the RI Representative in question;

2. Allocation for the Supporting the Bilateral/Regional Partnership Operational consists of Operational Cost of the Head of Representative and the Representative. The other expense allocation that so far is allocated to the Allocation for the Supporting the Bilateral/Regional Partnership Operational shall be allocated in accordance with the purpose with the clear performance target and detailed calculation as well accountable;

3. Budget allocation for the representation cost for the Head of Representative shall be calculated maximum 20% of the Primary Allowance x 12 months. While for the other Home Staff
shall be calculated 10% of the Basic salary x 12 month;

4. Official Travel at the RI Representative abroad, including the Technical Attaché and Defense Attaché, consisting of:
   a) Regional official travel
   b) Multilateral official travel
   c) Accreditation official travel
   d) Courier official travel

Budget of the official travel at RI Representative abroad is only provided for the type of official travel available for the concerned RI Representative, and shall be calculated according to the sum of official who conducts the official travel, as well the frequent of official travel to be conducted. Amount of daily pocket money of the official travel abroad shall be set out by the Minister of Finance.

5. Child Education Aid

Budget allocation for the child of Abroad Service Official (PDLN) who is placed at the RI Representative abroad is given to:
   a) Formal education, starting from the elementary school up to higher education and excludes the post graduate;
   b) It is only for the tuition fee and at cost. It is exclude book expense, pickup-delivery expense, school preparation expense, building expense, registration expense, boarding/lodging expense, and other equal expenses;
   c) it is only for the children who covered with the family allowance as well the school is located at the same location with the parent’s place of duty (RI Representative location Abroad in which the parent is on duty).

3) Miscellaneous Provision
   a) Budget allocation for the RI Representative Abroad includes the Technical Attaché or Defense Attaché shall be carried out in accordance with the Presidential Decree Number 108 Year 2003
dated 31 December 2003 on Organization of the RI Representative Abroad. For the Technical Attaché and Defense Attaché that place the same building with the RI Representative Abroad, then the electricity subscription expense, gas, and water, building maintenance as well any other maintenance inherent to the building in question shall be allocated to the budget of the Ministry of Foreign Affair;

b) Personnel Expenditure Allocation at the RI Representative abroad, including the budget allocation for the income of local staff. Amount of allocation for the payment of local staff shall be calculated maximum 43% of ADTLN, with the maximum personnel in accordance with the formation stipulated by the State Ministry of Administrative and Bureaucratic Reform. An in its implementation, the payment for the income for local staff shall remain be adjusted to the sum of real employee and does not exceed the formation stipulated by the State Ministry of Administrative and Bureaucratic Reform. Budget Allocation as much as 43% mentioned above has included the salary and allowances, social security, accident insurance and overtime.

c) Center Load Official Advance

- Home advance for the deposit of home lease with the amount of maximum 2 (two) months home lease (within the type Good Expenditure);
- Car Advance maximum US$5,000 (includes type of Good Expenditure);
- TPLN Advance with the maximal amount 2 (two) months TPLN (including type of Personnel Expenditure).

Calculation of BPPR shall be based on the planning mutation of placement at the RI Representative abroad.

d) Budget setting of the RI Representative abroad includes Technical
Attaché and Defense Attaché that is not set out or deviates of the Regulation of the Minister of Finance shall comply with the provision stipulated by the Minister of Foreign Affair after prior obtaining the approval of the Minister of Finance. In case there is the budget allocation that is based on the stipulation of the Minister of Foreign Affair that has not obtained the approval from the Minister of Finance but has been allocated to be equalized as RAB and prior to the planned Fiscal Year is begin, it has to be requested for the approval to the Minister of Finance;
e) Setting for the allocation of RI Representative that is located domestically, does not comply with the provision as mentioned above to comply with the prevailing provision in the Guidance for the Preparation and Study of RKA-K/L.

Matters that are not set out specifically, the budget allocation shall comply with the prevailing legislation that is generally applicable in Guidance for the Preparation and Study of RKA-K/L.

4.5 Preparation of RKA-K/L at the Ministry of Defense

In regard with the preparation of RKA-K/L at the Ministry of Defense RI, in general comply with the Government Regulation Number 90 Year 2010 on the Preparation RKA-K/L and provision concerning the guidance for the preparation and study of RKA-K/L. Specifically, RKA-K/L at the Ministry of Defense comply with the rules as follow:

1) Budget allocation for the purpose of personnel expenditure and partly operational good expense, beginning to be conducted directly up to the level of satker, other than the existed five satker (UO);

2) While the budget allocation other than for the need of personnel expenditure and partly operational good expense, shall be conducted centrally (at the level organizational unit);

3) For the purpose of budget allocation up to the level of satker, Ministry of Defense establishes the satker(s) in question;

4) For the imposition of expenditure, it shall be guided with the
Government Regulation number 71 year 2010 on the Government Accounting System, Regulation of the Minister of Finance Number 214/PMK.05/2013 on the Standard Account Chart.

4.6 Budget Allocation with the Fund Resource of Foreign Loan Grants (PHLN)

Budget allocation for activity that sourced from the fund of Foreign Grants-Loan (PHLN) that generally refers to the PP Number 10 Year 2011 on Procurement Procedure for Foreign Loan and Grant revenue. Specifically, such allocation refers to the provisions included in the respective Foreign Grants Loan Agreement Document (NPPHLN). General and specific provisions of the budget allocation for activity is intended for the purpose of the preparation of RKA-K/L shall be integrated and be set out with the mechanism below:

Allocation of PHLN and Associate Pure Rupiah (RMP) in RKA-K/L shall comply with the provision as follow:

1) Mentioning the expenditure account in accordance with the transactions that are financed with NPPHLN that is adjusted to the allowed categories by the lender.

2) Mentioning the payment office code as follow:
   a) Mentioning code for KPPN Khusus Jakarta VI (140) for the transaction in foreign currency and procedure for its withdrawal using mechanism of direct payment and letter of credit.
   b) Mentioning KPPN code in accordance with the location of the activity in which the projects that are financed with PHLN is conducted and its procedure of withdrawal using mechanism of special account.

3) Mentioning source of fund in accordance with the NPPHLN, which is the source of fund in the form of foreign loan or foreign grants.

4) Mentioning the procedure for withdrawal of PNHLN in accordance with the withdrawal procedure of PHLN that is set out in NPPHLN or the other document that has been approved by the lender, for example, Project Administration Memorandum (PAM) document. The
withdrawal procedure of PHLN that is still allowed are:

a) Mechanism of Special Account, which is the withdrawal procedure of PHLN using initial deposit fund whose nature is revolving fund that is placed in Bank Indonesia or Government’s Bank that is appointed by the Minister of Finance. This procedure can be utilized for the projects that is financed with PHLN that is located in the region.

b) Mechanism of Direct Payment, which is the withdrawal procedure of PHLN using proposing the application for the fund withdrawal directly through KPPN Khusus Jakarta VI.

c) Mechanism of the Letter of Credit, which is the withdrawal procedure of PHLN using LC of Bank Indonesia. Particularly for PHLN whose withdrawal using L/C procedure, it is necessary to consider the overall project contracts. It relates to the account of L/C opening in Bank Indonesia.

5) Mentioning the code of PHLN in according with the register code issued by the Director General of Debt Management. In case the budget has not been registered, budget allocation uses the temporary register code as follow:

<table>
<thead>
<tr>
<th>Temporary Register Number</th>
<th>NPPHLN Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>99991102</td>
<td>IBRD Program Loan</td>
</tr>
<tr>
<td>99991103</td>
<td>Japan Program Loan</td>
</tr>
<tr>
<td>99991109</td>
<td>Other Program Loan</td>
</tr>
<tr>
<td>99992101</td>
<td>Regular Pledge-ADB Project Loan</td>
</tr>
<tr>
<td>99992102</td>
<td>Regular Pledge-World Bank Project Loan</td>
</tr>
<tr>
<td>99992103</td>
<td>Regular Pledge-Japan Project Loan</td>
</tr>
<tr>
<td>99992104</td>
<td>Regular Pledge-Export Credit Project Loan</td>
</tr>
<tr>
<td>99992105</td>
<td>Regular Pledge-Other Multilateral Project Loan</td>
</tr>
<tr>
<td>99992106</td>
<td>Regular Pledge-Other Bilateral Project Loan</td>
</tr>
</tbody>
</table>
6) Mentioning the percentage/portion of finance that is financed by the lender in accordance with the NPPHLN or the other document that has been approved by the lender. For instance:
   a) Civil work category 60%, means the percentage financed with PHLN is as much as 60% is multiplied with the amount of project/activity value, while the remaining as much as 40% constitutes the pure rupiah burden added with the amount of tax (PPN).
   b) Particularly to commercial PLN/export credit facility allocation in RKA-K/L is included to the maximum 85% of the contract agreement value. While the remaining 15% is allocated as associated pure rupiah (RMP) as the advance.

7) Mentioning the calculation method of the amount of PHLN portion that is financed by the lender in refers with the procurement guideline of the respective lender and the provision concerning on the prevailing taxation and customs.

General formulation of the contract agreement shall be as follow:

\[
\text{Contract Agreement (NK)} = \text{Physical Value} + \text{PPN}
\]

While, the method to calculate the amount contract value that will be included in RKA-K/L uses methods as follow:

a) Non PPN Method
   This method calculates the amount of physical project value regardless the tax due to PPN is not imposed and borne by the
government. This method is used to finance the PHLN projects with the finance percentage as much as 100%.

Example:
- Contract Agreement for consultant: Rp25.000.000,00
- Category: Consulting Services
- Percentage: 100%
- Calculation method and inclusion in RKA-K/L
  - PHLN = percentage PHLN x contract agreement
    = 100% x Rp25.000.000,00
    = Rp25.000.000,00
  - RMP is not allocated in RKA-K/L due to 100% financed by lender
  - PPN is not allocated in RKA-K/L due to borne by the Government

b) Nett Method

This method is applied to calculate the amount of good and service procurement allocation whose fund part sourced from the foreign loan and the tax imposed to its loan portion. While for the RMP shall be subject to sharing value multiplied to the amount of tax. This method can be used to be utilized to the loans that come from World Bank (IBRD) with the portion ≥ 91%, ADB, JBIC, and so on, unless it is stipulated otherwise by NPPHLN (loan agreement) in question:

Example:
- ADB Loan: 1383-INO
- Item Contract value: Rp110.000.000
- Category: Civil Work
- Percentage: 60%
- Contract Value: Rp110.000.000,-
- Physical Value: Rp100.000.000,-
Consists of:
- PHLN Portion : Rp60.000.000,-
- Associate Portion : Rp40.000.000,-

PPN consists of:
- PPN PHLN : Rp6.000.000,- (uncollected)
- PPN Portion Ass : Rp4.000.000,- (collected)

Inclusion in RKA-K/L: Physical Value + PPN collected
- PHLN : Rp60.000.000,-
- RMP : Rp44.000.000,-

Calculation Method:
Physical Value : \( \frac{100}{110} \times 110.000.000 = Rp100.000.000,- \)
- PHLN Portion = 60% \times 100.000.000 = Rp60.000.000,-
- Portion Ass = 40% \times 100.000.000 = Rp40.000.000,-

PPN : 10% \times 100.000.000 = Rp10.000.000,-
- PHLN Portion = 10% \times 60.000.000 = Rp6.000.000,-
- Portion rev = 10% \times 40.000.000 = Rp4.000.000,-

c) Gross Method
This method to calculate the amount of the procurement of good and service allocation that sourced from foreign loan sourced from the World Bank with the finance percentage/portion as much as 90% to the down or other loan in accordance with the set out in NPPHLN (loan agreement) in question.

Example:
- IBRD Loan : 4075-IND
- Item Contract Value : Rp110.000.000,-
- Category : Civil Work
- Percentage : 60%
- Contract Value : Rp110.000.000,-
- Physical Value : Rp100.000.000,-
- Consists of:
-114-

- PHLN Portion : Rp66.000.000,-
- Associate Portion : Rp34.000.000,-

- PPN consists of:
  - PPN PHLN : Rp6.600.000 (uncollected)
  - PPN Ass Portion : Rp3.400.000 (collected)

- Inclusion in RKA-K/L: Physical Value + PPN collected
  - PHLN : Rp66.000.000
  - RMP : Rp37.400.000

- Calculation method:

  Physical Value : \(\frac{100}{110} \times 110.000.000 = Rp100.000.000,-\)
  - PHLN Portion = 60% \(\times 110.000.000 = Rp66.000.000,-\)
  - Ass Portion = (40% \times 110.000.000) = Rp34.000.000,-

- PPN: 10% \times 100.000.000 = Rp10.000.000,-
  - Portion PHLN = 10% \times 66.000.000 = Rp6.600.000,-
  - Ass Portion = 10% \times 34.000.000 = Rp3.400.000,-

d) Non-sharing Method

This method is applied to calculate the amount of allocation in RKA-K/L for the foreign loan that does not require percentage but it directly determine the amount of fund resources. The usage of this method directly record the amount of PHLN fund and Pure Rupiah Associate.

Budget allocation of the activity sourced from the PHLN fund also have to consider matters as follow:

- Mentioning the associate fund sourced from beyond of APBN, among other, APBD, BUMN’s budget or public contribution, by the support of valid document from the associate fund contributor, then after mentioning the associated fund in question in RKA-K/L further at KK Satker is coded with "E" so that the amount of associate fund does not the budget ceiling.
In case there is activity that has not been completed in the concerned fiscal year and it is continued at the next fiscal year, then the provision of PHLN and associate fund shall be the priority in accordance with the Annual Work Plan signed by the donor/lender.

In case the utilization of a foreign loan that is conducted in several fiscal years, then the provision of budget ceiling foreign loan at every fiscal year and its associate fund become the priority.

For avoiding the refusal by the lender when proposing fund withdrawal application, then in allocating PHLN within the RKA-K/L should consider closing date, fully paid/fully disbursement of the budget ceiling loan, category and percentage/portion of the payment upon activities financed by PHLN.

For example:

**Loan = IP535 Professional Human Resources Development Project III**

Closing Date: July 26, 2015

Percentage and category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Budget Ceiling</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Overseas Program (96%)</td>
<td>: 5,782</td>
</tr>
<tr>
<td>2. Domestic Program (58%)</td>
<td>: 2,276</td>
</tr>
<tr>
<td>3. Planner Development Center Enhancement (84%)</td>
<td>: 447</td>
</tr>
<tr>
<td>4. Incremental Training Cost 9100%</td>
<td>: 921</td>
</tr>
<tr>
<td>5. Contigencies</td>
<td>: 290</td>
</tr>
</tbody>
</table>

Model case below illustrates the implementation point 4 above in regard with the budget allocation of foreign scholarship in RKA-
K/L:

a. Model for the allocation in the correct RKA-K/L:
   1) It should use *Overseas Program* category;
   2) Using percentage/ portion as much as 96%;
   3) Taking into account the closing date original loan or has been extended (extension loan);
   4) Taking into account the category and percentage/ portion in case it has been made the change by the lender (amendment loan).

b. Model for Allocation in RKA-K/L:
   1) Using category *Domestic Program*;
   2) Using percentage/ portion as much as 96%;
   3) Closing Date exceeded.

→ Cost Standard
   Payment for the output of the activity sourced from PHLN refers to the Cost Standard and billing rate

→ Supervision Card for the Budget Allocation of PHLN
   In order to avoid the occurrence of overdrawn at a category then the allocation of PHLN fund for each category should consider the remaining budget ceiling per category based on the data at supervision card of PHLN or the remaining budget ceiling per category from the lender/ donor.

In addition, in order to improve the administration order of PHLN, State Ministry/ Institution as well Director General of Budget records each PHLN in the Supervision card of PHLN. PHLN fund allocation supervision card constitutes the material for State Ministry/ Institution as well the Directorate General of Budget in conducting monitoring against the availability of the fund/ activity of the PHLN in question.
Model format for the supervision card of PHLN fund allocation is as follow:

<table>
<thead>
<tr>
<th>Loan Number</th>
<th>IP-535</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Project</td>
<td>Professional Human Resources Development Project III</td>
</tr>
<tr>
<td>Dated</td>
<td>March 29, 2006</td>
</tr>
<tr>
<td>Lender</td>
<td>JEIC</td>
</tr>
<tr>
<td>Executing Agency</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>Register Number</td>
<td>21572601</td>
</tr>
<tr>
<td>Effective Date</td>
<td>July 26, 2006</td>
</tr>
<tr>
<td>Closing Date</td>
<td>July 26, 2015</td>
</tr>
<tr>
<td>Amount of PHLN</td>
<td>JPY9,717,000,000</td>
</tr>
<tr>
<td>Withdrawal Mechanism</td>
<td>Special Account</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Total Budget Ceiling</th>
<th>Budget Ceiling of ...</th>
<th>Realization of...</th>
<th>Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Million Japanese Yen)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Overseas program (96%)</td>
<td>5.782</td>
<td>5.782</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Domestic Program (58%)</td>
<td>2.276</td>
<td>2.276</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Planner Development Center (84%)</td>
<td>447</td>
<td>447</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Incremental Training Cost (100%)</td>
<td>921</td>
<td>921</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Contingencies</td>
<td>291</td>
<td>291</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

→ Understanding NPPHLN

In order to avoid the occurrence of fund allocation that result ineligible payment, matters below should be understood:

a. Content/ material of NPPHLN;

b. Staff Appraisal Report (SAR);

c. Project Administration Memorandum (PAM);

d. Points e1 up to e9;

e. Other provisions related to NPPHLN and implementation of the activity that is financed with the fund sourced from PHLN

4.7 Budget Allocation with the Fund Resources from Domestic Loan Fund (PDN)
For the allocation of activity whose fund sourced from the domestic loan, it refers to the Government Regulation Number 54 Year 2008 on Procedure for Procurement of the Domestic Subsidiary Loan by the Government. Inclusion provision in the RKA-K/L for the activity sourced from the PDN that is utilized for the certain activity of K/L shall be as follow:

1) Domestic Loan is conducted through the mechanism of APBN and is allocated to finance the Activity for empower the domestic industry and infrastructure development;

2) K/L prepares RKA-K/L planning activity that can be financed from PDN guided with the list Activity priority that can be financed from PDN;

3) The applied Program/ Activity Nomenclature is the nomenclature resulted from the restructuring program/ activity;

4) Mentioning the expenditure account in accordance with the provision of BAS;

5) Mentioning resource fund in accordance with the NPPDN, which is the resource fund in the form of domestic loan;

6) Mentioning the register code PDN in accordance with the register code issued by the Directorate General of Debt Management;

7) Its supporting document of RKA-K/L are as follow:

   a) Subsidiary agreement of PDN, which is signed by the Minister of the authorized official and the Receptor of PDN Subsidiary;

   b) PDN Subsidiary Agreement at least includes:

      (1) Sum of loan

      (2) Loan purpose; and

      (3) Loan terms and condition.

   c) PDN Subsidiary Agreement Document also includes sanction to the Receptor PDN Subsidiary that does not meet the principal installment payment, interest liability and other liability.

4.8 Budget Allocation with the Fund Resources of Domestic Grant (HDN)
For allocating activities whose fund resources from the Domestic Grants, then the procedure of inclusion into RKA-K/L shall comply with the provision in the legislation concerning Domestic Grants that is applicable concerning Domestic Grants. Provision for the inclusion into the RKA-K/L shall be as follow:

1) Fund sourced from the Grant is used to:
   a. support national development program;
   b. support disaster mitigation and humanitarian aid;

2) K/L prepares for the Working Plan and Grants Budget as the part of RKA-K/L to be included in the budget implementation document;

3) Reception planning of the planned grant, shall be prepared by the Minister of Planning through the Midterm and Annual Long Term Activity Plan that sourced from the grant guided to the RPJM. Midterm and Annual Long Term Activity Plan includes the grants utilization plan (that includes the policy direction and strategy in accordance with the national development priority), as well the List of Grants Activity Plan (DRKH) that become one of the preparation materials of RKP and RKA-K/L;

4) Based on such DRKH, K/L allocates the activity under its authority in the RKA-K/L document;

5) The applied nomenclature of Program/ Activity is the nomenclature of the Program/ Activity;

6) For the direct Grant, Minister/Head of Institution can receive the direct grant from the grantor, responsible to and consults the grant reception plan to the Minister of Finance, Minister of Planning, and other Minister/ Head of Institution prior the signing of Grants Agreement is signed.

4.9 Budget Allocation with the Fund Resources of PNBP

Preparation of RKA-K/L for the activity whose fund allocation sourced from PNBP (Non BLU) shall be set out as follow:

1) Activity nomenclature whose fund sourced from PNBP uses the
activity nomenclature in accordance with the reference table at Application of RKA-K/L;

2) Inclusion activity and amount of its budget in RKA-K/L refers to:
   a. Government Regulation concerning the procedure for the PNBP utilization sourced from the certain activity;
   b. Decree of the Minister of Finance/ Letter of the Minister of Finance concerning the Approval of Utilization Part of Fund sourced from PNBP;
   c. Number of Budget Ceiling utilization of PNBP from the Directorate PNBP;

3) Fund utilization sourced from PNBP shall be focused to the activity for improving the service to the public and/or in accordance with the provision concerning the Approval Utilization Part of Fund sourced from PNBP;

4) Payment of the honorarium management of PNBP activity (honorarium for the direct supervisor to treasurer, treasurer and member of secretary) uses the operational good expenditure account, which is the honorarium associated with the non-operational activity sourced from PNBP inputted into the honorarium account associated with the output of activity (account 521213).

4.10 Preparation RKA-K/L for the Public Service Board

Preparation of RKA-K/L for the activities that are carried out by BLU, shall refer to the Regulation that set out the Business Plan and Budget (RBA) as well BLU Budget Implementation. Preparation of RKA-K/L for the Satker shall be carried out with the conditions as follow:

1) Preparation of RBA

   Such preparation of RBA shall consider matters as follow:
   a. Satker BLU prepares annual RBA refers to the strategic business plan of BLU along with the forecast of RBA of the next year;
   b. RBA BLU includes the overall program, activity, revenue/ income budget, expense/ expenditure budget, initial balance cash and
estimation of final balance of BLU’s cash;

c. RBA is prepared based on:

   (1) Basis performance and calculation of cost accounting in accordance with the type of its service;

   (2) Need and capability of revenue to be forecasted to be received from the service provided to the community, grants, outcome of partnership with the other party and/or budget revenue of APBN; and

   (3) Basis accrual

d. RBA is prepared by adhering flexible budget pattern with the certain threshold percentage. This flexible budget pattern is not only applied to the revenue received from APBN.

e. Certain threshold percentage is calculated regardless the initial balance cash. This percentage should be included in RKA-K/L and DIPA BLU that can be in the form of information or note that inform its amount.

2) Preparation the Outline of RBA

   Outline of RBA is the summary of RBA that contains the program, activity and source of resource, type of expenditure as well the finance in accordance with the format of RKA-K/L and DIPA BLU. This outline is used as the material to combine RBA into RKA-K/L.

   Budget ceiling at the outline of RBA with the fund resource comes from PNBP and Pure Rupiah (RM) should be the same with the budget allocation at the budget ceiling.

3) Moving the information of cost budget allocation in KK Satker using application program RKA-K/L.

Matters that should be taken into account in the preparation of RKA-K/L BLU:

1) Program and activity that are used in the preparation of RKA-K/L BLU constitute the part of program and activity result of the program
and activity restructuring of the parent K/L;

2) Outputs financed from PNBP/BLU is included into the matching outputs, that has been prepared and included in the application of RKA-K/L. PNBP/BLU constitutes only the source of finance just like as RM or PHLN.

3) The necessity of inclusion concerning the initial balance and stipulation of the threshold at the KK Satker for BLU.

4.11 Activity of De-concentration, Co-Administration, and Joint Affairs

Budget allocation in RKA-K/L for the activities of K/L that are carried out by the Regional Apparatus Working Unit 9SKPD) through the mechanism of De-concentration (DK) and Co-Administration (TP), shall guided with the Regulation of the Minister of Finance concerning the Guidance for the Management of De-concentration and Co-Administration Fund. In its allocation should also consider the state financial capabilities, balancing finance in the region, and the need of development in the region. In the matter of balancing finance in the region, K/L need to consider the recommendation on the finance balancing in the region for the planning of de-concentration and co-administration fund allocation released by the Ministry of Finance. While for the activities of K/L that are conducted along with the SKPD is conducted through the joint affairs mechanism and be guided with the Regulation of the Minister of Finance concerning the Guidance for Financing the Joint Affairs of the Central and Regional for mitigating the poverty.

Provisions in the allocation of budget allocation through the mechanism of DK, TP, and UB as mentioned above is set out as follow:

1. Basic Principle
   a. Administration affairs that can be de-concentrated or co-administrated and financed from APBN constitutes the affair of the central government.
   b. Financing for de-concentration shall be allocated for the physical activities, such as, coordination, planning, facility, training,
coaching, supervision, and controlling. Just a few that can be used for the supporting activities in the form of good/ service procurement and other supporting activities.

c. Financing for co-administration is allocated for the physical activities, such as, construction facility and infrastructure, procurement for the equipment and machine, building, network and other physical activity that produce the output and add the government's asset value. Few can be used as the supporting expenditure of good/ service procurement and other supporting activity.

d. Joint Affairs of the Central and Regional means the administration affairs beyond the government affairs that become the full authority of the government, that is jointly managed by the Government, Provincial Government, and Regional Government of Municipality/ Regency.

2. Allocating budget using mechanism of DK/ TP need to consider matters as follow:

a. The financed program and activity is included into the RKA-K/L constitutes the activity of echelon I and in accordance with the formulation result of restructuring the program/ activity, and fully financed from APBN;

b. The financed activity constitutes the affairs of the central government;

c. Performance Target (type, volume, and output unit) and amount of budget allocation that becomes the responsibility of the respective SKPD shall be clearly included in the RKA-K/L;

d. K/L shall not be allowed to require the associate fund;

e. APBN imposition shall only be used to finance the affairs that are synergized with the program and activity to be de-concentrated and/ or co-administered;

f. Fund of DK shall be implemented after the present transfer of
authority of the Government through K/L to Governor;
g. Fund of DK shall be implemented after the present transfer of authority of the Government through K/L to the Governor/Regent/Mayor;
h. In order to support program and activity implementation, K/L should also consider the need of budget:
   1) Cost for preparation and delivery of the report by SKPD;
   2) Operational and maintenance cost upon the result of activity implementation that has been granted;
   3) Honorarium for the finance managing official of the de-concentration and/or co-administration fund; and
   4) Other cost for the implementation target achievement of the de-concentration and co-administration.
i. Allocation of DK and TP fund shall consider the state's financial capability, balancing finance in the region (amount of block grant and region’s financial capability) and the need of development in the region;
j. Characteristic of DK
   The nature of non-physical activity is the activity that produce the output that does not add the permanent asset. Non-physical activities, such as, in the form of: planning synchronization and coordination, facilitation, technical coaching, training, counseling, supervision, research and survey, coaching and monitoring, as well controlling.
   Inclusion of budget allocation for DK activity shall be set out as follow:
   1) Main component: whose nature is non-physical, among other: planning synchronization and coordination, facilitation, technical coaching, training, counseling, supervision, research and survey, coaching and monitoring, as well controlling. Its budget allocation uses account of
Good Expenditure in accordance with its purpose.

2) Supporting component: for the implementation of co-administration and/ or procurement for the input in the form of good and/ or service and other support, shall be allocated using good expenditure account in accordance with its purpose.

3) In case the applied Supporting Component is the permanent asset, its budget allocation uses the De-concentration Activity Supporting Good to be Handed to the Regional Government Expenditure account (account 526211).

k. Characteristic TP

Nature of the physical activity, which is activity that produces output that increase the permanent asset. Physical activities, among other, land, building, machine and equipment, irrigation and network procurement, as well can be in the form of other physical activities. While the other physical activities, among other, the procurement for the consumable items, such as, medicine, vaccine, procurement for the seed and fertilizer, or the equal, including of which is handed to the community, as well community empowerment.

Inclusion of budget allocation of TP activity shall be set out as follow:

1) Main Component; whose nature is physical, among other: land, building, machine and equipment, irrigation and network procurement. Its budget allocation uses Capital Expenditure account in accordance with its purpose.

2) Main Component; the other physical, among other: medicine, vaccine, procurement for the seed and fertilizer, or the equal, including of which is handed to the community/ pemda. Its budget allocation uses the Other Physical Good to be Handed to the Regional Government Expenditure account (account
3) Supporting Component; for implementing administrative tasks and/or procuring the input in the form of good and service procurement and other supporting, shall be allocated using Good Expenditure account in accordance with its purposes.

4) In case the applied supporting component is the permanent asset, the budget allocation uses Co-Administration Supporting Good Expenditure to be Handed to the Regional Government (526212).

l. Allocating the Supporting Fund
   1) Few of DK/ TP fund can be allocated as the supporting fund to implement administrative task and/or to procure input in the form of consumable items and/or permanent asset;
   2) Determination for the amount of supporting fund shall consider the principles of appropriateness, fairness, economic, and efficiency as well shall be adjusted to the characteristic of the respective K/L’s activity.

m. For ordering the management of the assets resulted from the implementation of K/L’s activities, then the improvement is conducted and focused to the usage of account in its budget allocation. The improvement in question is intended in order to ease the process of granting the asset from the Central Government to the Regional Government through SKPD. Detailed usage of the expenditure type in the DK/ TP’s activity shall be set out as follow:

1) Activity in the framework of DK
   The provided budget allocation is for the component of supporting cost, if it is used for the procurement of good produces permanent asset, then its allocation does not use the type of Capital Expenditure but use type of Good Expenditure De-concentration Activity Supporting Good to be
Handed to the Regional Government Expenditure account (account 526211).

2) Activity in the framework of TP

The provided budget allocation for the component (which is physical), if it is used for the matters produce permanent asset, its allocation uses the type of Capital Expenditure. In case it is not used to produce permanent asset or consumable items (such as to procure the medicine, vaccine, or seed), its allocation uses the type of Goods Expenditure Other Physical Good to be Handed to the Regional Government Expenditure account (account 526115).

While budget allocation that is provided for the supporting component that produces permanent asset then its allocation uses the type of Good Expenditure, which is the Co-Administration Supporting Good Expenditure to be Handed to the Regional Government (526212).

n. Supporting document that should be attached by SKPD should be completed at the time of study for RKA-K/L;

3. Budget allocation with the mechanism of Joint Affairs (UB), be guided to the Regulation of the Minister of Finance concerning the Guidance for the Finance of the Central Government and Regional Government Joint Affairs to countermeasure the poverty. In preparing RKA-K/L is set out as follow:

a. The Finance of Joint Affairs to countermeasure the Poverty can be financed from APBN, APBD, and/or jointly financed with APBN and APBD.

b. In case the Poverty Countermeasure Program is jointly financed, finance sourced from APBN shall be allocated though BA of the Ministry/Institution in the form of DUB and finance sourced from APBD shall be allocated through SKPD in the form of DDUB.

c. Finance that is conducted after the agreement of the both party
that is included in the agreement text between the Government and Regional Government.

d. Finance of the Joint Affairs of the Government and Regional Government to Countermeasure the Poverty on the basis of community empowerment that consists of the programs aimed to develop the potency and empower the capacity the group of poor community to be involved in the development that is based on the principles of community empowerment. Program Group of Poverty Countermeasure is intended, detailed in the form of activity that its component of the direct community social aid is the social aid expenditure.

e. Management of DUB and DDUB shall be conducted with the principle of order, comply with the legislation, efficient, economic, effective, transparent, and responsible by taking into account the sense justice and propriety.

f. Financing the Joint Affairs of the Central and Regional Government to countermeasure the poverty in the form of Joint Affairs Fund (DUB) and Regional Joint Affairs Fund (DDUB) shall only be applicable for the program of Urban and Rural PNPM Mandiri that are distributed in the form of Direct Aid Community (BLM) in the type of social aid expenditure.

g. Countermeasure of poverty Program/ Activity that will be financed from APBN shall be obliged to refer the RKP and be included into the Renja K/L.

h. Minister/ Head of Institution and Head of Region sign the agreement document on the management of the Central and Regional Government Joint Affairs for the Poverty Countermeasure Program at no later than the first week of December or after the stipulation of the Presidential Decree on the Detail Draft of State Budget Expenditure.
4.12 Allocating Self-Managing (Swakelola) Budget

Step to present the information associated with the implementing procedure of an activity in self-managing manner shall be as follow:

4.12.1 Self-Managing (Swakelola)

Self-Managing is the activity procurement of the good/service in which its project is planned, done, and/or supervised by k/L itself as the responsible party of activity, other government institution and/or the group of community.

Self-Managing project include:

1) Project that aims to improve the capability and/or utilize the human resources technical capability as well in accordance with the primary task of K/L;

2) Project that its operation and maintenance need direct participation of the local community;

3) It is observed from the side of volume, nature, location or finance, the project, is not interested by the service/good provider;

4) Project that is in detail cannot be prior calculated/determined so that if it is carried out by the good/service provider will result the uncertainty and large risk;

5) Implementation of training, course, short course, seminary, workshop or counseling;

6) Project made for the pilot project and survey that is particular in nature for the technology/working method development that has not been carried out by the provider of good/service;

7) Project of survey, data processing, government policy formulation, examination in laboratory and the certain system development;

8) Confidential project for the K/L in question;

9) project of the domestic creative, innovative industry and
culture;
10) Domestic research and development; and/or
11) Project for developing the domestic defense industry, main weaponry industry and special material tool industry.

Implementing Procedure for Self-Managing shall be as follow:
1) It is carried out by the institution itself
   It is the project, that is, planned, done, and supervised by the budget responsible person of K/L. it employs itself employee, K/L’s employee and/or employ the expert. In case it employ the expert, the expert in question should not exceed 50% of the overall employees of K/L who involved in the self-managing in question. Budget allocation for the planned activity will be made in self-managing, shall be detailed by the matching type of expenditure.

   a. Budget allocation for the activity that is non physical using the type of Good Expenditure. Example for the Activity of Technical Training of Civil Servant, with the detail as follow:

      1) Honorarium for the speaker/expert/practitioner is inputted into the Expenditure Account of Professional Service (522151);

      2) Honorarium for the Technical Implementing Activity Team who directly support the activity in achieving the output in question, is inputted to the Non Operational Good Expenditure Account (group account 5212), associated honorarium expense to the output of activity (account 521213);

      3) Material for the implementation of activity includes stationary (ATK), Consumption/Food Stuff, Printing Material, Billboard, and Photocopy are included in the Material Expenditure Account (account 521211); and
4) Calling/ take home official travel the training participant includes into the Ordinary Official Travel Expenditure Account (account 524111).

b. Budget allocation for non-physical activity uses Social Aid expenditure and/ or Good Expenditure. Model for School Operational Aid (BOS) activity, with the detail as follow:

1) Honorarium for the Technical Implementing Activity that directly support in achieving the output is inputted into the group of Non-Operational Good Expenditure account (group account 5212);

2) Material in the framework of activity implementation includes the Stationary (ATK), Consumption/ Food Stuff, Printing Material, Billboard, and Photocopy are included in the Material Expenditure Account (account 521211);

3) Ordinary Official Travel for the coaching and supervision includes into the Ordinary Official Travel account 9524111); and

4) Provision of school aid is inputted into Social Aid For Social Security in the Form of Money Expenditure account (account 572111).

Budget allocation for the physical activities shall be inputted into capital expenditure. In order to adjust the accounting norm, which is the principle of full disclosure for the respective Type of capital Expenditure is further detailed in accordance with its purposes. For instance, Land Capital Expenditure is divided into Land Capital Expenditure, Land Acquisition Expenditure, Certificate Making Capital Expenditure, Honorarium for Land Team Capital Expenditure, Backfill and Maturation Capital Expenditure, Land Measuring Expense Capital
Expenditure, Official Travel for Land Procurement Capital Expenditure. Such detail shall be the same for all Capital Expenditure in accordance with the provision at the Standard Cost Chart.

2) It is implemented by the other institution
   It is the project that is planned and supervised by K/L, but its implementation is carried out by the other government institution other than the budget responsible person. In case there is component/output implemented by the other institution then the allocation of its budget can use 1 (one) expenditure account (other service Expenditure 522191).

3) It is implemented by the group of community
   It is the project that is planned, implemented, and supervised by the group of community. While the responsible person of K/L is determining the target to be achieved. In this criteria, the main project is prohibited to be transferred to the other party (sub-contracted) from the implementing project group of community. In case there is the component/output that is carried out by the group of community, then the allocation of its budget can use 1 (one) expenditure account (other service Expenditure 522191).

4.12.2 Contract Allocation
   Pursuant to the mandate of the Presidential Regulation No. 54 Year 2010 on the Procurement of the Government's Good/Service and its amendments, for implementing the principle of good governance and clean government, then K/L should implement the principles of accountability and management of the human resources efficiently, non-partisan and ensuring the presence of social and economy interaction between the
government and the stockholder and procurement of good/service for the need of government.

Inclusion in RKA-K/L should explain the mechanism of its implementation, that the procurement of good/service shall be carried out in contractual or self-management.

4.13 Budget Allocation Associated with the Multi-year Contract

In Article 52 section (2) Presidential Regulation (Perpres) No. 54 year 2010 on the Procurement of the Government's Good/Service and its amendments, the multi-year contract constitutes the contract whose project implementation for the period more than 1 (one) Fiscal year upon the budget burden, matters below shall be carried out after obtaining the approval from:

a. Minister/Head of Institution in question for the activity whose value is up to Rp10,000,000,000,00 (ten billion rupiah) for the activity of seed planting, reforestation, marine/air pioneering service, food and drug in the hospital, food for the convict in the penitentiary, procurement for customs tape, garbage disposal service and cleaning service procurement.

b. Minister of Finance for the activity whose value above Rp10,000,000,000,00 (ten billion rupiah) for the activities that are not included in letter a above.

Procedure for proposing/agreement of the multi-year contract for the procurement of the Government good/service shall be guided with the Regulation of the Minister of Finance on the Procedure Proposal for the Approval of the Multi-Year Contract in the procurement of government good and service. In general, the proposal for the approval of multi-year contract by K/L to the Ministry of Finance shall be delivered along with the delivery of RKA-K/L.

In the preparation process of RKA-K/L, the project budget allocation that include the category of multi-year, shall be set out as follow:

a. At the first year of allocation, it is conducted through the mechanism
of new initiative, and its budget allocation is carried out by mentioning the need of fund to finance the package/activity that will be performed at the first year along with its forward forecast.

b. Allocation at the second year and the next, shall be carried out through the mechanism of baseline improvement toward the forward forecast that is included in the previous year. This improvement can include the improvement of output value and/or component. Baseline improvement is restricted by the budget allocation that has been stipulated.

4.14 Restricted Matters

In the preparation of RKA-K/L, there are detail of cost for the achievement of activity output that are restricted, including:

1) Organizing the meeting, official meeting, seminary, convention, workshop, office/project dedication and the equal, shall be restricted to the highly important matters and shall be carried out as simple as possible.

2) Construction for the new building whose nature does not directly support the task implementation of the satker (among other: lodging, house, official residence, meeting hall), unless for the building whose nature is permanent for public service (such as hospital, detention home, guard post), and the special building (among other: building, laboratory, warehouse)

3) Procurement for the motor vehicle, unless:
   a. Functional motor vehicle, such as:
      → Ambulance for the hospital;
      → Cell wagon for the detention house; and
      → 2-wheel vehicle for the field officer
   b. Procurement of the motor vehicle for the new satker that the stipulation of the Minister of State Apparatus Empowerment and Bureaucratic reform and shall be conducted gradually in accordance with the available fund;
c. Replacement of the motor vehicle that has been severely damaged, so that it cannot be utilized;

d. 4-wheel and/or 6-wheel motor vehicle for the purpose of employee pick-up/delivery can be allocated in highly selective manner. Proposal for the procurement of motor vehicle shall consider the principle of efficiency and appropriateness; and

e. Replacement for the severely damaged vehicle that is economically need the large maintenance cost for further shall be omitted from the list of inventory and maintenance cost is prohibited to be allocated (it is supported with the minute of omission/auction). The procured motor vehicle that constitutes the substitute of the omitted motor vehicle shall be the same, either in type or function to the omitted motor vehicle.

4.15 Thematic Budget of APBN

4.15.1 Gender Responsive Budget (ARG)

Presidential Instruction Number 9 Year 2000 on the Gender Mainstreaming (PUG) in the National Development, mandates to all State Ministries/Institutions to integrate the gender in each step of development process, which starts from the planning, preparation, implementation, monitoring, and evaluation at the overall field of development. In 2013 the Joint Circular (SEB) of the Four Ministers concerning the Acceleration Implementation of the Gender Mainstreaming (PUG) has been issued, through the Planning and Budgeting of Gender Responsive (PPRG). The issuance of SEB in question is aimed in order the implementation of PUG become more directional, systematic, synergy and sustainable, either in national or regional level.

One of the problems that is frequently faced in regard with the implementation of gender mainstreaming is that the decision maker does not realize that the decision/policy that has been taken or the process in decision taking is frequently neutral in
gender, which is just only viewing from the point of view task and function of such institution or merely on national priority, regardless the different involved group or the benefit user (target group). Therefore it is required to make smaller the gap of participation and utilization of the development output among men and women, which is by implementing PPRG.

Implementation of PUG within the budgeting is known as Gender Responsive Budget (ARG). Through the implementation of ARG, it is expected that the planning and budgeting will:

a. More effective and efficient
   At the analysis of situation/ gender analysis, the mapping role of men and women, condition of men and women, the need of men and women as well the problem of men and women shall be conducted, therefore gender analysis will diagnose and provide the answer that more precise to meet the need of men and women in stipulating the program/ activity and the budgeting, stipulating the most proper activity to be made to solve the gap of gender, and who will be the best to be the target of a program/ activity, where and when the program/ activity will be implemented.

b. Reducing the gap of the benefit receptor of the development
   By analyzing the situation/ gender analysis will be able to identify the different of need and problem among men and women, so that it can assist the planner and executive to find the appropriate solution to answer the different problem and need in question. Hence, by applying the analysis of situation/ gender analysis in the planning and budgeting, the gap of gender that are occurred at the level of receptor of the development can be minimized.

4.15.1.1 Concept and Definition of Gender

Gender is the different of nature, role, function, and status
between woman and man that are not based on the different of biology, but based on the social and culture relation that are affected by the broader structure of community. Therefore, gender constitutes the construction of social and culture and can be changed depend to the change of time, and among the group of ethnic, level of education and income age - it is different. Gender determines what is expected, allowed and assessed from the rule of man and woman in the daily life.

Gender equality constitutes the equality in right, responsibility and opportunity for man and woman, to participate in any activities, such as in politic, economy, social-culture, education, national defense and security, as well the equality in benefit the result whose impact is balanced. Gender equality does not mean that woman and man should be the same, but even if it is different, the willing, need and priority of man and woman should be equally considered. Hence, the gender issue is not merely about woman, but it is the issue of man and woman. This problem is also involved to the problem of human rights as well it is deemed as the pre-condition and indicator for the development on community and sustainability basis.

Based on the concept mentioned above, the ARG is the budget that provides/ accommodates to the 2 (two) matters:

1. Justice for man and woman in obtaining the access, benefit (of the program of development), to participate in the process of decision maker and has the control to the resources;
2. Equality or the women and men toward the opportunity in choosing and utilizing the development outcome.

4.15.1.2 Logical framework

ARG is not an approach that focuses on the budget classification. ARG more focused on the equality problem
within the budgeting. Such equality is in the form of process and impact of budget allocation within the program/activity that aims to decrease the level of gender equality. ARG works by means of studying the impact of the expenditure of an activity toward women and men, and then analysis whether such allocation has answered the need of men and women.

In its implementation, ARG inherent to the budget structure (program, activity, and output) that are presence in the RKA-K/L. The presence of ARG is at the output of activity. Output of an activity produced by the Activity should has been through the gender analysis before. For the gender that has the gender issue, there is the difference in its documentation procedure.

4.15.1.3 Allocation Mechanism of ARG in RKA-K/L

ARG works by means of analyzing the expenditure impact of an activity toward the women and men, and then analyzing whether the budget allocation has answered the need of women as well the need of men. Therefore the ARG inherent to the budget structure (program, activity and output) that are presence in RKA-K/L. An output resulted of an activity will support the achievement of program outcome. It is only that the substance/material is seen from the perspective of gender.

Afterward, there are several matters that need to be considered in the preparation of RKA-K/L in regard with the gender responsive budget, namely:
1. Reward system of ARG is at the level of output;
2. L/L that has obtained the mentoring of PPRG by the Minister of Women Empowerment and Child Protection (KPP and PA), is obliged to implement ARG;
3. Implementation of ARG focuses on the activity and output
of activity in the framework of:

a. assignment of the national development priority;
b. service to the community (service delivery); and/or
c. institutionalization of the gender mainstreaming/ PUG (including the building capacity, gender advocacy, study, socialization, dissemination, and/or the selected data compilation).

4. ARG constitutes the preparation of budget for answering in fair manner the need of each citizen, either men or women (fairness and gender equality).

5. ARG does not focus on the budget provision with the certain amount for the gender mainstreaming, but how the overall budget can provide the fair benefit to the men and women. Such principle has the meaning as follow:

a. ARG is not the separated budget for men and women;
b. ARG as the budget package that will bridge the gap of status, role, need, and responsibility among men and women;
c. ARG is not the "valid" basic to request the budget allocation addition;
d. It does not mean that the allocation of ARG is only at the special program for woman empowerment;
e. ARG does not mean the fund allocation of 50% for men and 50% for women in each activity;
f. It is not for all activity should obtain the correction in order to be the gender responsive, but there is also the neutral gender.

In outline, technique of budget preparation which is gender respective can be made through 2 (two) step, namely:

1. Step of Gender Analysis
   It is aimed to analysis the issue/ gap of gender in the
output. In this process, tool is required to analyse the gender, such as the models: Harvard, Moser, SWOT, PROBA, GAP and so on. In conducting the gender analysis step, mentoring carried out by KPP and PA use the tool of analysis of Gender Analysis Pathway (GAP).

As the issue/gap of gender has been identified at the level of output through the gender analysis, then the information available is then inputted to the document of GBS.

2. Preparation of Gender Budget Statement (GBS)

It constitutes the document that informs an output of activity that has been responsive toward the existing issue of gender, and or a cost that has been allocated to the output of activity to handle the problem of gender issue.

In principle, GBS consists of the component as follow:

a. Program, Activity, Indicator, Activity Performance Indicator (IKK) and Output; its formulation shall be in accordance with the outcome of program restructuring;

b. Objective of the Output Activity; constitutes the formulation for the achievement of output;

c. Situation analysis: it contains the short explanation that illustrates the faced information by the activity that produce output, that can be in the form of: the insight opener data, factor of gap, gender gap causes, as well explaining that the output of the sub-output has the effect to the certain group of target. It also describe the gender issue at the sub-output (output) of component that is the part/step in the achievement of output. Gender issue can be viewed by using the 4 (four) elements, namely: access, participation, control and benefit at the level of sub-output (output)/component.
d. Action plan: explaining the action plan to be conducted to minimize or to remove the gender gap that has been identified at the analysis situation as mentioned above. In case the output has the sub-output, this part explain the sub-output (output) that contains the gender issue. But in case it does not has the sub-output, then this part explain the component contained in its gender issue;

e. Amount of allocation for the achievement of output;

f. Impact/ outcome of the activity output; it constitutes the impact/ outcome of the achievement of output within the framework of gender equality, it is associated with the gender issue as well the improvement/ action plan to be conducted;

g. The signer of GBS is the responsible person of the Activity.

Format of GBS and the procedure for filling, as set forth in the last part of the Appendix II.

4.15.2 Budget for Climate Change Mitigation

The Government of Indonesia committed to decrease the greenhouse emission (GRK) as much as 26 percent of the scenario of Business as Usual in 2020. With the international support, it is expected can reach the decrease of 41%. This commitment is followed up in the preparation of the National Action Plan for Greenhouse Emission Decrease (RAN-GRK) that is included in Perpres (Presidential Regulation) No.61 Year 2011.

Implementation of RAN-GRK is expected to realize through the Government’s activities through several program and activity K/L that is financed with APBN or through the participation of the community and the business community. Hence, it is expected that K/L can integrate all activities that produce the
output associated with the climate change mitigation.

Inventory of the climate change mitigation become very essential taking into account that the government is obliged to report such activities in the form of National Communication and Biennial Report to the United Nations Framework Convention on Climate Change (UNFCCC). Therefore, the marking of Climate Change Mitigation Budget is obliged to the seven Ministry/Institution (K/L), namely:

1. Ministry of Agriculture,
2. Ministry of Forestry,
3. Ministry of Energy and Mineral Resources (ESDM),
4. Ministry of Transportation,
5. Ministry of Industry,
6. Ministry of Environment,

The active role of K/L to conduct the marking of Climate Change Mitigation Budget is useful for:

a. Determining the state budget allocation in effective and efficient.

b. Prioritizing the decrease actions of GRK emission in accordance with the mandate of Presidential Regulation No.61 Year 2011.

c. Attracting the interest of community or private community to actively participate in several activities of K/L associated with the decrease of GRK emission.

4.15.2.1 Concept of the Climate Change Mitigation Budget

RAN-GRK is the document of national action plan to implement several activities that are directly or not directly attempt to decrease the GRK emission in accordance with the national development target. At the
level of regional government, RAN-GRK is elaborated in the atmosphere either in natural or anthropogenic, which reabsorbs and re-transmits infrared radiation. While, GRK emission is the release of GRK to atmosphere at certain area within certain period. Climate change is the change of climate that is affected directly or indirectly caused by the change of atmosphere in global and other than in the form of the change of natural climate variables that are observed at the comparable period of time. Climate change mitigation is the controlling effort to decrease the risk resulted from the change of climate through activity that can decrease the emission/ increase the absorption of GRK from various kind of emission of GRK from several emission resources.

Such Presidential Regulation also classify the activity associated with the Climate Change Mitigation, namely:

1. Core activity, which is the activity that can directly decrease the emission/ increase the absorption of GRK;
2. Supporting activity, which is the activity that does not impact directly against the decrease of emission but it is essential to support the implementation of the core activity.

The marking of Climate Change Mitigation Budget is the system that is planned to identify the type of expense that is used to finance the activity associated with the climate change mitigation. The marking of budget is conducted by the K/L. The scope of setting on the budget marking that will be carried out includes the
overall budgets of K/L that associated with the Climate Change Mitigation.

4.15.2.2 Procedure for Marking the Climate Change Mitigation Budget

Budget of Climate Change Mitigation is the government's activity to finance activities and to result the output that support the achievement of:

1. Decrease of GRK emission
2. Increase of capitalization to absorb the GRK emission
3. Stabilizing/conservation of carbon stock

In refer with the Presidential Regulation No.61 Year 2011, Climate Change Mitigation Budget can be classified becomes:

1. Budget to finance the activity with the direct impact toward the decrease of GRK emission, increasing the capacity of GRK emission absorption, and stabilization/conservation of carbon stock.
2. Budget to finance the activity with the indirect impact toward the decrease of GRK emission, the increase of GRK emission capacity absorption, but it is essential in the implementation of activity implementation that is affected directly to the Climate Change Mitigation.

K/L should capable to identify whether a budget is directly impacted or not to the Climate Change Mitigation. It is essential, in regard with, at the next step scoring system will be implemented to the Climate Change Mitigation so that the government can find out the impact of government’s expense toward the decrease of GRK emission. In order to find out whether an activity
whose output is affected directly to or indirect to the Climate Change Mitigation, K/L can implement the self-assessment by answering the questions as follow in the process of Climate Change Mitigation Budget Marking:

1. Is the activity and output in accordance with the definition/ criteria of the Climate Change Mitigation Budget?
   If it is "yes", then the budget to finance the activity can be categorized as the Budget of Climate Change Mitigation. If it is "no", then it is classified as non-mitigation budget. For this purpose, K/L can develop the list of activity that is categorized as the climate change mitigation actions. This list need to be reviewed from time to time also can be proposed and implemented.

2. In case a type of expense is classified as the Climate Change Mitigation Budget, does such output/ sub-output of such activity directly impact to the decrease of GRK emission, increase the capacity absorption of GRK, and/ or stabilization of carbon stock?
   If it is yes, then such expense can be classified as the Climate Change Mitigation Budget. Otherwise, such expense can be categorized as the climate mitigation with the indirect impact.

Here below constitutes the model for activities that are directly affected or indirectly affected to the decrease of emission or absorption of GRK.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Unit</th>
<th>Emission Factor</th>
<th>Impact</th>
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<tbody>
<tr>
<td>1. Development of forest plants</td>
<td>Ha</td>
<td>+34.99tCO₂/ha</td>
<td>Direct</td>
</tr>
<tr>
<td>2. Utilization of</td>
<td>Littre</td>
<td>2.58 Kg CO₂/</td>
<td>Direct</td>
</tr>
</tbody>
</table>
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OF THE REPUBLIC OF INDONESIA

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biogas to replace the conventional cooking fuel (kerosine) | Litrre
---|---
3. Establishment of forest boundary | km$^3$
| Cannot be converted directly | Indirect

Procedure of inventory and conducting the marking of Climate Change Mitigation Budget shall be as follow:

1. Check if the activity and output is in accordance to the definition of the Climate Change Mitigation Budget? Check the related document, such as Presidential Regulation (Perpres) No. 61 Year 2011.

2. In case the activity and output is in accordance with the definition of the Climate Change Mitigation Budget, either directly or indirectly affect, then such output shall be obliged to be marked as the Climate Change Mitigation Budget (at the matching thematic).

4.15.3 The Master Plan for Acceleration and Expansion of Indonesia’s Economy Development (MP3I)

Master Plan for Acceleration and Expansion of Indonesia’s Economy Development, abbreviated as MP3I, constitutes the directional strategy within the period of 2011 up to 2025 (the period of 25 years). Basic policy for the MP3I is the Presidential Regulation (Perpres) Number 32 Year 2011 on the Master Plan for Acceleration and Expansion of Indonesia’s Economy Development 2011-2025. Implementation of the MP3I is expected can be realized through the government’s activities that are financed by the APBN with the focuses on program within the field as follow:
1. Agriculture;
2. Mining;
3. Energy;
4. Industry;
5. Tourism;
6. Telematics;
7. Development of the Strategic Area

Therefore, it is expected that K/L can inventory the activities that produce output in association with the MP3I.

It is in accordance with the mandate of the Presidential Regulation Number 32/2011, Implementation of MP3I shall be coordinated by the Committee for Acceleration and Expansion of the Indonesia’s Economy Development (KP3I). KP3I becomes the reference for the minister/ head of institution, non-ministry to stipulate the sectoral policy for the acceleration and expansion of the Indonesia’s development.

4.15.4 The Master Plan for Acceleration and Expansion for the Reduction of Indonesia’s Poverty (MP3KI)

Master Plan for Acceleration and Expansion for the Reduction of Indonesia’s Poverty, abbreviated as MP3KI, constitutes the affirmative action in order to the realized development is not only pro-growth but also pro-poor, pro-job, and pro-environment, including the provision of employment for the poor community. Implementation of MP3KI as the national movement within the period of 2013 up to 2025 is carried out through the approach of basic need fulfillment and improving the income through poverty integration/ synergy in accordance with the region condition by involving the government, BUMN, Private Company, and Public or abbreviated as “4P” (Public-Private-People-Partnership). MP3KI constitutes the synergy of several poverty programs, including 4 (four) cluster of Poverty Alleviation Program as follow:
In line with the MP3Ki that is prepared to drive the acceleration and expansion of the economy development, MP3KI is conducted for maximizing the benefit of MP3EI. Through the synergy between the MP3KI and MPEI, it is expected can accelerate the effort of poverty alleviation, avoiding and reducing the gap of income among citizen.

4.15.5 Millennium Development Goals (MDGs)

Millennium Development Goals or abbreviated as MDGs is the result of head of states/ representative of the 189 members of the United Nations, which begin to be implemented in September 2000, in the form of the eight points of objective to be achieved in 2015. Target of MDGs is achieving the welfare and development of the community in 2015. This target is the main challenge in the development all around the world that are described in MDGs, and it is adopted by 189 states as well signed by 147 head of states and head of government when the Summit Conference of Millennium in New York on September 2000. The Government of Indonesia participated to attend the Summit Conference of Millennium and signed the MDGs. Declaration contained the commitment of the respective state and international community.
to achieve 8 points of development objective in this millennium (MDGs), as an objective package that is measured to the development and poverty alleviation. The execution of this declaration constitutes the commitment of the leaders of the world to decrease more than half of the people who suffer due to hunger, ensuring all children complete its primary education, alleviation of gender gap at all educational level, reducing the dead of underage child up to 2/3, and reducing half of sum of people that have the access to the clean water in 2015.

United Nations Millennium Declaration that was signed on September 2000 agreed the 8 (eight) focuses of MGDs, namely:

1. Overcoming the poverty and hunger
   - Revenue of world population $10,000 per day.
   - Decreasing poverty rate.

   In case Indonesia has succeed to decrease the level of poverty, as it is measured with the indicator USD1,00 per capita per day, become the half. Further priority to decrease the poverty and hunger, increasing the supporting infrastructure, and strengthening the agriculture sector. Special attention need to be given, namely:
   a) extension of credit facility for micro, small and medium business (UMKM);
   b) empowerment the poor poverty by increasing access and utilization of resource to increase its prosperity;
   c) increasing the access of poor people to the social service;
   d) improvement to the social protection to the poorest group among the poor.

2. Achieving primary education to all

   Indonesia’s effort to achieve the target of MGDs in the sector of primary education and literacy has headed to the target achievement of 2015. Even that Indonesia has
stipulated primary education exceeds the target of MDGs by adding the junior high school as the target of universal primary education.

The main challenge in the acceleration of the education MDGs target achievement is the increase of fairly access equity for all children, either boy or girl, to obtain the qualified primary education in all regions. Several government’s programs and policies to answer such challenge shall be in the form of: (i) expansion of the equitable access to the primary education, particularly for poor people; (ii) improvement of relevance and quality of education; (iii) strengthening the governance and accountability of the primary education. In addition, the policy of the education budget allocation for the sector of primary education, minimum as much as 20 percent of the sum of national budget will be continued to accelerate the achievement of the universal primary education in 2015.

3. Encouraging the gender equality and woman empowerment

The target in 2005 and 2015 is to reduce the gender difference and discrimination in the primary and middle education particularly for 2005 and for all level in 2015. Several progresses has been achieved during the effort in improving gender equality in all level and type of education. Pure participation rate ration (APM) woman against men in primary education and middle education, firstly consecutive as much as 99,73 and 101, 99 in 2009, and literacy ratio of the women against men in the group of age 15 up to 24 year has achieved 99,85. Therefore, Indonesia has effectively headed to the achievement of gender equality that is associated with the education in 2015.

In the sector of manpower, it seem there are the
increase of women contribution in the paid job in the sector of agriculture. In addition, proportion of the chairs seated by the women legislator in the House in the General Election 2014 became 17.3 percent. The next priority in realizing the gender equality includes:

a) improving quality life and role of women in the development;

b) woman protection against several violence; and

c) improvement of the capacity institutional of PUG and women empowerment.

4. Decreasing the child mortality rate
   
   Target for 2015 is to decrease the two-third of the child mortality rate for the children age below 5 years. Baby mortality rate in Indonesia showed the significant decline from 68 in 1991 became 34 per 1,000 live births in 2007, so that the target as much as 23 per 1,000 live births in 2015 is predicted to be achieved. Hence, the target of child mortality is predicted to be achieved. However, regional disparity in the target achievement is still occurred, which reflects the different access to the health service, particularly in the poor and isolated regions. The next priority is to strengthen the health service, particularly for the poor and isolated community.

5. Improving maternal health
   
   The target of 2015 is to decrease two-third of the maternal mortality rate in the process of childbirth. From all target of MGDs, the performance of maternal mortality rate globally is still low. In Indonesia, maternal mortality rate (MMR) declined from 390 in 1991 became 228 per 100,000 live birth in 2007. Achievement target of the MGDs in 2015 is as much as 102
per 100,000 live birth, so that hard work is required to achieve such target. Although the service of antenatal and childbirth aid have been provided by the skilled health professionals is relatively high, some risks factor when the pregnancy and abortion is necessary to be considered. Effort to decline the maternal mortality rate is also supported with the increase use of contraception tool and decrease the unmet need that is carried out through the improvement of access and service quality of the family planning (KB) and reproduction health.

Further, the effort in improving the maternal health is prioritized to the expansion of the qualified health service, comprehensive obstetric service, improvement of the family planning service and dissemination of communication, information and education to the community.

6. Fight against HIV/AIDS, malaria, and other communicable disease

Target for 2015 is to stop and to begin the prevention the spread of HIV/ AIDS, malaria and other heavy diseases. Level of prevalence of HIV/ AIDS tens to increase in Indonesia, particularly for the high risk group, which is the user of injecting drug and prostitutes. Amount of the reported case of HIV/AID in Indonesia increased double between 2004 and 2005. Occurrence rate of malaria per 1,000 population declined from 4.68 in 1990 became 1.85 in 2009.

While the disease control of tuberculosis that includes the finding of case and medication has achieved the target. Approach to control the disease particularly directed to the effort of prevention and mainstreaming into the system of national health service. In addition, disease control should
involve all stakeholders and strengthening the health promotional activity to increase community awareness.

7. Ensuring the environment sustainability

- Integrating the principles of sustainable development in the policy of each country and the program as well reducing the loss of natural resources.
- In the next 2015 it is expected to reduce the half of people who do not have the access to healthy drinking water.
- In the next 2020 it is expected to achieve the significant development in the life for at least 100 million people who live in slums area.

Level of the greenhouse emission in Indonesia is relatively high, although the effort of improving in forest area, eradication of illegal logging, and commitment to implement the framework of policy to decrease the emission of carbon dioxide in the next 20 years have been conducted. Proportion of the households with the access to appropriate drinking water increased from 37,73 percent in 1993 became 47,71 percent in 2009.

Meanwhile, proportion of the households with the access to the appropriate sanitation increased from 24,81 percent (1993) became 51,19 percent (2009). Effort to accelerate the achievement the target of appropriate drinking water and sanitation continue to be made through the investment in provision of appropriate drinking water and sanitation, particularly to serve the urban population who continue to increase. For the rural area, the provision of drinking water and sanitation are made through the effort of community empowerment in order to have the responsibility in managing the infrastructure and the development of facilities.
In addition, it is necessary to conduct the effort in clarifying the role and responsibility of the regional government in managing the water natural resource and managing the resource of appropriate drinking water and sanitation. Proportion of the urban slum household declined from 20.75 percent in 1993 became 12.12 percent in 2009. Effort to decrease the proportion of slum households is carried out through the handling of settlements.

8. Developing global partnership for the development

- More further develop the open trade and financial system that based on the rule and without discrimination. Including the commitment to the good government, development and the reduction of poverty level both nationally and internationally.

- Assisting the special needs of the less developed countries, and the special needs of the isolated countries and islands. It includes the exemption of tariff and quota for their export; improving the exemption of debt for poor countries that has large debt; cancelation of the official bilateral debt; and addition of the official development aid to the countries that committed to decrease poverty.

- Comprehensively undertake the agreement concerning the debt of the developed countries.

- Comprehensively faced with the developed countries with the problem of debt through the national and international consideration to make the debt can more bearable in long term period.

- Developing the productive business that is feasible to be managed by the youth.

- In cooperation with the party of "pharmaceutical", providing the access to the important medicine that are
affordable in the developed countries.

- In cooperation with the private, developing the absorption of profit from the new technologies, particularly information and communication technology.

Indonesia has obtained the benefit from the international development partner. In order to increase the effectiveness of partnership and the management of development aid in Indonesia, Jakarta Commitment has been signed along with the 26 development partners in 2009. Concurrently, Indonesia has committed to reduce the government foreign loan toward the PDB. It is showed by the decrease of the government's foreign loan ration from 24.6 percent in 1996 become 10.9 percent in 2009. Meanwhile, Indonesia's Debt Service Ratio also decreased from 51 percent in 1996 became 22 percent in 2009.

In order to increase the access of communication and information, the private sector has made the large investment into the information and communication technology, and access to the cellular phone, PSTN network, and internet communication has increased rapidly during the last five years.

4.15.6 Budget of Infrastructure

Budget of Infrastructure constitutes the budget that is allocated to achieve the output that constitutes the tangible good and/or in the form of network. Allocation of infrastructure budget can be in all K/L. In its allocation, budget of infrastructure is included into the capital expenditure. Example for the infrastructure budget are building, road, bridge, construction, irrigation network, electricity network, train railways, airport, sea port, and so on.

4.15.7 South-South Partnership
South-South Partnership (KSS) constitutes the partnership manifestation among developed countries on the principles of: solidarity, on-conditionality, mutual benefit and freedom. As the developed country that has the potency of natural resource, human resources, as well several superiority in the international economy and politic, Indonesia has became the important part of the South-South Partnership (KSS) further will be more focused to the Economy Partnership of Developed Country (KENB).

In the implementation, KSS is realized through the form of Technical Partnership of the Developed Country (KTNB) and Economy Partnership of the Developed Country (KENB). Based on the characteristic, KTNB includes the project assistance, equipment assistance, apprentice, seminary/ workshop, comparative study, training and transfer the experts, while for the KENB includes the trade, financial, investment and service.

Basic framework of Grand Design of the South-South Partnership (GD KSS) that is being prepared includes: inserting the holistic approach from the aspect of existing KSS and the strategic environment at the both national and international level, Indonesia’s role in the past, present, and future, legal basis for the implementation of KSS and the legal framework that need to be prepared, position and institutional role, finance of KSS, program and capacity of KSS, and information as well KSS data of Indonesia.

5. Matters that Experiences the Change and/ or Improvement

5.1 Treasury and State Budget System (SPAN)

One of the follow-up reformation process in the field of finance that has become the government’s commitment, is by realizing an integrated system and can support the budget management that is transparent and accountable based on the budget on performance basis. Development of the integrated system shall be in line with mandate of Article 20 of the
Government Regulation Number 90 Year 2010 on the Preparation of RKA-K/L that states that the Minister of Finance organizes the information system of planning, budgeting, and implementing the state budget in integrated manner.

For developing the integrated state financial management information system, Ministry of Finance introduces the Treasury and State Budget System (SPAN). As a system on the basis of information technology, SPAN is directed to support the achievement of the principles of budgeting and treasurer management. In the process of SPAN that associated with the budget includes: preparation of APBN, calculation of PNBP, approval for the revision of RKA-K/L and DIPA, printing budget document, monitoring and evaluation process, and reporting.

Beginning from 2014, SPAN will be tried out to the Ministry/Institution for the process of the revision Fiscal Year 2014 and preparation of RKA-K/L and DIPA Fiscal Year 2015. In the view of development and implementation of SPAN involves multiple parties either the internal party of the Ministry of Finance or the external party such as the Ministry/Institution, Bank Indonesia and Public Banking, then the need of equal perception and the strong support from the overall stakeholders. Implementation of SPAN demands the change of the mindset of the parties involved in the business process, either the direct user of the Ministry of Finance (internal) or the Ministry/Institution (external).

SPAN Application at the Directorate General of Budget constitutes one part of the overall SPAN and consists of 7 (seven) modules of SPAN. In order to facilitate the need of budgeting function as in the module of Budget Preparation is facilitated with 2 (two) programs, namely Hyperion and Custom Web. SPAN Application covered in the program (two) Custom Web. Sub-Module Hyperion that will begin to be applied on the mid of 2014, namely:

1) Application of the State Budget of Revenue and Expenditure;
2) Application of the Non Tax State Revenue (PNBP);
3) BFLOW Application; and
4) Monitoring and Evaluation Application.

And for the function of budget preparation based on Custom Web will be applied to the Printing application of initial and Revision DIPA. Program on web-basis (custom web) that is applied to run the function of the preparation of RKA-K/L DIPA, management of DHP RKA-K/L, function of budget revision (virement), function of reporting, and Audit Trail as well printing of DIPA.

5.2 Architecture Arrangement and Performance Information (ADIK) in RKA-K/L

In relation to the growth of lastly social, economy, and national, regional, and global politic as well the increasing demand of the community upon the transparency and accountability on the program implementation, then the policymaking in the field of state budget is absolutely requires the comprehensive and valid information as usual that is focused merely on the level of budget absorption, but more orientate to the outcome so that several important information required in the policymaking in the field of budgeting can be provided in full, yet currently RKA-K/L as the form of planning and program budgeting document that will be implemented by the respective unit responsible person at the Ministry/Institution has not been capable to illustrate the logic program performance to be measurable and evaluable as the form of accountability to the public.

The absence of such performance information also make the constrain to the program responsible persons or the analyst to conduct performance evaluation upon the implementation of RKA-K/L as mandated in PMK No.249/PMK/2011, which includes 3 (three) aspects:

a. implementation aspect, which is the evaluation for producing the information concerning the performance achievement for producing the output of a program;
b. benefit aspect, which is the evaluation for producing information concerning the change occurred in the community and/ or the stakeholders as the benefit upon the output of a program; and
c. context aspect, which is the evaluation for producing the information concerning program relevance that is carried out with the social and economy dynamic.

Due to RKA-K/L has not been capable to present the information of relevance program with the problem/ situation faced by the public, outcome or output that is measured, as well the relevance between the output and outcome, then to assist the planning, budgeting, and evaluation process architecture arrangement and performance information (ADIK) in RKA-K/L is required and the accurateness of the selection of performance indicator that will be included in the RKA-K/L in order to ease in measurement either qualitative or quantitative.

ADIK in the RKA-K/L constitutes the brief illustration concerning a program as the response toward a situation/ problem/ need of the stakeholders by showing the logic relationship between the applied input resources, activity implemented, output resulted and benefit or the change expected or outcome produced by the presence of such program. Arrangement of ADIK in RKA-K/L does not create a certain type of new document, or add several document of planning, budgeting, and evaluation that so far has been existed, but it constitutes the sharpening of contain to RKA-K/L for producing the full perspective, its relevance is clearly seen, and understandable by all stakeholders. Arrangement of ADIK in the RKA-K/L is expected has been commenced in the preparation of RKA-K/L and creation of Terms of Reference (KAK/ TOR) upon the new initiative in the fiscal year 2016.
MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

Signed
MUHAMAD CHATIB BASRI

Copy as its original version
HEAD OF GENERAL BUREAU
for him
HEAD OF ADMINISTRATIVE DEPARTMENT
OF THE MINISTRY
Signed and stamped
GIARTO
NIP 195994201984021001
PROCEDURE FOR THE PREPARATION OF RKA-K/L

RKA-K/L constitutes the annual financial planning document of the Ministry/Institution that is prepared in accordance with the Budget Part of the Ministry/Institution. As the planning and budgeting document, RKA-K/L document contains the program and activity of a K/L that constitutes the elaboration of Renja K/L along with its budget at the planned year. In its implementation, the preparation of RKA-K/L is guided to the principles of budgeting as set forth in appendix I.

1. Party Involved in the Preparation of RKA-K/L

1.1 Echelon I Unit

In the preparation process of RKA-K/L, echelon I unit assigned to:

a. examine and ensure the budget ceiling per program per type of expenditure based on the K/L Budget Ceiling;

b. stipulate the performance target to each Satker refers to the RKP and Renja K/L document of the concerned year for:
   1) output volume of the activity in the framework of Baseline; and
   2) output volume of the activity in the framework of New Initiative.

c. stipulate the budget allocation for the respective satker to:
   1) budget allocation in the framework of Baseline; and
   2) budget allocation in the framework of New Initiative.

d. prepare the List of Budget Ceiling Detail per Satker that function as the higher limit of Satker budget ceiling;
e. compile the supporting document, among other the Terms of Reference (TOR), Detail of Expense Budget (RAB), and Gender Budget Statement (GBS);

f. compile and unite the technical supporting document of the satker, among other, Business and Budget Plan (RBA) BLU, calculation of the need of construction cost or the equal, the other supporting technical data.

1.2 Satker

In the process of RKA-K/L preparation, Satker assigns to:

a. preparing document as the reference or as the basis for the inclusion of target performance of the activity and its budget allocation at the level of output of the activity in RKA Satker, including:
   1) information concerning the target performance (up to the level of output) and budget allocation for the respective activity (including the fund resources) in accordance with the policy of echelon I unit. Such performance information is divided into the type of Baseline budget allocation and/ or New Initiative;
   2) legislation concerning the organizational structure of K/L and its functions;
   3) Renja K/L document and PKP of the concerned year;
   4) guidance for the filling of RKA-K/L; and
   5) cost standard of the concerned year.

b. examine and ensure the conformity with the echelon I unit's policy in the matter of:
   1) amount of satker budget allocation; and
   2) amount of the Baseline and/ or New Initiative.

c. prepare the Satker Work Sheet (KK Satker) and RKA Satker as well to save the data in Computer Data Archive (ADK);

d. compile the supporting document, such as KAK/TOR, RAB, GBS, and particularly for BLU Satker the RBA BLU document;

e. deliver the technical supporting document, in the form of:
1) calculation of the need to the cost of construction/ renovation of the State’s building or the equal from the Ministry of Public Work or local Public Work Office for the construction/ renovation project of state’s building located domestically and renovation project of the state’s building located abroad (representative office) that changes the building structure; or

2) calculation of the need to the cost of construction/ renovation of the State’s building or the equal from the local planning consultant for the renovation project of the state’s building located abroad (representative office) that does not change the building structure is explained in such document;

3) technical supporting document in a special case, such as, legislation/ regulation of the head of K/L that bases the presence of activity/ output, approval letter from the Minister of PAN and RB for the fund allocation of the new satker, and the equal; and

4) other technical supporting document associated with the allocation of an output.

2. Preparation of RKA-K/L

In the process of RKA-K/L preparation by K/L (satker, echelon I unit, and K/L), is carried out using application RKA-K/L-DIPA. In the data input process, there is not any repetition in filling inter level available.

At the level of satker, the planner inputs anything required in the preparation of KK satker and RKA satker (performance information, expenditure detail, revenue target, and matters associated with the need of KPJM). At the level of echelon I unit, conducting restore data from ADK that is delivered by the satker and conducting fillings required at the level of echelon I. At the level of K/L, it also conducting the restore data from ADK delivered by the echelon I unit. Result of the conducted fillings will result KK Satker and RKA satker at the level of satker, RKA-K/L of echelon I at the level echelon I unit, and RKA-K/L.
2.1 Preparation of RKA-K/L Based on the Budget Ceiling of K/L

2.1.1 Mechanism for the Preparation of Satker Work Sheet

Preparation for the detail budget activity that is planned at the Satker shall be included into the KK Satker document using Application RKA-K/L-DIPA. Information included into the KK Satker constitutes the information concerning detailed output budget expenditure up to the smallest level of cost detail. Preparation of KK satker at a Satker is conducted through the steps as follow:

a. satker login the application of RKA-K/L-DIPA;
b. in the filling, it should follow the filling guidance explained in the manual book of RKA-K/L-DIPA application;
c. preparation of the detail output budget expenditure is made through two methods as follow:
   1) Including the Baseline of Budget Allocation
      Satker includes the budget plan type of Baseline budget at an activity up to the detail cost. The applied data is the forward forecast mentioned in the RKA-K/L document of the previous fiscal year or the result of Baseline review.
   2) Including the Budget Allocation of New Initiative
      a) In regard with the type of budget allocation of the new initiative, Satker includes the satker's budget allocation in detail up to the detail cost;
      b) Inclusion of the budget allocation of the new initiative refers to the approved New Initiative Proposal for the planned year.

d. after believing the correctness of all filling available, then prints the concerned KK satker; and
e. complete the required supporting data, for further deliver along with the KK satker that has been signed by KPA to the echelon I unit as the material for the preparation of RKA-K/L.

2.1.2 Mechanism for the Preparation of Working Plan and Satker Budget
RKA Satker constitutes the explanation concerning the performance plan of Satker, detail on satker expenditure up to the level of Component, target revenue of the satker, as well the forward forecast of expenditure and target revenue. Creation of RKA Satker is conducted using Application RKA-K/L-DIPA, with the steps as follow:

a. satker login to Application RKA-K/L-DIPA;
b. filling process that are conducted are in accordance with the instruction as mentioned in the manual book of Application RKA-K/L-DIPA, when filling for preparing KK Satker, will be used also to the preparation RKA Satker;
c. in order to print RKA Satker (part A, B, C, and D) that has been signed by KPA along with KK Satker that has been signed by KPA and the related supporting data to the echelon I unit.

2.1.3 Mechanism for the Preparation of RKA-K/L Echelon I Unit

a. Collecting/ compiling KK Satker and RKA Satker within the scope of concerned echelon I unit.
b. Restoring ADK that is delivered by the Satker(s) available in the Application of RKA-K/L-DIPA.
c. Validating performance and budget of the program that become the responsibility of the concerned echelon I unit along with:
   1) total budget ceiling;
   2) source of fund, which consists of the Pure Rupiah, Foreign Loan, BLU, Domestic Grants, Foreign Grants, Direct Foreign Exchange Grants and Sharia State Bond; and
   3) target performance (type of good/ service as well volume and output unit.
d. Examining and filtering the relevance of Component with the output activity of the respective KK Satker.
e. In case there is discrepancy upon the program as set forth in point 2.13 number 3) and relevance of the output components as
set forth in point 2.13 number 4), echelon I unit coordinates with the satker to improve KK Satker and RKA Satker.

f. Filling information at the part L, Form 2 RKA-K/L-DIPA, concerning the Outcome Achievement Strategy. The content describes steps taken to achieve the Outcome Target (at the level of program), among other in the form of:
   1) strategy and policy associated with the strategic target (refers to Renstra echelon I unit);
   2) commentary description of the respective activity;
   3) amount of satker that implement the activity; and
   4) explanation concerning the change of program allocation between the current and future program.

g. In addition to fill at the Form 2 RKA-K/L, unit echelon I also fills Part I, Form 3 RKA-K/L, concerning the operation of Activity that consists of, among other:
   1) identification of the supporting factor (personnel factor, facility and infrastructure) and the obstacle (environment/working culture factor);
   2) identification of the implementing satker of activity; and
   3) explanation concerning the change of budget expenditure allocation of the current and proposed activity.

h. After believing the correctness, print the RKA-K/L of Echelon I Unit (Form 2 and 3) by choosing the menu print RKA-K/L at the application RKA-K/L.

i. RKA-K/L echelon I unit signed by the echelon I official or the official equal to Echelon I as the program responsible person.

j. Delivering RKA-K/L, RKA Satker along with the related supporting data to the Secretariat General/Principal Secretary/Secretariat c.q Bureau of Planning K/L planning unit K/L to be examined, for further forwarded to the Intern Inspectorate Government Apparatus of the State Ministry/Institution (APIP
K/L) to be reviewed.

2.1.4 Mechanism for the Preparation of RKA-K/L for the scope of K/L

a. Collecting/compiling RKA-K/L echelon I unit in the scope of K/L;

b. Preparing RKA-K/L in full for the scope of K/L based on RKA-K/L echelon I unit.

c. Validating budget allocation of K/L includes:
   1) total budget ceiling;
   2) fund resources; and
   3) target performance.

d. In case there is discrepancy upon K/L budget allocation as set forth in point 2.1.4 number 3), K/L coordinates with echelon I unit for revision at the concerned RKA-K/L echelon I unit.

e. Filling information in the part J, Form 1 RKA-K/L, concerning Achievement Strategy of the Strategic Target that contains description concerning the steps taken to achieve the strategic target, among other in the form of:
   1) strategy and policy associated with the strategic target (refers to the Renstra K/L); and
   2) commentary on the description of the respective program and the responsible unit organizational responsible person.

f. RKA-K/L (that has been prepared) is re-examined for its conformity to the budget ceiling of K/L in order not to result:
   1) the budget shifting inter program and function (sum of fund allocation at the respective program should be in accordance with of which is mentioned in the Budget Ceiling of K/L);
   2) reduction of the operational cost;
   3) the change of budget ceiling finance resource (finance resource in producing the output should not be changed/shifted);
   4) ensuring RKA-K/L along with the supporting document has
included matters as follow:

a) consistency in the inclusion of target performance includes the output volume and Performance Indicator in RKA-K/L with the Renja K/L and RKP;

b) conformity of the budget ceiling in RKA-K/L with the Budget Ceiling RKA-K/L stipulated by the Minister of Finance;

c) conformity of the fund resource in RKA-K/L with the fund resource stipulated in Budget Ceiling K/L;

d) budget feasibility and compliance in the application of the budgeting principles, among other, the application of input cost standard (SBM) and output standard cost (SBK), conformity the type of expenditure, the restricted or prohibited matters, budget allocation for the activity financed from Non Tax State Revenue (PNBP), Foreign Grants/ Loan (PHLN), Domestic Grants/ Loan (PHDN), Sharia Bond (SBSN), Public Service Board (BLU), multi-year contract, and budget allocation that will be allocated become the State Equity (PMN) to the State Owned Enterprise (BUMN);

e) compliance in inclusion of the thematic of APBN.

5) in case the result of examination and/ or review RKA-K/L there are matters that require the revision/ adjustment, RKA-K/L is redelivered to the concerned echelon I unit.

6) RKA-K/L that has been revised/ adjusted is redelivered to the unit of Secretariat General/ Principal Secretariat/ Secretariat c.q Bureau of Planning/ Planning Unit of the Ministry/ Institution at the first chance.

7) delivering RKA-K/L to the Ministry of Finance c.q Directorate General of Budget as the material of study.

2.2 Adjustment of RKA-K/L Based on Budget Allocation
Based on the agreement result of the session with the related Commission in the DPR and Budget Allocation, K/L adjusts RKA-K/L. The adjustment in question are:

a. adjustment to the baseline in case there are the change of economic parameter (inflation index for the planned year) and/or the adjustment of non-economic parameter in case there is the change of policy so that it affects to the amount of budget allocation of K/L; and

b. there is new program as the result of session agreement with DPR.

For the preparation of RKA-K/L based on the Budget Ceiling Allocation of K/L, there are several possibilities as follow:

a. in case there is the change of economic parameter, non-economic parameter, and the proposal of new program/ activity/ output then RKA-K/L based on the Budget Ceiling K/L directly stipulated in DHP RKA-K/L;

b. in case there is the change of parameter, either in economic or non-economic parameter, then the inclusion in KK satker shall be carried out through the adjustment with the economic and non-economic parameter at the level of component. Adjustment at the supporting component is carried out by conducting the multiplying with the economic parameter. While the adjustment of the main component can be carried out by multiplying the economic parameter or in accordance with the stipulated policy;

c. in case there are new program as the result of session agreement with related Commission in DPR then K/L adjusts RKA-K/L by means of:

1) proposing the formulation of program/ activity/ output to the Minister of Finance and Ministry of Planning in accordance with first the respective authority. Program and activity proposal (non output) shall be proposed to the Ministry of Planning. While the proposal of output shall be proposed to the Ministry of Finance. Such proposal further stipulated as the reference at the program application of RKA-K/L;
2) entry cost data at the respective component by referring with the prevailing cost standard at the planned year or unit price beyond SBM;

3) re-examine the sum of budget allocation, has they been in accordance with the sum of allocation resulted from the session with the related commission in DRP-RI?; and

4) such result of allocation inclusion will be included in the Form B, KK Satker.

2.2.1 Mechanism for the Adjustment of Satker’s Work Sheet (KK Satker)

Based on the result of session agreement with the related Commission in DPR and Budget Allocation, satker adjusts KK Satker with the steps as follow:

a. login into application RKA-K/L to further conducting the adjustments required;

b. Identifying and examining the changes of expenditure in accordance with the budget allocation of K/L;

c. adjusting the baseline of budget allocation up to the detail level and including the new initiative budget allocation;

d. completing the change of supporting data upon the adjustment toward budget allocation; and

e. delivering KK Satker resulted from the adjustment that has been signed by KPA and the supporting data to the echelon I unit.

2.2.2 Mechanism for the Adjustment of Working Plan and Budget of the Satker

Based on KK Satker that has been adjusted. Satker also adjust RKA Satker with the steps as follow:

a. login into application RKA-K/L-DIPA to conduct adjustments required;

b. identifying and examining the changes on information of working plan, revenue target, and matters related to KPJM, in accordance with the budget allocation K/L;
c. re-examining the conformity on the detail satker's expenditure mentioned in RKA Satker with KK Satker resulted by the adjustment;

d. after the correctness is believed, print RKA Satker that has been adjusted; and

e. delivering RKA Satker (Part A, Part B, Part C, and Part D) that has been adjusted and signed by KPA along with KK Satker that has been adjusted along with the related supporting data to echelon I unit.

2.2.3 Mechanism for the Adjusting RKA-K/L Echelon I Unit

a. Collecting/ compiling KK Satker and RKA Satker that have been adjusted within the scope of echelon I unit in question.

b. Adjusting RKA-K/L echelon I unit (Form 2 and Form 3) based on KK Satker and RKA Satker that is facilitated by the application RKA-K/L-DIPA.

c. Validating performance and budget of the program that becomes the responsibility of the Echelon I Unit in regard with:

1) total budget allocation;

2) fund resources, which consists of Pure Rupiah, Foreign Loan, Pure Rupiah Associate, PNBP, Domestic Loan, BLU, Domestic Grants, Foreign Grants, Direct Forex Grants and Sharia Bond (fund resources come from SBSN) available at the preparation of RKA-K/L TA 2014 with the code PBS); and

3) target performance (type of good/ service as well volume and output unit).

d. Examining and filtering the relevance of Component with Output activity of the respective KK Satker and RKA Satker.

e. In case there is any discrepancy upon the program as set forth in point 2.2.3 letter c and relevancy output components as set forth in point 2.2.3 letter d, echelon I unit conducts the coordination with satker to revise KK Satker and RKA satker.
f. RKA-K/L echelon I unit signed by the echelon I official or the equal level of echelon I official, as KPA acts as the program responsible person.
g. Delivering RKA-K/L Echelon I Unit that has been adjusted and the supporting data to the planning unit of K/L.

2.2.4 Mechanism for the Adjustment RKA-K/L within the Scope of K/L

a. Collecting/compiling RKA-K/L echelon I unit that has been adjusted within the scope of K/L.
b. Preparing RKA-K/L in full for the scope of K/L based on RKA-K/L Echelon I Unit.
c. Validating K/L budget allocation, including:
   1) total K/L budget allocation;
   2) fund resources; and
   3) target performance
d. In case there is any discrepancy upon K/L budget allocation as set forth in point 2.2.4 letter c, K/L conducts coordination with Echelon I unit for revision at RKA-K/L of the concerned echelon I unit.
e. RKA-K/L (that has been adjusted) is re-examined its conformity with the K/L Budget Allocation in order does not result:
   1) inter-program and function budget shifting (sum of fund allocation at the respective program should be the in accordance with of which is mentioned in K/L Budget Allocation);
   2) reduction of operational expenditure (Component 001 and 002); and
   3) the change of fund resource/finance resource ceiling (fund resource and finance resource in producing the output is prohibited to be changed/shifted.
f. Ensuring RKA-K/L along with its supporting document has included matters as follow:
1) consistency in inclusion of target performance includes the output volume and Output Performance Indicator in RKA-K/L with Renja K/L and RKP;
2) confirmity of total budget ceiling in RKA-K/L with the K/L Budget Ceiling stipulated by the Minister of Finance;
3) conformity the fund resources in RKA-K/L with the fund resources stipulated in K/L Budget Allocation;
4) feasibility of budget and compliance in the application of the principles of budget, among other the implementation of SBM and SBK, conformity type of expenditure, restricted or prohibited matters, budget allocation for the activities financed from PNBP, PHLN, PHDN, SBSN, BLU, multi-year contract, and budget allocation that is handed to be PMN to the BUMN; and
5) compliance in inclusion of thematic APBN.

g. Delivering RKA-K/L, RKA Satker, KK RKA-K/L, along with the related supporting data to APIP K/L to be reviewed.

h. Delivering RKA-K/L and RKA Satker that has been adjusted to Ministry of Finance c.q Directorate General of Budget as the material for study/ adjustment.

3. Supporting Document

3.1 Term Of Reference (TOR)

KAK/ TOR for each output activity is prepared in refers with the format as mentioned in the last part herein. There are several matters that need to be adhered in preparing TOR as follow:

a. TOR is at the level of output Activity. TOR is prepared only for the new initiative output (in case there is any significant difference at the new initiative proposal) and the baseline that is at the change in the level of component;

b. TOR for the new initiative is prepared and proposed as the basic output budget allocation of the new initiative activity. This TOR is of
which is adjusted to the budget approval from the Ministry of National Development Planning/ Bappenas and Ministry of Finance c.q Directorate General of Budget; and

c. TOR is the basic framework whose basic component is changed, it is prepared and proposed as the basic budget allocation of output activity baseline. This TOR is of which has been adjusted to the part/step as output component at the planned year.

3.2 Detailed Budget Cost (RAB)

RAB (for the output categorized as new initiative) is prepared in refer with the format as mentioned at the Appendix II of which constitutes the integral part herein. There are several matters that need to be adhered in preparing RAB:

a. RAB document constitutes the supporting document of TOR; and
b. this document explains the amount of total cost for each component that constitutes step achievement of the output activity.

3.3 Gender Budget Statement (GBS)

Gender Budget Statement (GBS) lied at the level of output (in regard with the output whose nature is responsive gender/ ARG). Preparation of GBS refers to the format as set forth in Appendix II that constitutes the integral part herein.

3.4 Business Plan and Budget (RBA BLU) of the Public Service Board

RBA BLU constitutes the working plan and budget for the activities implemented by BLU. Principles of Budgeting in the preparation of RBA BLU shall be guided with the explanation as set forth in Appendix I of which is an integral part herein.

3.5 Other Technical Supporting Document

Several technical supporting documents that are prepared by satker, among other:

a. calculation the need of construction/ renovation cost for the state’s building or the equal from the Ministry of Public Work or the local Public Work Office for the construction/ renovation project of the
state's building that is located domestically and building renovation project located abroad (representative office) that changes the building structure; or
b. calculation the need of the state's building renovation project cost or the equal from the local planning consultant for the state's building renovation project located abroad (representative office) that does not change the building structure. Information to change or does not change is explained in such document;
c. technical supporting document in certain case, among other, legislation/ decree of the head of K/L that bases the presence of activity/ output, approval letter from Menpan and RB for the new allocation of satker fund, and the equal; and
d. related supporting document associated with the allocation of an output.

3.6 Proposal Cover Letter of RKA-K/L
Preparation of the Proposal Cover Letter of RKA-K/L refers to the format as set forth in Appendix II that constitutes the integral part herein.

3.7 Statement Letter of Echelon I
Preparation of the Statement Letter of Echelon I refers to the format as set forth in Appendix II that constitutes the integral part herein.
Echelon I unit stipulates the target and program performance target and the activity along with the amount of its budget, including volume of activity output. Therefore, it is normal if the document TOR is prepared by Echelon I unit (Planning Department). It is in line with the mindset framework of top down, which is the central institution is represented by echelon I unit that stipulates the target performance and operational unit (satker) as the implementing of target performance achievement in question.

Information on the presence of satker in TOR is merely the information, several amount of satker involved to produce an activity output. Substance
in such TOR does not focuses on the work of activity output at a certain satker but it is about the work of activity output at an intact unity within the process to achieve the target and program performance.

Table below is the illustration for the comparison as well the overview on the sum of TOR prepared by 2 (two) echelon I units within the scope the Ministry of Finance. Both are Directorate General of Budget (Ditjen Anggaran) and Director General of Treasury Ditjen Perbendaharaan) that have the different characteristic from the aspect of organizational structure and its performance.

<table>
<thead>
<tr>
<th>No</th>
<th>Characteristic</th>
<th>Ditjen Anggaran</th>
<th>Ditjen Perbendaharaan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organizational type</td>
<td>Echelon I Unit, as well Satker. There is only 1 satker, which is Ditjen Anggaran</td>
<td>Echelon I Unit that has 211 satker, consists of: 4 central institution 27 regional office 180 KPPN</td>
</tr>
<tr>
<td>2</td>
<td>Performance Formulation</td>
<td>Consists of: Program 1, Activity 7, and Output 22 (including 1 office Service Output). Notes: Each activity and output produced is not the same</td>
<td>Consists of: program 1, Activity 10, and Output 52 (including 4 outputs of service office). Note: Detailed Output after being selected and categorized from the Output that is implemented by satker (beyond Output Office) are: 10 Output (central institution) 16 output (regional office) 22 output (KPPN)</td>
</tr>
<tr>
<td>3</td>
<td>Type of Output</td>
<td>Baseline: 12 Output New Initiative: 10 Output</td>
<td>Baseline: 34 Output New Initiative: 18 Output</td>
</tr>
<tr>
<td>4</td>
<td>Obligation for the preparation of supporting document in the form of TOR and RAB</td>
<td>Echelon I Unit prepares 10 TOR documents along with its RAB</td>
<td>Echelon I unit prepares for 18 TOR documents along with its RAB Satker prepares for supporting document in the form of Business and Budget Plan, and delivers the Calculation the need of State building construction/renovation or the equal, and the other technical</td>
</tr>
</tbody>
</table>
4. Format

4.1 Format RKA-K/L

<table>
<thead>
<tr>
<th>CODE</th>
<th>I. STRATEGIC TARGET</th>
<th>B. BUDGET ALLOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BASELINE/ NEW INITIATIVE</td>
<td>(THOUSAND RUPIAH)</td>
</tr>
<tr>
<td>II. PROGRAM / ECHELON I/</td>
<td>PROGRAM</td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td></td>
<td>/OUTCOME, MAIN PERFORMANCE Indicator/ BASELINE/ NEW INITIATIVE</td>
<td>20XX-1</td>
</tr>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td></td>
<td>Strategic target 1 ... (contains description of Strategic Target 1 in accordance with Renstra K/L)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Sum of Baseline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sum of New Initiative</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Program ... (Contains description of Program Name) Echelon 1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outcome (Contains description of Outcome Name) Main Performance Program Indicator</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>1. .....</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. ..... etc</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Baseline New Initiative</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Etc ...</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strategic target 2 ... (contains description of Strategic Target 1 in accordance with Renstra K/L)</td>
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</tr>
</tbody>
</table>


### H. ALLOCATION OF FUNCTION BUDGET

<table>
<thead>
<tr>
<th>CODE</th>
<th>FUNCTION</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FISCAL</td>
<td>FISCAL</td>
</tr>
<tr>
<td></td>
<td>YEAR</td>
<td>YEAR</td>
</tr>
<tr>
<td></td>
<td>20XX-1</td>
<td>20XX</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Function 1 ... (Contains description of Function 1 that is the responsible of K/L)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Program ... (contains Program that support Function 1)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>... etc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Function 2 ... (Contains description of Function 1 that is the responsible of K/L)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Program ... (contains Program that support Function 1)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>... etc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>... etc</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Budget ceiling allocation for Function 1**

**Budget ceiling allocation for Function 2**
### I. NATIONAL PRIORITY BUDGET ALLOCATION

<table>
<thead>
<tr>
<th>CODE</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td>(1)</td>
<td>20XX-1</td>
</tr>
<tr>
<td>(2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>National Priority 1 ... (Contains description of Function 1 that is the responsible of K/L)</td>
</tr>
<tr>
<td></td>
<td>Program ... (contains Program that support Function 1)</td>
</tr>
<tr>
<td></td>
<td>... etc</td>
</tr>
<tr>
<td></td>
<td>National Priority 2 ... (Contains description of Function 1 that is the responsible of K/L)</td>
</tr>
<tr>
<td></td>
<td>Program ... (contains Program that support Function 1)</td>
</tr>
<tr>
<td></td>
<td>... etc</td>
</tr>
</tbody>
</table>

### J. STRATEGIC TARGET ACHIEVEMENT STRATEGY

The taken measures shall be described to achieve the strategic target, starting from:
1. Related strategy and policy related to achieve strategic target (sourced from Renstra K/L);
2. Descriptive elaboration for the respective program and Responsible Organization.

### K. DETAIL OF REVENUE PLAN

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM</th>
<th>REVENUE DESCRIPTION</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FISCAL YEAR</td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td>(1)</td>
<td></td>
<td>20XX-1</td>
<td>20XX</td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td></td>
<td>program 1 ... etc</td>
<td>Taxation PNBP</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>TOTAL a. taxation</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

Explanation:

It shall be filled with the change of target TA 20xx is compared to target TA 20xx-1

Location, Date
Budget User
Name of Minister / Head of Institution
### FORM 2: STRATEGIC OUTCOME ACHIEVEMENT OF THE ORGANIZATIONAL UNIT

**FISCAL YEAR 20XX**

<table>
<thead>
<tr>
<th>A. STATE MINISTRY/ LEMBAGA</th>
<th>: ..... (filling with Name of K/L along with the code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. ORGANIZATIONAL UNIT</td>
<td>: ..... (Contains the Name of Echelon I Unit along with its code)</td>
</tr>
<tr>
<td>C. MISSION OF THE ORGANIZATIONAL UNIT</td>
<td>: ..... (Contains mission of Echelon I Unit)</td>
</tr>
<tr>
<td>D. STRATEGIC TARGET</td>
<td>: ............... Contains the supported strategic target</td>
</tr>
<tr>
<td>E. PROGRAM</td>
<td>: ............... Contains Program along with its code</td>
</tr>
<tr>
<td>F. OUTCOME</td>
<td>: ............... (contains description of Echelon I Outcome)</td>
</tr>
</tbody>
</table>

| G. MAIN PROGRAM PERFORMANCE INDICATOR | 1 ............... Contains National Priority of K/L |
|                                      | 2 ............... etc |

### H. PROGRAM DETAIL

<table>
<thead>
<tr>
<th>CODE</th>
<th>I. ACTIVITY/ECHELON I/SATKER/ FUNCTION/ SUB FUNCTION/ PRIORITY/ FOCUS PRIORITY</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20XX-1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(6)</td>
</tr>
<tr>
<td></td>
<td>Activity .. (contains description/ name of Activity)</td>
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</tr>
<tr>
<td></td>
<td>Echelon II/ Satker</td>
<td></td>
</tr>
<tr>
<td></td>
<td>............... (Contains description name of echelon II)</td>
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</tr>
<tr>
<td></td>
<td>Function</td>
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</tr>
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<td></td>
<td>............... (Contains description function)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sub Function</td>
<td></td>
</tr>
<tr>
<td></td>
<td>............... (Contains description sub function)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>National Priority</td>
<td></td>
</tr>
<tr>
<td></td>
<td>............... (Contains description of priority)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Focus Priority</td>
<td></td>
</tr>
<tr>
<td></td>
<td>............... (Contains description focus priority)</td>
<td></td>
</tr>
</tbody>
</table>

| OUTPUT | (contains description of the type output 1) (output volume unit) | (99 sat) | (99 sat) | (99 sat) | (99 sat) | (99 sat) |
| OUTPUT2| (contains description of the type output 2) (output volume unit)   | 9.999.999 | 9.999.999 | 9.999.999 | 9.999.999 | 9.999.999 |
### I. BUDGET FUNCTION ALLOCATION

<table>
<thead>
<tr>
<th>CODE</th>
<th>FUNCTION/ SUB FUNCTION</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
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<td>FISCAL YEAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20XX-1</td>
</tr>
<tr>
<td>(1)</td>
<td>Function 1 ... (contains description of Function 1 in accordance with Form 1)</td>
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</tr>
<tr>
<td></td>
<td>Sub Function 1 ... (contains description of sub function 1)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Sub Function 2 ... (contains description of sub function 2)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>... etc</td>
<td></td>
</tr>
</tbody>
</table>

### J. NATIONAL PRIORITY BUDGET ALLOCATION

<table>
<thead>
<tr>
<th>CODE</th>
<th>NATIONAL PRIORITY/ FOCUS PRIORITY</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20XX-1</td>
</tr>
<tr>
<td>(1)</td>
<td>National Priority 1 ... (contains description of National Priority)</td>
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<tr>
<td></td>
<td>Focus Priority 1 ... (contains description of sub function 1)</td>
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</tr>
<tr>
<td></td>
<td>Sub Function 2 ... (contains description of sub function 2)</td>
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</tr>
<tr>
<td></td>
<td>... etc</td>
<td></td>
</tr>
</tbody>
</table>
### K. PROGRAM EXPENSE

<table>
<thead>
<tr>
<th>GROUP OF EXPENSE</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
</tr>
<tr>
<td>a. Operational</td>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>b. Non Operational</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>2. TYPE OF EXPENDITURE</td>
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<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
</tr>
<tr>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>b. Good Expense</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>c. Capital Expense</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>d. Payment/Debt Liability Expense</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>e. Subsidy Expense</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>f. Grants Expense</td>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>g. Social Aid Expense</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>h. Miscellaneous Expense</td>
<td>9,999,999</td>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>3. FUND RESOURCE</td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
</tr>
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<td>a. Pure Rupiah (RM)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>b. Associate Pure Rupiah (RMP)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>c. Non Tax State Revenue (PNBP)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

### L. OUTCOME ACHIEVEMENT STRATEGY

The taken measures for achieving the expected outcome, starting from:

1. Strategy and policy associated with the strategic target (come from Echelon I Unit’s Renstra);
2. Description/elaboration of the respective activity;
3. Sum of Executing Activity Satker;
4. Elaboration concerning program allocation from the ongoing and proposed program

### M. DETAILED REVENUE PLAN

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM DESCRIPITION</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FISCAL YEAR</td>
<td>FISCAL YEAR</td>
</tr>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>program 1 etc</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>TOTAL</td>
<td>a. taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

Explanation: It shall be filled with the change of target TA 20xx is compared to target TA 20xx-1.

Location, Date
Echelon I/ Responsible Person
Name
WORKING AND BUDGET PLAN
STATE MINISTRY/ INSTITUTION

FORM 3:
DETAILED OUTCOME ACHIEVEMENT EXPENSE OF THE ORGANIZATIONAL UNIT
FISCAL YEAR 20XX

A. STATE MINISTRY/LEMBAGA : .... (filling with Name of K/L along with the code)
B. ORGANIZATIONAL UNIT : .... (Contains the Name of Echelon I Unit along with its code)
C. MISSION OF THE ORGANIZATIONAL UNIT : ..... (Contains mission of Echelon I Unit)
D. STRATEGIC TARGET : ............ Contains the supported strategic target
E. PROGRAM : ............ Contains Program along with its code
F. OUTCOME : ............ (contains description of Echelon I Outcome)

G. MAIN PROGRAM PERFORMANCE INDICATOR
   1 ............ Contains National Priority of K/L
   2 ............ etc

H. DETAILED PROGRAM EXPENSE

<table>
<thead>
<tr>
<th>CODE</th>
<th>I. OUTPUT ACTIVITY</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>TA 20XX</td>
</tr>
<tr>
<td></td>
<td></td>
<td>UNIT VOL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9.999.999</td>
</tr>
<tr>
<td>(1)</td>
<td>Activity .. (contains the description of Activity Name)</td>
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<tr>
<td></td>
<td>OUTPUT Output1 ... (Contains the description of Output1)</td>
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</tr>
<tr>
<td></td>
<td>Output2 ... (Contains the description of Output2)</td>
<td>99 sat</td>
</tr>
<tr>
<td></td>
<td>Output3 ... (Contains the description of Output3)</td>
<td>99 sat</td>
</tr>
<tr>
<td></td>
<td>...etc</td>
<td></td>
</tr>
</tbody>
</table>

DETAILED EXPENSE BY:
1. GROUP OF EXPENSE
   a. Operational 9.999.999 9.999.999 9.999.999 9.999.999
   b. Non Operational 9.999.999 9.999.999 9.999.999 9.999.999

2. TYPE OF EXPENDITURE
   b. Good expenditure 9.999.999 9.999.999 9.999.999 9.999.999
   c. Capital expenditure 9.999.999 9.999.999 9.999.999 9.999.999
   d. Payment Deb Liability Expense 9.999.999 9.999.999 9.999.999 9.999.999
<table>
<thead>
<tr>
<th>CODE</th>
<th>OUTPUT ACTIVITY</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>DETAILED EXPENSE</td>
</tr>
<tr>
<td></td>
<td>BY GROUP OF EXPENSE, TYPE OF EXPENDITURE AND FUND RESOURCES</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>e.</td>
<td>Subsidy expenditure</td>
</tr>
<tr>
<td>f.</td>
<td>Grants expenditure</td>
</tr>
<tr>
<td>g.</td>
<td>Social Aid Expenditure</td>
</tr>
<tr>
<td>h.</td>
<td>Miscellaneous expenditure</td>
</tr>
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</table>

3. FUND RESOURCE
   a. Pure Rupiah (RM) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   b. Associate Pure Rupiah (RMP) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   c. Non Tax State Revenue (PNBP) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   d. Public Service Board (BLU) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   e. Foreign Loan (PLN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   f. Domestic Grants (PDN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   g. Domestic Loan (PDN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   h. Foreign Grants (HLN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |

... etc

DETAILED EXPENSE PROGRAM BY:

1. GROUP OF EXPENSE
   b. Operational
   d. Non Operational

2. TYPE OF EXPENDITURE
   a. Personnel expenditure
   b. Good expenditure
   c. Capital expenditure
   d. Payment Deb Liability Expense
I. OPERATION OF THE ACTIVITY (PROGRAM IMPLEMENTATION)

Steps taken shall be described to implement program through operation of activities, starting from:

1. Identification of the supporting factors (factor of personnel, facility and infrastructure) and the obstacle (environment/working culture);
2. Identification of the Activity Implementing Satker;
3. Formulating strategy of activity formulation (for instance, through the standardization of activity/expense, evaluation and monitoring);
4. Description concerning the changes of activity allocation, which is ongoing and the proposed activity.

J. DETAILED REVENUE ACTIVITY

<table>
<thead>
<tr>
<th>CODE</th>
<th>ACTIVITY</th>
<th>REVENUE RESOURCES</th>
<th>(THOUSAND RUPIAH)</th>
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<td>(1)</td>
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<tr>
<td>0000</td>
<td>Activity 1</td>
<td>a. Tax</td>
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<td></td>
<td></td>
<td>b. PNBP:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. General</td>
<td>9.999.999</td>
</tr>
<tr>
<td></td>
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<tr>
<td>0000</td>
<td>Activity 2</td>
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<td></td>
<td></td>
<td>b. PNBP:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. General</td>
<td>9.999.999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Functional</td>
<td>9.999.999</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>a. Tax</td>
<td>9.999.999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. PNBP:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. General</td>
<td>9.999.999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Functional</td>
<td>9.999.999</td>
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</table>
4.2 Format Approval RKA-K/L by DPR

<table>
<thead>
<tr>
<th>Code</th>
<th>DESCRIPTION OF BUDGET PART, ECHELON I UNIT, FUNCTION, PROGRAM</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Approved:
Chairman of Commission : (name) (sign)
Vice Chairman 1 of Commission : (name) (sign)
Vice Chairman 2 of Commission : (name) (sign)
Vice Chairman 3 of Commission : (name) (sign)

Location, date and month

 .......... (Name of State Ministry/ Institution)
 .......... (Name of Minister/ Head of Institution)
### 4.3 Format RKA Satker

#### WORKING BUDGET PLAN OF SATKER

**WORKING PLAN OF THE WORKING UNIT**

**FISCAL YEAR 20XX**

| A. STATE MINISTRY/ INSTITUTION | : (XXX) ... (Contains name of K/L and the code) |
| B. ORGANIZATIONAL UNIT | : [X] .... (Contains Name of Echelon 1 Unit and the code) |
| C. WORKING UNIT | : (XXXXX) .. (Contains name of working unit and its code) |
| D. PROVINCE | : (XX) .. (Contains Province of the Satker and its Code) |
| E. REGENCY/ MUNICIPALITY | : (XX) .... (Contains location of the satker and its code) |

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM/ MAIN INDICATOR PROGRAM PERFORMANCE/ OUTCOME/ ACTIVITY PERFORMANCE INDICATOR</th>
<th>BUDGET ALLOCATION TA 20XX</th>
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<td>(2)</td>
<td>(3)</td>
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<tr>
<td>xxx.xx.xx</td>
<td>Program ... (contains description of the name of program)</td>
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<tr>
<td>xxxxx</td>
<td>Main Indicator Performance of the Program 1. 2.</td>
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</tr>
<tr>
<td></td>
<td>Outcome ... (contains the description of Program outcome)</td>
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</tr>
<tr>
<td></td>
<td>Activity 1 ... (contains description name of activity)</td>
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<tr>
<td></td>
<td>Activity Performance Indicator 1. 2.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Output 1 (contains the description of Activity Output1)</td>
<td>99 sat</td>
</tr>
<tr>
<td></td>
<td>Output 2 (contains the description of Activity Output2)</td>
<td>99 sat</td>
</tr>
<tr>
<td></td>
<td>Output 3 (contains the description of Activity Output3)</td>
<td>99 sat</td>
</tr>
<tr>
<td>xxx</td>
<td>Activity 2 (contains the description of Activity)</td>
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</tr>
<tr>
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<td>Activity Performance Indicator 1. 2.</td>
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</tr>
<tr>
<td>Description</td>
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<tr>
<td>--------------------------------------------------</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Output 2 (contains the description of Activity</td>
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</tr>
<tr>
<td>Output 3 (contains the description of Activity</td>
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<tr>
<td>... etc</td>
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</tr>
</tbody>
</table>
### WORKING BUDGET PLAN OF SATKER
### BUDGET DETAIL OF THE WORKING UNIT
### FISCAL YEAR 20XX

#### A. STATE MINISTRY/ INSTITUTION
: (XXX) .. (Contains name of K/L and the code)

#### B. ORGANIZATIONAL UNIT
: (X) .... (Contains Name of Echelon I Unit and the code)

#### C. WORKING UNIT
: (XXXX) .. (Contains name of working unit and its code)

#### D. PROVINCE
: (XX) .. (Contains Province of the Satker and its code)

#### E. REGENCY/ MUNICIPALITY
: (XX) .... (Contains location of the satker and its code)

---

<table>
<thead>
<tr>
<th>CODE</th>
<th>OUTPUT ACTIVITY PROGRAM/ OUTPUT SUBOUTPUT/ COMPONENT</th>
<th>BUDGET ALLOCATION TA 20xx UNIT</th>
<th>BASELINE</th>
<th>NEW INITIATIVE</th>
<th>SUM</th>
<th>CP/ DK/ TP</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2) (3) (4) (5) (6) (7) (8)</td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Program .. (contains description of Program)</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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<tr>
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<td>9,999.999</td>
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<td></td>
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<tr>
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<td>9,999.999</td>
<td>9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Suboutput1 (contains description Sub-output)</td>
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<td>9,999.999</td>
<td>9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Sum component (main/ supporting)</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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<td></td>
</tr>
<tr>
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<td>Component 2 (contains description of component) .... etc</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Suboutput2 (contains description Sub-output) .. etc</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Output 2 (contains description component of activity)</td>
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<td>9,999.999</td>
<td>9,999.999</td>
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</tr>
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</table>
### XXX

| Suboutput2 (contains description Sub-output) | 9,999,999 | 9,999,999 | 9,999,999 |
| Sum component (main/ supporting) | 9,999,999 | 9,999,999 | 9,999,999 |
| Activity 2 (contains description of activity output) | 9,999,999 | 9,999,999 | 9,999,999 |

### Budget Ceiling T.A 20XX

<table>
<thead>
<tr>
<th>BUDGET CEILING</th>
<th>T.A 20XX</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM</td>
<td>Baseline</td>
</tr>
<tr>
<td>RMP</td>
<td></td>
</tr>
<tr>
<td>PNBP</td>
<td></td>
</tr>
<tr>
<td>BLU</td>
<td></td>
</tr>
<tr>
<td>PLN</td>
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<td></td>
</tr>
<tr>
<td>PBS</td>
<td></td>
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<tr>
<td>TOTAL</td>
<td></td>
</tr>
</tbody>
</table>

---

*Note: The table above represents budget ceiling details for T.A 20XX, including baseline, new initiatives, and sum columns for various budget items.*

---

*This document contains financial details and budget allocations for the Republic of Indonesia.*
BUDGET WORKING PLAN OF SATKER
REVENUE TARGET OF WORKING UNIT
FISCAL YEAR 20XX

A. STATE MINISTRY/ INSTITUTION : (XXX) .. (Contains name of K/L and the code)
B. ORGANIZATIONAL UNIT : (X) .... (Contains Name of Echelon I Unit and the code)
C. WORKING UNIT : (XXXX) .. (Contains name of working unit and its code)
D. PROVINCE : (XX) .. (Contains Province of the Satker and its Code)
E. REGENCY/ MUNICIPALITY : (XX) .... (Contains location of the satker and its code)

Page:

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM/ ACTIVITY</th>
<th>REVENUE RESOURCE/ REVENUE ACCOUNT</th>
<th>TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td>(2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(3)</td>
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<td></td>
<td>Program .. (contains description of Program)</td>
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<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Activity 1 ...... (Contains description name of activity TAXATION</td>
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<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
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<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
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<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>PNBP General</td>
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</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Functional</td>
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</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Description or revenue account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Activity 2 ...... (Contains description of the Name of Activity)</td>
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<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>..... etc</td>
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</tbody>
</table>

TOTAL TAXATION TARGET T.A 20XX-1 | TARGET T.A 20XX
PNBP
1. General
2. Functional
BUDGET WORKING PLAN OF SATKER
FORWARD FORECAST AND REVENUE TARGET OF WORKING UNIT
FISCAL YEAR 20XX+1, 20XX+2, 20XX+3

A. STATE MINISTRY/ INSTITUTION : (XXX) ... (Contains name of K/L and the code)

B. ORGANIZATIONAL UNIT : (X) .... (Contains Name of Echelon I Unit and the code)

C. WORKING UNIT : (XXXX) .. (Contains name of working unit and its code)

D. PROVINCE : (XX) .. (Contains Province of the Satker and its Code)

E. REGENCY/ MUNICIPALITY : (XX) .... (Contains location of the satker and its code)

Page:

I. EXPENDITURE FORWARD FORECAST

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM ACTIVITY/ OUTPUT (VOL-SAT)</th>
<th>TA 20XX-1</th>
<th>TA 20XX</th>
<th>TA 20XX+1</th>
<th>TA 20XX+2</th>
<th>TA 20XX+3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Program (Contains program name)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Activity 1 (Contains name of activity)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Output 1 (Contains activity/ output)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>(Output volume unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
</tr>
<tr>
<td></td>
<td>Output 2 (Contains activity/ output)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>(Output volume unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
</tr>
<tr>
<td></td>
<td>Output 3 (Contains activity/ output)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>(Output volume unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
<td>(99 unit)</td>
</tr>
<tr>
<td></td>
<td>... etc</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

II. TARGET REVENUE FORWARD FORECAST

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM ACTIVITY/ OUTPUT (VOL-SAT)</th>
<th>TA 20XX-1</th>
<th>TA 20XX</th>
<th>TA 20XX+1</th>
<th>TA 20XX+2</th>
<th>TA 20XX+3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Program</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Activity1 ... (Contains description of activity name)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>TAXATION</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
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<tr>
<td></td>
<td>PNBP</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>1. General</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
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<tr>
<td></td>
<td>2. Functional</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Activity 2 .... (contains description of Activity Name)</td>
<td>9.999,999</td>
<td>9.999,999</td>
<td>9.999,999</td>
<td>9.999,999</td>
<td>9.999,999</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>-----------</td>
<td>-----------</td>
<td>-----------</td>
<td>-----------</td>
<td>-----------</td>
<td></td>
</tr>
<tr>
<td>.. etc</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUDGET CEILING OF SATKER</th>
<th>EXPENDITURE</th>
<th>REVENUE TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>TA 20XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TA 20XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TA 20XX+1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TA 20XX+2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TA 20XX+3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 4.4 Format for Satker Working Sheet (KK Satker)

#### SATKER WORKING SHEET
**DETAIL EXPENDITURE OF WORKING UNIT**
**FISCAL YEAR 20XX**

**A. STATE MINISTRY/ INSTITUTION**: (XXX) .. (Contains name of K/L and the code)

**B. ORGANIZATIONAL UNIT**: (X) .. (Contains Name of Echelon 1 Unit and the code)

**C. WORKING UNIT**: (XXXX) .. (Contains name of working unit and its code)

**D. PROVINCE**: (XX) .. (Contains Province of the Satker and its Code)

**E. REGENCY/ MUNICIPALITY**: (XX) .. (Contains location of the satker and its code)

<table>
<thead>
<tr>
<th>CODE</th>
<th>OUTPUT ACTIVITY PROGRAM / OUTPUT SUBOUTPUT / COMPONENT</th>
<th>BUDGET ALLOCATION TA 20xx</th>
<th>SD / CP</th>
<th>KP / KD / DP</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3) (4) (5) (6) (7) (8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Program .. (contains description of Program)</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Main performance program indicator 1. 2.</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Activity 2 .. (contains description name of Activity)</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Activity performance indicator 1. 2.</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Output 1 (contains description component of activity)</td>
<td>99 sat 9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Suboutput 1 (contains description Sub-output)</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Sum component (main/ supporting)</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Component 2 (contains description of component) .. etc</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Suboutput 2 (contains description Sub-output .. etc</td>
<td>9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Output 2 (contains description component of activity)</td>
<td>99 sat 9,999.999 9,999.999 9,999.999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>Suboutput2 (contains description Sub-output)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------------------------------</td>
<td>----------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td></td>
<td>Sum component (main/supporting)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Activity 2 (contains description of activity output)</td>
<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUDGET CEILING</th>
<th>T.A 20XX</th>
<th>Location, date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Baseline</td>
<td>New Initiative</td>
</tr>
<tr>
<td>RM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNBP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BLU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HLN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PDN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HLN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PBS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.5 Format KAK/ TOR

REFERENCE FRAMEWORK/ TERM OF REFERENCE
OUTPUT ACTIVITY FISCAL YEAR 20XX

| State Ministry/ Institution | : ................................................. (1) |
| Echelon I Unit               | : ................................................. (2) |
| Program                      | : ................................................. (3) |
| Outcome                      | : ................................................. (4) |
| Activity                     | : ................................................. (5) |
| Activity Performance Indicator| : ................................................. (6) |
| Type of Output               | : ................................................. (7) |
| Output Volume                | : ................................................. (8) |
| Output Measurement Unit      | : ................................................. (9) |

A. Background
   1. Legal Basis ........................................................... (10)
   2. General Overview .................................................. (11)

B. Benefit Receptor

C. Output Achievement Strategy
   1. Implementing Strategy ........................................... (13)
   2. Step and Implementing Time .................................. (14)

D. Output Achievement Period ........................................ (15)

E. Required Expenses ..................................................... (16)

Responsible Person

Name .................. (17)
NIP .................... (18)
### KAK/ TOR FILLING INSTRUCTION

<table>
<thead>
<tr>
<th>No</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>It shall be filled with name of the State Ministry/ Institution</td>
</tr>
<tr>
<td>(2)</td>
<td>It shall be filled with Echelon I Unit as the Program responsible person</td>
</tr>
<tr>
<td>(3)</td>
<td>It shall be filled with name of program in accordance with the Renja K/L document</td>
</tr>
<tr>
<td>(4)</td>
<td>It shall be filled with output to be achieved in the Program</td>
</tr>
<tr>
<td>(5)</td>
<td>It shall be filled with name of activity in accordance with the Renja K/L document</td>
</tr>
<tr>
<td>(6)</td>
<td>It shall be filled with description of indicator of activity performance</td>
</tr>
<tr>
<td>(7)</td>
<td>It shall be specifically filled with name/ nomenclature output</td>
</tr>
<tr>
<td>(8)</td>
<td>It shall be filled concerning with the sum/ amount of output quantity resulted</td>
</tr>
<tr>
<td>(9)</td>
<td>It shall be filled concerning with the applied measurement unit for the measurement of output quantity in accordance with the characteristics</td>
</tr>
<tr>
<td>(10)</td>
<td>It shall be filled with the legal basis of the function duty and/ provision in associated directly with the output activity to be implemented</td>
</tr>
<tr>
<td>(11)</td>
<td>It shall be filled with the general overview concerning the output of activity and its volume to be implemented and to be applied</td>
</tr>
<tr>
<td>(12)</td>
<td>It shall be filled with the benefit receptor, either internal and/ or external of the State Ministry/ Institution</td>
</tr>
<tr>
<td>(13)</td>
<td>It shall be filled with the means of implementation in the form of contractual or self-managed</td>
</tr>
<tr>
<td>(14)</td>
<td>It shall be filled with the component/ step applied in achieving the output activity, including the time table of implementation and the nature of component/ step, including the main and supporting expense</td>
</tr>
<tr>
<td></td>
<td>It shall be filled with the period of achievement implementation</td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>15</td>
<td>It shall be filled with the total budget required for achieving the output and explanation that the detail expense is in accordance with the attached RAB</td>
</tr>
<tr>
<td>16</td>
<td>It shall be filled with the name of the Activity responsible person</td>
</tr>
<tr>
<td>17</td>
<td>It shall be filled with NIP of the Activity responsible person</td>
</tr>
</tbody>
</table>
4.6 Format Detailed Budget Expenditure (RAB)

DETAILED BUDGET EXPENDITURE
OUTPUT ACTIVITY OF THE FISCAL YEAR 20XX

State Ministry/ Institution : ........................................... (1)
Echelon I Unit/ Satker : ........................................... (2)
Activity : ........................................... (3)
Outcome : ........................................... (4)
Volume : ........................................... (5)
Measurement Unit : ........................................... (6)
Budget Allocation : ........................................... (7)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description of sub-output/ Component/ Sub-component/ Detail</th>
<th>Sub Output Volume</th>
<th>Type Component (Main/ supporting)</th>
<th>Detailed Calculation</th>
<th>Unit</th>
<th>Sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>xxxx.xxx</td>
<td>Sub Output 1</td>
<td>99</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Component 1</td>
<td>-</td>
<td>Main</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td>A</td>
<td>Sub component A</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- Detail expenditure 1</td>
<td>-</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- Detail expenditure 2</td>
<td>-</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- .... etc</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td>B</td>
<td>Sub Component B</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- .. etc</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td>xxxx.xxx</td>
<td>Sub Output 2</td>
<td>99</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Component 2</td>
<td>-</td>
<td>Main</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td>A</td>
<td>Sub component A</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- Detail expenditure 1</td>
<td>-</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- Detail expenditure 2</td>
<td>-</td>
<td>-</td>
<td>99 sat x 99 sat x ...</td>
<td>99</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- .... etc</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td>B</td>
<td>Sub Component B</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>- .. etc</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
</tr>
</tbody>
</table>
Activity Responsible person

Name ..... (8)
NIP ...... (9)

Notes:
Sum of total output budget shall be the overall output budget allocation implemented by the entire Satker, for the same output.
### FILLING INSTRUCTION

<table>
<thead>
<tr>
<th>No</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>It shall be filled with the name of State Ministry/ Institution</td>
</tr>
<tr>
<td>(2)</td>
<td>It shall be filled with the name of Echelon I Unit as the responsible person/ Implementing Activity</td>
</tr>
<tr>
<td>(3)</td>
<td>It shall be filled with the name of Activity in accordance with the Renja K/L document</td>
</tr>
<tr>
<td>(4)</td>
<td>It shall be specifically filled with the name/ description concerning the identity for each output</td>
</tr>
<tr>
<td>(5)</td>
<td>It shall be filled with the sum/ quantity of the resulted output</td>
</tr>
<tr>
<td>(6)</td>
<td>It shall be filled with measurement unit applied for measuring the output in accordance with its characteristic</td>
</tr>
<tr>
<td>(7)</td>
<td>It shall be filled with name of the Activity responsible person</td>
</tr>
<tr>
<td>(8)</td>
<td>It shall be filled with NIP of the Activity responsible person</td>
</tr>
</tbody>
</table>

### DATA IN THE TABLE

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>It shall be filled with the Sub-Output, Component, Sub component</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column 2</th>
<th>Description of Sub Output/ Component/ Sub Output/ Detail</th>
<th>Description of Sub Output, Component, Sub Output, Detail expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with name of Sub Output, Component, Sub Output, Detail expenditure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Note: Sub Output and sub component are optional</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column 3</th>
<th>Sub Output Volume</th>
<th>Description of Sub Output, Component, Sub Output, Detail expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with the amount/ sum of quantity of the resulted Sub Output</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It shall be filled in one row with the Sub Output</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column 4</th>
<th>Type of Component</th>
<th>Description of Sub Output, Component, Sub Output, Detail expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with main or supporting component.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It shall be filled in one row with the Component description, which states that such component as the main or supporting component</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column 5</th>
<th>Detailed Calculation</th>
<th>Description of Sub Output, Component, Sub Output, Detail expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with the calculation of finance unit.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It shall be filled in one row with the description of detail expenditure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Example: 2 persons x 2 days x 2 freq</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sum of such calculation shall be filled in Sub Column 5 (sum) as much as 8</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column 6</th>
<th>Unit Price</th>
<th>Description of Sub Output, Component, Sub Output, Detail expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with the unit price that is guided with the SBM.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It shall be filled with the description of expenditure</td>
<td></td>
</tr>
</tbody>
</table>
Notes:
In case the unit measurement of cost is not available in SBM, it can use the other supporting data.

<table>
<thead>
<tr>
<th>Column 7</th>
<th>Sym</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It shall be filled with the outcome - result of calculation at the level of detail expenditure, sub component, Component, Sub Output</td>
</tr>
<tr>
<td>Notes:</td>
<td>Sum of budget allocation of the sub-sub output should be the same to the total budget at Output</td>
</tr>
</tbody>
</table>
4.7 Format of the Gender Budget Statement (GBS)

**GENDER BUDGET STATEMENT**

- **Name K/L**: (Name of the State Ministry/Institution)
- **Organizational Unit**: (Name of the Echelon I Unit as KPA)
- **Echelon I Unit/ Satker**: (Name of the Echelon I Unit in the Head Office as Satker/Name of Satker either in the head office or the Regional Office)

<table>
<thead>
<tr>
<th>Program</th>
<th>Name of the Program resulted from restructuring/improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Name of the Program resulted from restructuring/improvement</td>
</tr>
<tr>
<td>Activity Performance Indicator</td>
<td>Name of the outcome Activity Performance Indicator</td>
</tr>
<tr>
<td>Activity Output</td>
<td>Type, volume, and unit of an activity output resulted from the restructuring and improvement</td>
</tr>
</tbody>
</table>

**Situation Analysis**
- Brief description that illustrate the problem to be handled/implemented, includes: insight opening data, gap factor, and the problem cause of gender gap.
- In case the insight opening data (in the form of selected data) for the group of target, either man/woman the quantitative data is not available, qualitative data can be used.
- Output/sub output activity to be produced has the effect to the certain group of target.

**Gender issue at component**
- (Issue/gender gap that is at the input component)
- (only component that the issue/gap of gender is presence)

**Action Plan**
(It shall be selected only the Component that directly changes toward the gender equality)
- Component
- Step of this component output should be relevant to the Activity Output to be resulted

<p>| Component | ...... |</p>
<table>
<thead>
<tr>
<th>Output Budget Allocation of the Activity</th>
<th>(sum of budget (Rp)) that is allocated to achieve Activity output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact/ outcome of Activity Output</td>
<td>Broad impact/ outcome from the Activity Output that is resulted and associated to the gender issue as well the improvement to the gender equality</td>
</tr>
</tbody>
</table>

Responsible Person,

Name .......................................
NIP/ NRP .....................................
## 4.8 Format for Budget Ceiling List Per Satker

**LIST OF BUDGET CEILING PER SATKER**  
**FISCAL YEAR 20XX**

<table>
<thead>
<tr>
<th>STATE MINISTER/ INSTITUTION</th>
<th>ORGANIZATIONAL UNIT</th>
<th>PROGRAM</th>
<th>BUDGET CEILING PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Such budget allocation, shall be detailed as follow:

<table>
<thead>
<tr>
<th>WORKING</th>
<th>PERSONNEL EXPENDITURE</th>
<th>GOOD EXPENDITURE</th>
<th>CAPITAL EXPENDITURE</th>
<th>SOCIAL AID</th>
<th>MISCELLANEOUS</th>
<th>RM</th>
<th>PNBP/BLU</th>
<th>PDN/PHL</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>XXX SATKER NAME</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
</tr>
<tr>
<td>XXX SATKER NAME</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
</tr>
<tr>
<td>XXX SATKER NAME</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
</tr>
<tr>
<td>XXX SATKER NAME</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
<td>99.999.999</td>
</tr>
</tbody>
</table>

(Echelon I K/L)

............................
NIP/ NRP
4.9 Format for the Statement and Responsibility Letter of Echelon I

<table>
<thead>
<tr>
<th>[LOGO]</th>
<th>(1) MINISTRY/ INSTITUTION ............................ (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ECHELON I UNIT ........................................ (3)</td>
</tr>
<tr>
<td></td>
<td>Address .............................................. (4)</td>
</tr>
</tbody>
</table>

Heading of Ministry/ Institution

---

STATEMENT LETTER .......... (6)
NUMBER : ..................... (7)

I, the undersigned below:
Name : ......................... (8)
Address : ..................... (9)
Position : .................... (10)

Hereby certifies and be fully responsible on the matters as follow:
1. Working and Budget Plan of the State Ministry (RKA-K/L ..................... (11) has been prepared in accordance with the provision as set forth in the Regulation of the Minister of Finance on the Guidance for Preparation and Study of RKA-K/L.
2. RKA-K/L along with the required documents has been prepared in complete and correct, has been reviewed by the Government Internal Apparatus Inspectorate of the State Ministry/ Institution (APIP K/L), is kept by the Working Unit and Echelon I Unit, as well it is ready to be audited at any time.
3. In case at the future it is proved that this statement is incorrect and cause the loss of state, I ready to pay such state loss to the State Treasury.

In witness whereof, this statement is made truly, in a conscious state and without any pressure whosoever.

............... , ......................... (12)

.................................. (13)

Stamp Duty
Rp6000

.............................. (14)
NIP/ NRP .......................
Notes:

(1) It shall be filled with the Ministry/ Institution
(2) It shall be filled with the name of Ministry/ Institution
(3) It shall be filled with the description of echelon I unit name
(4) It shall be filled with the description name of echelon I unit name
(5) It shall be filled with the description of echelon I unit name
(6) It shall be filled with the address of Echelon I
(7) It shall be filled with the Secretary General/ Principal Secretary/ Secretary of K/L as the responsible person of RKA-K/L
(8) It shall be filled to the Letter of Statement
(9) It shall be filled with NIP/ NRP
(10) It shall be filled with position of the signee of Statement Letter
(11) It shall be filled with the name of Echelon I and State Ministry/ Institution
(12) It shall be filled with Place and Date
(13) It shall be filled with the position of the signee of the statement letter (echelon I official or other official who has budget allocation (portfolio) and as the program responsible person).
(14) It shall be filled with the signee of the letter of statement.
4.10 Format for the Cover Letter of RKA-K/L Proposal

<table>
<thead>
<tr>
<th>[LOGO]</th>
<th>(1) MINISTRY/ INSTITUTION</th>
<th>(2) ECHELON I UNIT</th>
<th>(3) Address</th>
<th>(4) Number: S- / / 20xx</th>
<th>(date-Month) 20xx</th>
<th>Attribute: Urgent</th>
<th>Encl: One Piece</th>
<th>Subject: Proposal for the Working and Budget Plan of the State Ministry/ Institution</th>
</tr>
</thead>
</table>

Director General of Budget in Jakarta

Dear Sir/ Madam,

In regard with the stipulation of the Decree of the Minister of Finance Number ..../KM.K.02/20xx on the Budget Ceiling of the State Ministry/ Institution, hereby delivered the Working and Budget Plan of the State Ministry/ Institution (RKA-K/L) of the Ministry of .... (6)

As the completeness of document, hereby attached the study document in the form of:

a. Working and Budget Plan of the Working Unit (RKA Satker).
b. ADK RKA-K/L-DIPA
c. Statement Letter of Echelon I
d. List of Detail for Budget Ceiling per Satker/ Echelon I.

In witness whereof, this letter is made and thank you for your kind attention.

Minister/ Head of Institution or
The Appointed Official

.................................................. (7)
NIP/ NRP .........................................
MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

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Notes:
1. It shall be filled with the logo of the Ministry/ Institution
2. It shall be filled with the nomenclature of the Ministry/ Institution
3. It shall be filled with the echelon I unit proposer of RKA-K/L
4. It shall be filled with the satker proposer of RKA-K/L
5. It shall be filled with the address of the Ministry/ Institution
6. It shall be filled with the nomenclature of Ministry/ Institution
7. It shall be filled with the Name and NIP/ NRP of the Minister/ Head of Institution or the Appointed Official

=============================================

MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA

signed
MUHAMAD CHATIB BASRI

Copy as its original version
HEAD OF GENERAL BUREAU
for him
HEAD OF ADMINISTRATIVE DEPARTMENT
OF THE MINISTRY
signed and stamped
GIARTO
NIP 195904201984021001
GUIDANCE FOR THE EXAMINATION AND REVIEW OF RKA-K/L

A. Guidance for the Examination of RKA-K/L by the Secretariat General/ Principal Secretary/ Secretariat c.q Planning Bureau/ Planning Unit K/L

Examination of RKA-K/L aims to ensure the completeness and accurate of RKA-K/L that is being prepared prior to be delivered to the Government Internal Inspectorate Apparatus of the Ministry/ Institution (APIP K/L) and the Ministry of Finance c.q DJA to be studied along with Bappenas. The study of RKA-K/L shall be conducted through the verification upon the completeness and the implementation of the principles of budgeting plan as set forth in the Appendix I that constitutes the integral part herein.

The study of RKA-K/L shall be conducted by the Secretariat General/ Principal Secretary/ Secretariat c.q Planning Bureau/ Planning Unit K/L and matters that need to be prepared prior conducting the study of RKA-K/L are:

1. Document for studying RKA-K/L, including:
   a. Renja K/L and RKP of the planned fiscal year;
   b. Agreement result of trilateral meetings;
   c. Result of baseline review and result of the session for the New Initiative proposal budget (if any);
   d. List of Budget Ceiling Detail per Satker/ Echelon I;
   e. KK Satker and RKA Satker;
f. ADK RKA-K/L;
g. Target and Budget Ceiling of PNBP (if any);
h. Other technical document(s) that are prepared by Satker, such as:
   Business and Budget Plan of the Public Service Entity (RBA BLU),
   calculation of the budget need for construction/ renovation of the
   state’s building or the equal, and the other supporting document(s);
   and
i. Regulations associated with the budgeting;

2. Examination of RKA-K/L shall be focused to examine matters as follow:
   a. consistency in the inclusion of target performance, including the
      Output Volume and Activity Performance Indicator in RKA-K/L in
      accordance with the target performance in Renja K/L and RKP;
   b. conformity of the total budget ceiling in RKA-K/L stipulated by the
      Minister of Finance;
   c. conformity of the total budget ceiling in RKA-K/L with the fund
      resources stipulated in Budget Ceiling of the K/L's Budget;
   d. compliance in the inclusion of APBN thematic at the output level; and
   e. completeness of the supporting document of RKA-K/L, among other,
      RKA Satker, TOR/ RAB and the other supporting documents.

Result of the RKA-K/L examination that is carried out by the
Secretariat General/ Principal Secretary/ Secretariat c.q Planning
Bureau/ Planning Unit K/L further delivered to the echelon I unit K/L to
be adjusted or revised (if any) and in parallel is delivered to APIP K/L for
reviewing RKA-K/L.

B. Guidance for Reviewing RKA-K/L by APIP K/L
   1. Introduction
1.1 Background

Law Number 17 Year 2003 on State Finance and Law Number 25 Year 2004 on the National Development Planning System (SPPN) mandate that the preparation of the Draft of State Budget Revenue and Expenditure (RAPBN) shall guided with the Government Working Plan (RKP) by calculating the budget availability. Government stipulates the development priority along with the activities to be implemented in the RKP document. The expected outcomes shall be the outcome that are implemented nationally (national outcome) as mandated in the Constitution of the Republic of Indonesia 1945. RKP constitutes the annual planning document and constitutes the elaboration of the Mid Term National Development Plan (RPJMN) that includes the development priority, macroeconomic framework plan, State Ministry/Institution (K/L) program, inter K/L, and regional, in the form of regulation framework and finance framework whose nature is indicative. RKP is further elaborated into the Working Plan of the Ministry/Institution (Renja K/L). Afterward, Renja K/L is elaborated into the Working Plan of the State Ministry/Institution (RKA-K/L) based on the budget ceiling.

Preparation of RKA-K/L constitutes the part of budget planning. Problem in the budget planning, among other, the RKA-K/L has not been prepared in good and correct manners in accordance with the principles of budgeting plan, as it results the inclusion of information in RKA-K/L document becomes indeterminate. In addition, the presence of obstacle in the DIPA document that has not been ready to be implemented in the beginning of the planned fiscal year (January) although DIPA K/L has been stipulated at the moment before the fiscal year (December). The presence of the budget planning that has not been optimum also affects to the abnormal budget absorption and tendency to the absorption of budget at the end year is occurred, quality of the state budget has not been optimum in
supporting the development target (increasing the growth, as well reducing the unemployment and poverty), fiscal policy (APBN) become not maximum in stimulating the development. Therefore, in the process of budgeting plan is demanded to result the qualified RKA-K/L and in accordance with the principles of budgeting plan.

Pursuant to the direction of the Vice President of the Republic of Indonesia in the Workshop of APIP K/L on 22 February 2014, it was mentioned that APIP K/L does not merely involved to the ex post problems, but also it is expected to support the performance of institution. Hence, APIP K/L should has began to role since the step of budgeting plan. This role is getting empowered with the presence of the Circular Letter of the Minister of State Apparatus Empowerment and Bureaucracy Reform Number 7 Year 2012 on the Improvement of Monitoring for Saving Utilization of Good and Personnel Expenditure within the Scope of State Apparatus, among other states that the Head of Institution assigns to APIP K/L in the process of budgeting plan is to support K/L to improve the budgeting plan quality through implementation of RKA-K/L review.

1.2 Definition

RKA-K/L Review constitutes the study for the preparation of financial document planning whose nature is annual in the form of RKA-K/L by the competent auditor of APIP K/L, who provide the limited assurance that RKA-K/L has been prepared based on the Budget Ceiling of K/L and/ or Budget Ceiling Allocation of K/L stipulated by the Minister of Finance, Renja K/L, RKP resulted by the agreement of the Government and the DPR in the preliminary session of RAPBN, cost standard, and other government policy as well meet the principles of budgeting plan, in the effort to assist the minister/ head of institution to produce the quality RKA-K/L.

APIP K/L is the Inspectorate General/ Principal Inspectorate/ Inspectorate or the other name that is functionally conducts the
internal monitoring that is directly responsible to the Ministry/ Head of Institution.

1.3 Objective of RKA-K/L Review

The objective of RKA-K/L Review by APIP K/L is to provide the limited assurance that RKA-K/L has been prepared based on the Budget Ceiling of K/L and/ or Budget Ceiling Allocation of K/L stipulated by the Minister of Finance, Renja K/L, RKP resulted by the agreement of the Government and the DPR in the preliminary session of RAPBN, cost standard, and other supporting document Review does not provide to state the opinion as in the audit, because review does not include the assessment upon the internal control, determination of the control risk, assessment upon the resource document and assessment upon the response toward the explanation request by mean obtaining the evidence materials that reinforce through inspection, observation, or confirmation and certain procedure that are commonly conducted in an audit.

Review can make the auditor's attentions focuses to the important matters that influences the RKA-K/L, but it does not provide the assurance that the auditor will know all of the important matters that will be revealed through an audit. Based on the result of review, APIP K/L will provide the conclusion on the preparation of RKA-K/L. In case the auditor find the weakness and/ or mistake in the preparation of RKA-K/L, then the auditor shall be obliged to deliver such problem along with the recommendation for revision to the preparing unit of RKA-K/L to immediately conduct the revision/ adjustment and coordinates with the Secretariat General/ Principal Secretary/ Secretariat c.q Planning Bureau/ Planning Unit K/L.

Preparation of RKA-K/L constitutes the responsibility of preparing unit RKA-K/L (Minister/ Head of Institution c.q Echelon I Official who has budget allocation (portfolio) and as the program
responsible person). Therefore, preparing unit shall be responsible to conduct the revision/adjustment of RKA-K/L.

1.4 Scope, Target, and Period Implementation of RKA-K/L Review

Scope of the RKA-K/L Review by APIP K/L is the study upon preparation of annual financial planning document in the form of RKA-K/L of echelon I unit and the search of echelon I unit RKA-K/L to the resource document that is conducted in limited manner to TOR, RAB, and the other related supporting document. Scope of RKA-K/L review does not include the assessment upon the internal control system and assessment upon the information request that commonly conducted in an audit.

Target of RKA-K/L review by APIP K/L is the minister/head of institution obtains the assurance that the preparation of annual financial planning document in the form of RKA-K/L echelon I unit and the supporting data have been prepared based on the Budget Ceiling of K/L and/or Budget Allocation K/L stipulated by the Minister of Finance, Renja K/L, RKP resulted from the agreement between the Government and DPR in the preliminary session of the draft of APBN, cost standard, and other government policy as well meet the principles of budgeting plan.

RKA-K/L review by APIP K/L shall be conducted at the time preparation of RKA-K/L by echelon I unit that has budget allocation (portfolio) and as the program responsible person after budget ceiling K/L has been stipulated and adjustment of RKA-K/L by the echelon I unit who has budget allocation (portfolio) after budget allocation K/L is obtained. Therefore, location for review shall be conducted at the office of echelon I unit that has budget allocation (portfolio).

Principally, implementation of RKA-K/L review by APIP K/L does not add the layer process of budgeting and planning. Therefore, the RKA-K/L review can be conducted in parallel along with the session of RKA-K/L between echelon I unit and the Secretariat
General/ Principal Secretary/ Secretariat c.q Planning Bureau/ Planning Unit K/L. It is necessary to be implemented in order the implementation of RKA-K/L review can be implemented in effective and efficient manner in the view of the limited time for preparing the RKA-K/L by the Minister/ Head of Institution c.q Echelon I Official who has budget allocation (portfolio) and as the program responsible person up to the RKA-K/L of the scope of K/L is delivered to the Ministry of Finance c.q Directorate General of Budget.

1.5 Reference Regulation of the RKA-K/L Review

Reference regulation applied to the implementation of RKA-K/L review is all regulations associated with the state finance management at the step of planning and budgeting, such as, including:

a. Law Number 17 Year 2003 on State Finance;
b. Law Number 1 Year 2004 on State Treasury;
c. Law Number 25 Year 2004 on National Development Planning System;
d. Government Regulation Number 60 Year 2008 on the Government Internal Apparatus System;
e. Government Regulation Number 54 Year 2008 on the Procedure for Procurement and Domestic Subsidiary Loan by the Government;
f. Government Regulation Number 90 Year 2010 on the Preparation of Working and Budget Plan of the State Ministry/ Institution;
g. Government Regulation Number 10 Year 2011 on the Procedure for Procurement of Foreign Loan and Grants;
h. Presidential Regulation Number 54 Year 2010 on the Procurement of Government Good/ Service as it has been amended lastly with Presidential Regulation Number 70 Year 2012;
i. Presidential Regulation that set out the Government Working Plan of 2015;
j. Regulation of the Minister of Finance Number 214/PMK.05/2013 on the Standard Account Chart;
k. Regulation of the Minister of Public Work Number 45/PRT/M/2007 on Technical Guidance for the Construction of State's Building;
l. Regulation of the Minister of Finance Number 157/PMK.02/2013 on the Procedure of Proposing Approval of the Multi Years Contract in the Government’s Good/ Service Procurement;
m. Regulation of the Minister of Finance Number 249/PMK.02/2011 on the Performance Measurement and Evaluation upon the Implementation of Working and Budgeting Plan of the State Ministry/ Institution;
n. Regulation of the Minister of Finance Number 113/PMK.05/2012 on the Domestic Official Travel for the State Official, Civil Servant and Non Permanent Staff;
o. Regulation of the Minister of Finance Number 97/PMK.05/2010 on the Abroad Official Travel for the State Official, Civil Servant and Non Permanent Staff as it has been several times amended, lastly with the Regulation of the Minister of Finance Number 97/PMK.05/2010;
p. Regulation of the Minister of Finance Number 71/PMK.02/2013 on the Guidance of Cost Standard, Standard of Cost Structure, and Indexing in Preparation of Working and Budgeting Plan of the State Ministry/ Institution as it has been amended with the Regulation of the Minister of Finance Number 51/PMK.02/2013;
q. Regulation of the Minister of Finance Number 53/PMK.02/2014 on the Input Cost Standard of the Fiscal Year 2015;
r. Regulation of the Minister of Finance concerning the Guidance for Preparation and Study of Working and Budgeting Plan of the State Ministry/ Institution;
1.6 Objectivity and Competence of RKA-K/L Review Team

Reviewer should be objective in conducting the review activity. The principles of objectivity requires that the Reviewer Team of RKA-K/L conducts the RKA-K/L review in fair, integrity, and non-compromise the quality.

In order to support and ensure the effective review of RKA-K/L, it is necessary to consider the competence of the Reviewer Team of RKA-K/L to be assigned. In accordance with the objective of RKA-K/L review, then the Reviewer Team of RKA-K/L shall collectively meet the competency as follow:

a. understanding the National Development Planning System;
b. understanding the procedure in preparing RKA-K/L;
c. understanding the planning for procuring government good/service within the scope of K/L;
d. understanding the standard account chart;
e. understanding the business process or task and function of the unit to be reviewed;
f. acquiring the technique of communication;
g. understanding the analysis of database; and
h. acquiring the basic of review.

2. Procedure of RKA-K/L Review
This Implementing guidance of RKA-K/L review is intended as the reference to plan, implement, and report the result of RKA-K/L review. This Implementing guidance of RKA-K/L review describes the activities that is required at each step of RKA-K/L review, including the procedure of RKA-K/L review that contains the series of steps/programs to be implemented by APIP K/L in reviewing budgeting plan document.

2.1 Step of RKA-K/L Review

There are 3 (three) steps in performing RKA-K/L Review, including:

a. planning step of RKA-K/L review;
b. implementing step of RKA-K/L review;
c. reporting step of RKA-K/L review

Planning step of RKA-K/L review includes, among other, the coordination with the Planning Bureau/ Planning Unit, activity to determine priority scale based on the risk analysis, conducting the review assignment proposal and preparing for the preparation of Review Working Program. Implementing step of RKA-K/L review includes the study of financial planning document and preparation of review working plan. Reporting step of RKA-K/L includes the preparation of Review Outcome Notes (CHR) and Review Outcome Report (LHR).

2.2 Planning Step of RKA-K/L Review

2.2.1 Matters That Have to Be Prepared

Prior implementing RKA-K/L Review, matters that are necessary to be prepared by APIP K/L shall be as follow:

a. APIP K/L conduct coordinating meeting with the Planning Bureau/ Planning Unit to obtain the result of planning documents, which are RKP and Renja K/L (resulted from trilateral meeting), policy of the minister/ head of institution associated with the
planning and budgeting K/L. Coordination aims to identify the problem associated with the preparation of RKA-K/L. Through such coordination is expected will result the efficient and effective RKA-K/L review implementation.

b. APIP K/L could prepare the data that can support the implementation of RKA-K/L review, such as, renja K/L (resulted from the trilateral meeting), indicative budget ceiling and initial draft of RKP of 2015 in pursuant to the letter of the Chairman of Bappenas Number 0091/M.PPN/03/2014 dated 19 March 2014, finding result of BPK and compliance audit upon DIPA realization (if any), regulation of the Minister of Finance Number 53/PMK.02/2014 on Input Cost Standard of 2015, regulation of the Minister of Finance that set out the Output Cost Standard (SBK), SIMAK-BMN data, government policy, as well the regulation of the minister/ head of institution associated with the task and function of Echelon I and K/L.

c. APIP K/L receives documents from echelon I unit to be reviewed, includes:

1) Cover Letter signed by the echelon I official/ the portfolio responsible person;
2) List of Budget Ceiling Detail per satker/ echelon I;
3) RKA-K/L echelon I unit;
4) Working Budget Plan of Satker (RKA Satker);
5) Satker Working Sheet (KK Satker);
6) Computer Data Archive (ADK) RKA-K/L;
7) SIMAK-BMN Data;
8) TOR/ RAB and other related supporting document.

d. APIP K/L prepares Working Program of RKA-K/L Review to be utilized as the guidance in implementing echelon I unit RKA-K/L review.

2.2.2 Implementing Step of Implementing RKA-K/L Review

At the planning step of RKA-K/L review of echelon I unit, activities carried out, among other, as follow:

a. APIP K/L prepares the Review Team of RKA-K/L
   Matters that should be considered is the requirement of technical competence that should be fulfilled collectively. Reviewer Team of RKA-K/L shall be prepared at least 1 (one) Quality Control, 1 (Technical Control), several Team Leaders and several Team Members are adjusted to the need. As the basic implementation of RKA-K/L review, head of APIP K/L issues assignment letter of RKA-K/L review. Such assignment letter at least explains concerning the taskmaster, team organization, scope of review, location, as well the period of echelon I unit RKA-K/L review implementation.

b. Understanding object review of RKA-K/L and regulation/ policy on budgeting plan
   Prior conducting RKA-K/L review, reviewer should prior understand the duty and function of the review object and the regulation related to the preparation of RKA-K/L (as set forth in number 1.5 concerning the Reference of the Regulation on Implementing RKA-K/L Review). Review object is the preparer unit of RKA-K/L of echelon I level or other official who has
budget allocation (portfolio) and as the program responsible person.

c. Preparation of the procedure aims to determine the correct steps of RKA-K/L review by considering the risk factor, materials, significance, auditor availability, and time availability.

2.3 Implementing Step of echelon I unit RKA-K/L Review

2.3.1 APIP K/L implements review in parallel with the implementation of examination by Planning Bureau/Planning Unit upon the RKA-K/L echelon I Unit.

2.3.2 In case it is implemented simultaneously, APIP K/L along with Planning Bureau/Planning Unit and preparer echelon I unit RKA-K/L conduct kick of meeting Review and Examination of RKA-K/L echelon I unit.

2.3.3 Matters That Should be Considered

2.3.3.1 Scope of the RKA-K/L Review

Scope of RKA-K/L Review of the echelon I unit by APIP K/L shall be focused on:

a. budget feasibility to produce an output;

b. compliance in the application of the principles of budgeting, among other:

1) application of SBM and SBK

For the output that has been stipulated by the Minister of Finance as SBK, the RKA-K/L Review shall only be conducted to adjust the amount of money in output achievement mentioned in RKA Satker with SBK. For non SBK output, review of RKA-K/L shall be conducted up to the detailed level.
2) account utilization;
3) restricted matters;
4) budget allocation for the activity financed by the non state revenue, foreign loan/grants, domestic loan/grants, and sharia bonds;
5) budgeting of the public service entity;
6) multi years contract; and
7) budget allocation that will be handed as State Equity (PMN) to the state owned enterprise.

c. completeness of the supporting document for RKA-K/L, such as, RKA Satker, TOR/ RAB and/or the related supporting document; and

d. budget detail utilized to finance new initiative and/or the detail budget of baseline that experiences the change at the level of component;

in addition focus to the scope above, reviewer could conduct the review upon the scope of RKA-K/L echelon I unit as follow to ensure:

a. consistence in inclusion of target performance includes the output volume and activity performance indicator in RKA-K/L in accordance with the target performance in Renja K/L and RKP;

b. conformity of the total budget ceiling in RKA-K/L with the Budget Ceiling K/L stipulated by the Minister of Finance;
c. conformity of fund resources in RKA-K/L and the fund resources stipulated in Budget Ceiling K/L; and

d. compliance in the inclusion of APBN thematic at the output level.

2.3.3.2 Team of RKA-K/L Review should obtain the Decree of the Minister of Finance or the Letter of the Minister of Finance on the Stipulation of Budget Ceiling K/L and per program, and Stipulation of Budget Ceiling Allocation K/L and per program.

2.3.3.3 For reviewing the adjustment of RKA-K/L, Team of RKA-K/L Review should require the result of session between K/L with DPR such as the brief report (lapsing) and notes of session result.

2.3.3.4 Team of RKA-K/L Review should require the examination result of RKA-K/L conducted the Planning Bureau/Planning Unit K/L as the input material and review result synchronization.

2.3.4 Implementation of the Working Program of Review RKA-K/L

Review RKA-K/L echelon I unit shall be conducted in accordance with the working program of RKA-K/L review that has been prepared at the planning step of echelon I unit RKA-K/L Review. Implementation of echelon I unit RKA-K/L review shall be coordinated with the preparer unit of RKA-K/L echelon I unit level or the other official who has budget allocation (portfolio) and as the program responsible person along with the Planning Bureau/Planning Unit. Development of the RKA-K/L review procedure could be made by the Team of RKA-K/L Review
as long as it is needed in accordance with the condition at the field.

Outcome of the implementation of review procedure shall be included into the Review Working Sheet (KKKR) and shall be reviewed gradually by Team Leader and Technical Control.

Based on KKR, Team of RKA-K/L Review should prepare the Notes of Review Result (CHR) to deliver the result of RKA-K/L echelon I unit review that contains error or weakness that are found as well recommendation for revision. Note of Review Result shall be discussed and delivered to the echelon I unit c.q Secretary to echelon I unit for follow up by revising or adjusting RKA-K/L and Planning Bureau/ Planning Unit K/L. Planning Bureau/ Planning Unit K/L ensures the settlements of the follow up upon CHR associated with the RKA-K/L echelon I unit. Note of Review Result shall be signed jointly with the Review Team and Secretary unit echelon I who prepares RKA-K/L.

RKA-K/L echelon I unit that has been revised or adjusted shall be delivered to Secretariat General/ Principal Secretary/ Secretariat c.q. Planning Bureau/ Planning Unit K/L for being compiled becomes RKA-K/L of the scope of K/L with the copy to APIP K/L for further delivered to the Ministry of Finance c.q. Directorate General of Budget.

Team of RKA-K/L Review shall be obliged to document overall KKR and echelon I unit RKA-K/L document along with TOR/ RAB/ other supporting document properly and safely.

2.4 Reporting Step of RKA-K/L Review Result
Reporting echelon I unit RKA-K/L review result, essentially, reveals the objective and reason of the implementation of review, procedure of review implemented, error or weakness found, the agreed improvement found, steps of improvement that has been conducted and recommendation for review that has not been or is not implemented. Report of review Result shall be prepared in the form of Review Result Report (LHR). Report of review Result shall be delivered to the head of APIP K/L to the head of echelon I unit.
3. FORMAT OF THE ASSIGNMENT LETTER

For the framework of Annual Policy Monitoring and Working Program Monitoring the Inspectorate General of the State Ministry/ Institution ........ (6) Year 20XX, ................ (7) assigns:

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Role</th>
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<tbody>
<tr>
<td>1</td>
<td>............... (8)</td>
<td>Quality Control</td>
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<td>NIP ............. (9)</td>
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<td>2</td>
<td>............... (10)</td>
<td>Technical Quality</td>
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<td>NIP ............. (11)</td>
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<td>3</td>
<td>............... (12)</td>
<td>Team Leader</td>
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<td>NIP ............. (13)</td>
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<td>4</td>
<td>............... (14)</td>
<td>Team Member</td>
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<td>NIP ............. (15)</td>
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<td>5</td>
<td>.... etc</td>
<td>Team Member</td>
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</tbody>
</table>

to conduct the Review on Working and Budget Plan of the State Ministry/ Institution (RKA-K/L) of the Fiscal Year 2015, at:
1. ........................................ (16);
2. ........................................ (17).

Such activity shall be conducted in Jakarta for .... (18) working days, starting from ..... (19) up to .... (20) 20XX, under the responsibility of ................ (21).

All expenses arise due to the implementation of this Letter of Assignment shall be borne by the budget of the Inspectorate General.

In witness whereof, it is conducted and immediately report the result of assignment implementation.

Stipulated in Jakarta
On ..... (22) 20XX
Inspector General
[signed]
........................................ (23)
NIP .......................... (24)

Cc:
1. ..... (25)
2. ..... (26)
3. .. etc
Notes:

(1) It shall be filled with logo of Kl
(2) It shall be filled with nomenclature of K/L
(3) It shall be filled with nomenclature of APIP K/L
(4) It shall be filled with address of APIP K/L
(5) It shall be filled with number of the letter of assignment
(6) It shall be filled with nomenclature of K/L
(7) It shall be filled with the nomenclature of official who assigns the assignment
(8) It shall be filled with the name of official who roles as the quality control
(9) It shall be filled with the name of official who roles as quality control
(10) It shall be filled with the name of official who roles as technical control
(11) It shall be filled with NIP of the official who roles as quality control
(12) It shall be filled with the name of official who roles as team leader
(13) It shall be filled with NIP of official who roles as team leader
(14) It shall be filled with the name of official who roles team member
(15) It shall be filled with NIP of official who roles as team member
(16) It shall be filled with echelon I K/L unit to be reviewed
(17) It shall be filled with echelon I K/L unit to be reviewed
(18) It shall be filled with number of assignment day
(19) It shall be filled with date to commence the assignment
(20) It shall be filled with the date to end the assignment
(21) It shall be filled with the nomenclature the responsible official toward the related assignment
(22) It shall be filled with date and month of the letter of assignment is stipulated
(23) It shall be filled with name of the official who assigns the assignment
(24) It shall be filled with NIP of the official who assigns the assignment
(25) It shall be filled with the head of echelon I unit K/L to be reviewed
(26) It shall be filled with the Planning Bureau/ Planning Unit at the Secretariat General/ Principal Secretariat/ Secretariat
4. FORMAT FOR WORKING PROGRAM OF THE ECHELON I UNIT RKA-K/L REVIEW

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>REALIZATION</th>
<th>KKR NUM</th>
<th>REMARK</th>
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<tbody>
<tr>
<td>1.</td>
<td>Obtain the required documents as follow:</td>
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<td></td>
<td>1. RKP, Renja K/L (resulted from Trilateral Meeting), Decree of the Minister of Finance concerning Budget Ceiling and Budget Ceiling Allocation K/L, Letter of the Secretary General/Principal Secretary/Secretary c.q Head of Planning Bureau/Head of Planning Unit K/L related to the Budget Ceiling and Budget Ceiling Allocation for each program;</td>
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<td>2. Term of References (TOR), Cost Budget Plan (RAB), and the other supporting document;</td>
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<td>3. ADK Working Plan and Budget echelon I unit K/L;</td>
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<td>4. Brief Report resulted from the session between K/L and DPR (l lapsing);</td>
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<td>5. Data SIMAK-BMN;</td>
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<td>6. Other documents required in the implementation of Review.</td>
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<td>For Land Procurement</td>
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<td>1) Data/ document of Annual Need Plan BMN;</td>
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<td>2) Land Owner Status;</td>
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<td>3) Information on the fairness of land price guided with the provision concerning land procurement;</td>
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<td>4) Particularly for procurement the multi years contract, proposal for multi years contract approval proposed by Minister/ head of institution to the Minister of Finance that</td>
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<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
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<td>TIME PLN</td>
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<td>completed with SPTJM and letter of inclusion from the Budget User.</td>
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<td></td>
<td>Unless for certain condition (force majeure, etc) the proposal may not be submitted simultaneously to the submission of RKA-K/L.</td>
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<td>5) Audit Result BPKP (optional), for the rest project proposed for the approval to renew the multi years contract.</td>
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<td>Ø For the Construction of the State’s Building</td>
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<td></td>
<td>1) Data/document for the Annual Need Plan BMN for the building;</td>
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<td></td>
<td>2) Letter of building omission (in case it is constructed on the land that a building has been previously existed;</td>
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<td>3) Principle License for the construction of building from the Regional Government (IMB);</td>
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<td>4) Land Owner Status;</td>
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<td></td>
<td>5) Letter from the technical ministry, such as letter from the Ministry of Public Work/local Public Work Office related with the calculation for the need of expense for construction of the state’s building or the equal for the Procurement of Building;</td>
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<td>6) License from the Ministry of Finance (for multi years contract);</td>
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<td>7) Particularly for the multi years contract, proposal for the multi years contract approval that is proposed</td>
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<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
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<td>by the Minister/ Head of Institution to the Minister of Finance that is completed with SPTJM and statement letter from the Budget User. Unless for certain condition (force majeure, etc) the proposal can be submitted not simultaneously with the submission of RKA-K/L.</td>
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<td>8)</td>
<td>Audit result of BPKP (optional), for the remaining project that is proposed for the renewal of multi years contract approval.</td>
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<td>➢ For the Procurement of Patrol Ship</td>
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<td>1)</td>
<td>Technical letter from the Technical Ministry, such as, Ministry of Transportation or the Ministry of Defense (particularly for Patrol Ship equipped with weapon);</td>
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<td>2)</td>
<td>Particularly for the multi years contract, proposal for the contract approval of the multi years contract proposed by the minister/ head of institution shall be submitted to the Ministry of Finance that is completed with SPTJM and statement letter from the Budget User. Unless for for certain condition (force majeure, etc) the proposal can be submitted not simultaneously with the submission of RKA-K/L.</td>
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<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
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<td>3)</td>
<td>Audit result of BPKP (optional), for the remaining project that is proposed for the renewal of multi years contract approval.</td>
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<td>For the Procurement of Motor Vehicle, it shall be the Approval Letter from the minister/ head of institution, unless:</td>
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<td>1) procurement for the functional vehicle (ambulance) for the hospital or cell wagon for detention house),</td>
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<td>2) procurement for the special vehicle for the satker should be with the stipulation of the decree of the Minister of PAN-RB;</td>
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<td>3) Minute of Omission for the replacement of the severely damaged vehicle that economically requires the need of omission expenses from the list of inventory.</td>
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<td></td>
<td>For Building Renovation</td>
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<td></td>
<td>1) Letter from the Ministry of Public Work/ local Public Work Office related to the calculation for the expense of building or the equal renovation.</td>
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<td>2) Particularly for the renovation of the state’s building abroad (representative office) that does not change the building result, the calculation of expense need from the local planning consultant is required</td>
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MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

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<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>TIME REALIZATION</th>
<th>KKR NUM</th>
<th>REMARK</th>
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<tr>
<td></td>
<td>For the maintenance of BMN, Data SIMAK BMN to know the wide, sum, and condition of BMN</td>
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General Assessment:
Objective: For ensuring that Work Sheet RKA-K/L is in accordance with the ADK.

1. Obtain the work sheet RKA-K/L and its ADK
2. Ensure that the work sheet of RKA-K/L received has been in accordance with its ADK
3. Make the conclusion

ASSESSMENT FOR THE BUDGET FEASIBILITY
Objective: For assessing the budget feasibility upon a component.

1. Obtain ADK RKA-K/L and/or TOR/ RAB/ other supporting document and Work Sheet RKA-K/L Satker
2. Conduct the feasibility assessment upon a component based on professional judgment and benchmark (if any) as well regarding to the principle of propriety in budget allocation
3. Make the conclusion

ASSESSMENT UPON THE COMPLIANCE FOR THE IMPLEMENTATION OF THE INPUT COST STANDARD/ OUTPUT COST STANDARD
Objective: For assessing the compliance in implementing the Input/ Output Cost Standard in the RKA-K/L with the Regulation of the Minister of Finance concerning the Input Cost Standard and the Regulation of the Minister of Finance concerning Output Cost Standard.

1. Obtain ADK RKA-K/L and work sheet RKA-K/L, PMK on SBM and PMK SBK
2. Ensure the unit price at the detailed work sheet RKA-K/L has referred to SBM or SBK
### ASSESSMENT FOR THE ACCOUNT CONFORMITY

**Objective:** for ensuring that the usage of account expenditure in RKA-K/L has been in accordance with the standard account chart.

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<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and PMK concerning Standard Account Chart as well Regulation of the Director General of Treasury concerning the change/addition of account.</td>
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<tr>
<td>2.</td>
<td>Ensure that the expenditure account at the detail of working sheet RKA-K/L is based on the budget ceiling and budget ceiling allocation have been in accordance with the Standard Account Chart (BAS).</td>
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<tr>
<td>3.</td>
<td>Make the conclusion</td>
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</table>

### ASSESSMENT ON THE RESTRICTED MATTERS

**Objective:** for ensuring that the budget allocation for the restricted activity output has been in accordance with the Procedure for Preparation of RKA-K/L.

**BUDGET ALLOCATION FOR THE MOTOR VEHICLE**

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK, TOR, RAB, and other supporting document (such as price list), working sheet RKA-K/L Satker.</td>
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<td>2.</td>
<td>Conduct the study on TOR, RAB, and Work Sheet Satker as well, whether there is identification for budget allocation of the motor vehicle</td>
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</tbody>
</table>
| 3 | Examine whether budget allocation of the motor vehicle has been completed with the approval letter from the minister/head of institution, unless:  
   a. For new satker, ensure there is the decree of Menpan-RB on the establishment of new satker. | | | |
<table>
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<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
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<tr>
<td></td>
<td>b. For the replacement of the severely damaged vehicle that economically require the expense of omission for further should be omitted from the list of inventory and the maintenance expense will not be proposed, ensure that the minute of vehicle omission/ auction is available.</td>
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<td>4</td>
<td>Examine whether satker has made the vehicle lease calculation as one of the alternatives for the provision of operational vehicle.</td>
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<td>5</td>
<td>Make the conclusion.</td>
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</table>

**ALLOCATION FOR HONORARIUM BUDGET UPON THE OFFICIAL/EMPLOYEE PARTICIPATION IN THE IMPLEMENTATION ACTIVITY TEAM/SECRETARIAT TEAM**

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L SATKER AND DRAFT OF SK TEAM</th>
<th>CARRIED TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Obtain ADK/ Working Sheet RKA-K/L Satker and draft of SK Team.</td>
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<tr>
<td>2</td>
<td>Conduct the study on Work Sheet RKA-K/L and draft SK Team.</td>
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<tr>
<td>3</td>
<td>Ensure that the budget allocation for the establishment of new team has met the criteria: a. The implementation requires the establishment of the committee/ team; b. It has the clear and measurable output; c. It is coordinative that obliges, to involve the other echelon I; d. It is temporary that need to be prioritized;</td>
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</table>
### STEPS OF WORKING FOR RKA-K/L REVIEW

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>KKR REALIZATION NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.</td>
<td>It constitutes the geminating task of the certain function in addition to the daily function;</td>
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<tr>
<td>f.</td>
<td>It is not the operational that can be completed internally by the satker;</td>
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<tr>
<td>g.</td>
<td>Payment for the team's honorarium shall be guided with the regulation/provision concerning the input cost standard (SBM)</td>
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</tbody>
</table>

4. Make the conclusion.

### BUDGET ALLOCATION FOR THE OFFICIAL TRAVEL AND MEETING BEYOND THE OFFICE

1. Obtain ADK/ Work Sheet RKA-K/L Satker.

2. Conduct the budget feasibility assessment upon a component based on the professional judgment and benchmark (if any) as well regarding to the efficiency (for instance, more prioritize held the meeting at beyond the office hour/ RDK) and the propriety in budget allocation.

3. Make the conclusion

### BUDGET ALLOCATION FOR THE NEW TELEPHONE CONNECTION INSTALLATION

1. Obtain ADK, TOR, RAB, and other supporting document, Working Sheet RKA-K/L Satker

2. Obtain data related to the new satker at the echelon I unit that has obtained stipulation from Kemenpan-RB
### STEPS OF WORKING CARRIED OUT BY TIME KKR NUM REMARK

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
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</thead>
<tbody>
<tr>
<td>3</td>
<td>Conduct the study upon Working Sheet RKA-K/L</td>
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<tr>
<td>4</td>
<td>Ensure that there are not any budget allocation for the installation of new telephone, unless for New Satker</td>
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<tr>
<td>5</td>
<td>Make the conclusion</td>
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</table>

### BUDGET ALLOCATION FOR THE CEREMONY/ COMMEMORATE THE FEAST DAY/HOLIDAY, ANNIVERSARY DAY K/L

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Obtain ADK, TOR, RAB, and other supporting document, Working Sheet RKA-K/L Satker</td>
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<tr>
<td>2</td>
<td>Conduct the study upon TOR, RAB, and Working Sheet RKA-K/L</td>
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<tr>
<td>3</td>
<td>Ensure that the budget allocation for the commemorate or feast day/holiday and anniversary of the State Ministry/Institution within the sum restricted in accordance with the professional judgment and by considering the principle of propriety.</td>
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</table>

### ASSESSMENT FOR THE BUDGET ALLOCATION FOR ACTIVITY FINANCED WITH THE FOREIGN GRANTS/ LOAN

Objective: For ensuring that the working and budget plan for the activity financed by the foreign grants/loan:
- Has been in accordance with the plan of need;
- Has considered the pure rupiah associate availability;
- Has been completed with the supporting document.

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<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED TIME</th>
<th>KKR NUM</th>
<th>REMARK</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Obtain the ADK RKA-K/L, TOR/ RAB and other supporting document (Foreign Loan Grants Agreement Document (NPPHLN))</td>
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<tr>
<td>2</td>
<td>Ensure that in RKA-K/L has mentioned, among other:</td>
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<tr>
<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
<td>CARRIED OUT BY</td>
<td>TIME PLAN</td>
<td>REALIZATION NUM</td>
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</tr>
<tr>
<td></td>
<td>a. expenditure account is in accordance with the transaction financed with the Foreign Loan Grants Agreement Document (NPPHLN)) that is categorized of finance that is allowed by the lender.</td>
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<tr>
<td></td>
<td>b. office payment code (kode kantor bayar) is the code of KPPN Khusus Jakarta VI (140) for PHLN transaction in foreign currency and procedure for withdrawal is direct payment and letter of credit or KPPN code in accordance with the activity location.</td>
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<td></td>
<td>c. fund resource of NPPHLN;</td>
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<td></td>
<td>d. procedure of withdrawal PHLN that is set out in NPPHLN or the other document agreed by the lender.</td>
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<tr>
<td></td>
<td>e. register code of PHLN;</td>
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<tr>
<td></td>
<td>f. payment percentage/portion that is financed by the lender is in accordance with the NPPHLN or the other document agreed by the lender;</td>
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<tr>
<td></td>
<td>g. ensure the effective date of PHLN or the closing date of PHLN.</td>
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<td></td>
<td>In case there is any activity that has not been completed within the concerned fiscal year and it is continued at the next fiscal year, then the provision of PHLN</td>
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</tbody>
</table>
and its associate become the priority in accordance with the Annual Work Plan (AWP) signed by the Lender.

3. Make the conclusion

**ASSESSMENT FOR THE BUDGET ALLOCATION FOR THE ACTIVITY FINANCED WITH THE DOMESTIC LOAN**

Objective: For ensuring that the working and budget plant for the activity financed with domestic loan:
- Has been in accordance with the plan of need;
- Has been completed with the supporting document.

1. Obtain ADK RKA-K/L, TOR/ ROB and the other supporting document, Domestic Subsidiary Loan Agreement Document (NPPDN) signed by the Minister of Finance or the authorized official and the receptor of the subsidiary PDN.

2. Ensure that in RKA-K/L has been included, among other:
   a. expenditure account has been in accordance with the BAS;
   b. fund resource in accordance with NPPDN;
   c. register code of PDN is in accordance with the register code issued by the Directorate of Debt Management

3. Make the conclusion

**ASSESSMENT FOR THE BUDGET ALLOCATION FOR ACTIVITY FINANCED WITH DOMESTIC GRANTS**

Objective: For ensuring that working and budget plan to the activity financed with domestic grants has been in accordance with DRKH.
### STEPS OF WORKING FOR RKA-K/L REVIEW

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
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</thead>
<tbody>
<tr>
<td>2.</td>
<td>Ensure that in allocating activity in RKA-K/L has been based on DRKH.</td>
</tr>
<tr>
<td>3.</td>
<td>Ensure the applied program/ activity nomenclature is the nomenclature resulted reconstructing of program/ activity</td>
</tr>
</tbody>
</table>

### ASSESSMENT FOR THE BUDGET ALLOCATION SOURCED FROM PNBP (NON BLU)

**Objective:** For ensuring that working and budget plan with the fund resource comes from PNBP has been in accordance with the provision.

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
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<tbody>
<tr>
<td>2.</td>
<td>Examine whether the activity nomenclature has used the activity nomenclature in accordance with the reference table at the application RKA-K/L;</td>
</tr>
<tr>
<td>3.</td>
<td>Examine whether the inclusion of activity and amount of budget in RKA-K/L has been guided with:</td>
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<tr>
<td></td>
<td>a. PP (Government Regulation) concerning the procedure utilization of PNBP sourced from the certain activity,</td>
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<td></td>
<td>b. KMK (Decree of the Minister of Finance)</td>
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</tbody>
</table>
### Steps of Working Carried Out by KKR

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>REALIZATION NUM</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>concerning the approval utilization the part of fund sourced from PNBP; c. Budget ceiling utilization of PNBP from the Directorate PNBP DJA.</td>
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<tr>
<td></td>
<td>4. Examine whether fund sourced from PNBP is focused to the activity for improving the service to the public and/or it is in accordance with the provision concerning the approval utilization part of the fund sourced from PNBP.</td>
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<td></td>
<td>5. Ensure the truth on utilization of the PNBP honorarium activity manager account uses operational good expenditure account (521115) and honorarium for the non-operational activity sourced from PNBP uses the honorarium account associated to the activity output (521213).</td>
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<td></td>
<td>6. Conduct assessment upon the compliance on the application of the cost standard, either for the output/sub output of which is SBK or Non SBK.</td>
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<td></td>
<td>7. Make the conclusion.</td>
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</table>

### Assessment for the Preparation of RKA-K/L for Public Service Entity (BLU)

**Objective:** For ensuring that working and budget plan for BLU has been in accordance with the provision.
1. Obtain ADK RKA-K/L, Budget Business Plan (RBA) along with the Summary of RBA, Strategic BLU, and other supporting documents.

2. Ensure the preparation of Budget Business Plan (RBA) has referred to the Business Strategic Plan of BLU that is completed with forecast of RBA of the next year.

3. Ensure RBA has included all programs, activities, budget revenues/incomes, budget expenditures/expenses, initial cash balance and end cash balance of BLU.

4. Ensure that RBA has been prepared based on the basis performance and cost accounting calculation according to the type of service and need and the capability of estimated revenue to be received from the service provided to the public, grants, outcome of partnership, other legal revenue.

5. Examine whether RBA is prepared based on the performance basis by regarding the efficiency in achieving performance (quantity and quality measurable), which are from:
   a. Budget allocation orients to the performance
b. Allocation shall be based on the performance;

c. Flexibility, efficiency, transparency and accountability;
Performance indicator utilization, and the cost standard 9SBM, SBK, other SB), and conducting performance evaluation.

6. Ensure budget ceiling at the summary of RBA with the fund resources com from PNBP and Pure Rupiah has been the same to the budget allocation at the budget ceiling.

7. Ensure that any changes of RBA/ DIPA BLU that results the change of expenditure budget should obtain the approval the Board of Monitoring (Dewas).

8. Conduct assessment upon the compliance on application of cost standard, either for output/ sub output of which is SBK or non SBK.

9. Make the conclusion

RKA-K/L REVIEW WORKING PLAN UPON THE BUDGET ALLOCATION ASSOCIATED WITH THE PROCUREMENT OF BUILDING
Objective: for ensuring that the plan of building procurement:
- has been in accordance with the plan of need and has regarded to the idle building availability at k/L;
- multi years contract approval has been available for the construction that burdens budget fun more than 1 fiscal year;
- has been in accordance with the Technical Guidance for the Construction of State’s Building; and
- has been completed with the supporting document (approval from the Ministry of Public Work or Public Work Office, decree of building omission).
<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and work sheet RKA-K/L satker, TOR, RAB, and other supporting document.</td>
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<tr>
<td>2.</td>
<td>Ensure the conformity of TOR and RAB with RKA-K/L.</td>
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<tr>
<td>3.</td>
<td>Ensure that the building to be build the new building to be constructed is not the building whose nature is not directly support the task and function implementation of satker (such as lodging, house, meeting hall), unless for the building for public service, such as hospital, detention house, security post) and special building: laboratory, warehouse).</td>
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<tr>
<td>4.</td>
<td>Examine whether the budget allocation for construction the state's building has been based on the real need and regarding the existing state's building.</td>
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<tr>
<td>5.</td>
<td>Examine whether the budget allocation for the construction of state's building has been guided with the Regulation of the Minister of Public Work that sets out concerning the Technical Guidance for the Construction of the State's Building.</td>
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<tr>
<td>6.</td>
<td>For the multi years contract, examine</td>
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<tr>
<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
<td>CARRIED OUT BY</td>
<td>TIME PLAN</td>
<td>REALIZATION NUM</td>
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<tr>
<td>7.</td>
<td>whether the multi years contract has been included with the application for the multi years contract (including SPTJM and statement letter from the Budget User) to the Minister of Finance in the submission of RKA-K/L of the concerned fiscal year</td>
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<td>8.</td>
<td>For the construction of the building with phasing, ensure that the budget is available for all building construction and its completion shall be prioritized.</td>
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**RKA-K/L REVIEW WORKING PROGRAM UPON THE BUDGET ALLOCATION ASSOCIATED TO THE PROCUREMENT OF THE STATE OWNED PROPERTY FOR THE LAND**

**Objective:** for ensuring that the working and budget plan for the procurement of land:
- has been in accordance with the plan of need and has regarded to the existing land availability to the K/L;
- multi years contract approval has been available for the construction that borne the budget more than 1 fiscal year; and
- has been completed with the supporting document.

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>REALIZATION NUM</th>
<th>KKR NUM</th>
<th>REMARK</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and working sheet RKA-K/L satker, TOR, RAB, and the other supporting document.</td>
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<tr>
<td>2.</td>
<td>Ensure the conformity of budget (Rp) in RKA-K/L with the value of need in TOR, RAB.</td>
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<tr>
<td>3.</td>
<td>Ensure whether such land procurement plan has based on the need and regarded to the existing land availability at the K/L.</td>
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</table>
### STEPS OF WORKING FOR RKA-K/L REVIEW

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<tr>
<th>NO</th>
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<th>TIME PLAN</th>
<th>KKR NUM</th>
<th>REMARK</th>
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<tbody>
<tr>
<td>3.</td>
<td>Ensure whether such land procurement plan has been based on the need and regarded the existing land availability (idle) at the K/L.</td>
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<tr>
<td>4.</td>
<td>Ensure the conformity of the operational expense and supporting expense as well the honorarium with the cost standard in accordance with the provision set forth in PMK 13/PMK.02/2013 on Operational Expense and Supporting Expense for the Organization Land Procurement for the Construction of Public Interest that Sourced from APBN.</td>
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<tr>
<td>5.</td>
<td>For multi years contract, examine whether upon the multi years has been completed with (including SPTJM and statement letter from the Budget User) to the Minister of Finance in the submission of RKA-K/L of the concerned fiscal year.</td>
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<tr>
<td>6.</td>
<td>Make the conclusion.</td>
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**RKA-K/L REVIEW WORKING PROGRAM UPON THE BUDGET ALLOCATION ASSOCIATED WITH THE PROCUREMENT OF SHIP**

Objective: for ensuring whether the budget allocation:
- has been in accordance with the budget allocation;
- multi years contract approval has been available for the construction that burden the budget for more than 1 fiscal year; and
- has been completed with the supporting document.

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>KKR NUM</th>
<th>REMARK</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and working sheet RKA-K/L satker, TOR, RAB,</td>
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<tr>
<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
<td>CARRIED OUT BY</td>
<td>TIME PLAN</td>
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<td>1.</td>
<td>and the other supporting document (recommendation letter from the technical ministry).</td>
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<tr>
<td>2.</td>
<td>Conduct the study upon the conformity budget allocation in RKA-K/L with the TOR and RAB document.</td>
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<tr>
<td>3.</td>
<td>Examine whether the procurement for ship has been completed with the technical recommendation from the related ministry (for instance: Ministry of Transportation).</td>
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<tr>
<td>4.</td>
<td>For multi years contract, examine whether the multi years contract (including SPTJM and statement letter from the Budget User) to the Ministry of Finance in the submission of RKA-K/L of the concerned fiscal year.</td>
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</table>

**RKA-K/L REVIEW WORKING PROGRAM UPON BUILDING RENOVATION**

Objective: for ensuring whether the Expense of Building Renovation has been in accordance with the Regulation of the Minister of Public Work concerning the Technical Guidance for the Construction of the State's Building.

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<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>REALIZATION</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and working sheet RKA-K/L satker along with the TOR, RAB, and the other supporting data (technical approval from the Ministry of Public Work/ local Public Work Office).</td>
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<tr>
<td>2.</td>
<td>Conduct the study on the conformity of budget allocation in TOR/ RAB with the budget allocation in the RKA-K/L of building renovation.</td>
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</table>
3. a. Ensure the state's building renovation has been completed with the calculation of the need of building renovation expense or the equal from the Ministry of Public Work or the local Public Work Office for the state's building located abroad that changes the building's structure; or

   b. Ensure renovation of the state's building has been completed with the calculation of building renovation expense need or the equal from the local planning consultant and SPTJM KPA of the local representative office for the state's building renovation located abroad (representative office) that does not change the building's structure (Information on changing or not changing the building's structure shall be explained in such document).

4. Make the conclusion.
## RKA-K/L REVIEW WORKING PROGRAM UPON THE BUDGET ALLOCATION OF THE MOTOR VEHICLE MAINTENANCE/ OFFICE FACILITIES EXPENSE

**Objective:** for ensuring whether the expense for the maintenance of the official motor vehicle/ office facilities have been met with the sum of official motor vehicle/ office facilities (office inventory, PC, printer, ac split, genset) in SIMAK BMN and cost standard.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and working sheet RKA-K/L satker.</td>
</tr>
<tr>
<td>2.</td>
<td>Conduct the assessment on the allocation of budget expense for vehicle/ office facility maintenance whose condition is not severely damaged in accordance with the SIMAK BMN.</td>
</tr>
<tr>
<td>3.</td>
<td>Conduct the assessment on budget allocation conformity of the maintenance expense for the vehicle/ office facilities with the PMK on input cost standard.</td>
</tr>
<tr>
<td>4.</td>
<td>Make the conclusion.</td>
</tr>
</tbody>
</table>

## RKA-K/L REVIEW WORKING PROGRAM UPON THE MAINTENANCE EXPENSE BUDGET ALLOCATION FOR BUILDING THAT IS JOINTLY OCCUPIED

**Objective:** for ensuring that the budget allocation for the building maintenance that is jointly occupied is not duplicated to the expense budgeting and in accordance with the input cost standard.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Obtain ADK RKA-K/L and working sheet RKA-K/L of satker.</td>
</tr>
<tr>
<td>2.</td>
<td>Conduct the assessment on the conformity by comparing the volume of building area (that is jointly occupied) for the location of maintenance expense RKA-K/L with the building area volume in the SIMAK BMN data.</td>
</tr>
<tr>
<td>3.</td>
<td>Conduct the assessment on the conformity of the unit price allocation of the maintenance expense at the building in RKA-K/L and in SIMAK BMN.</td>
</tr>
<tr>
<td>NO</td>
<td>STEPS OF WORKING FOR RKA-K/L REVIEW</td>
</tr>
<tr>
<td>----</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td></td>
<td>PMK concerning the input cost standard.</td>
</tr>
<tr>
<td>4</td>
<td>Conduct the analysis whether there is any duplication on the maintenance expense at the building that is jointly occupied and the discrepancy with the input cost standard.</td>
</tr>
<tr>
<td>5</td>
<td>Make the conclusion.</td>
</tr>
</tbody>
</table>

ASSESSMENT UPON THE RKA-K/L SUPPORTING DATA COMPLETENESS (TOR, RAB, AND OTHER SUPPORTING DATA)
Objective: for assessing the completeness of RKA-K/L supporting data (TOR, RAB, and Other Supporting Data) and the data conformity to the TOR, RAB and the other supporting data with the RKA-K/L.

1. Obtain TOR, RAB, and other supporting data (for instance, approval from the Ministry of Public Work, price list, etc).

2. Ensure that new initiative and baseline budget detail that experiences the change at the level of component has been supported with TOR, RAB, and the other supporting document.

3. Ensure that value included into TOR, RAB, and the other supporting data and RKA-K/L has the value conformity (Rp).

4. Make the conclusion.

ASSESSMENT UPON THE CONFORMITY OF RKA-K/L WITH RENJA AND RKP
Objectives: for assessing the conformity of program, activity, and output in RKA-K/L echelon 1 unit with RKP, and Renja K/L.

1. Obtain RKP and Renja K/L
### ASSESSMENT OF THE CONFORMITY OF THE TOTAL BUDGET CEILING AND THE DETAIL FUND RESOURCES OF RKA-K/L

**Objective:** for assessing the conformity between total budget ceiling and detail fund resource in RKA-K/L (per program and per activity) in accordance with the total budget ceiling and detail of fund resources included in the Decree of the Minister of Finance (budget ceiling budget K/L and budget ceiling allocation K/L).

<table>
<thead>
<tr>
<th>NO</th>
<th>STEPS OF WORKING FOR RKA-K/L REVIEW</th>
<th>CARRIED OUT BY</th>
<th>TIME PLAN</th>
<th>KKR NUM</th>
<th>REMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Ensure the consistency in inclusion of program, activity, and output in RKA-K/L with Renja K/L and RKP</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Ensure activity output value (Rp) that becomes the national priority in RKA-K/L is not lower than activity value (Rp) based on Renja K/L.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Make the conclusion.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Assessing the Conformity of the Total Budget Ceiling and the Detail Fund Resources of RKA-K/L

1. Obtain the Decree of the Minister of Finance related to the budget ceiling budget and fund resources detail.

2. Ensure the total budget ceiling and detail of fund resources in RKA-K/L has been in accordance with the budget ceiling and detail of fund resources based on the Decree of the Minister of Finance.

3. For RKA-K/L (adjustment), ensure that the adjustment of RKA-K/L with the result of session that has obtained the approval from DPR (based on the brief report) and in accordance with the Decree of the Minister of Finance concerned with the budget ceiling allocation.

4. Make the conclusion
NOTE:
This review working program constitutes the minimal steps that can be developed in accordance with the need and business process of the organization for the respective K/L.
5. FORMAT FOR THE RKA-K/L REVIEW RESULT NOTE

STATE MINISTRY/ INSTITUTION ........................................... (1)
APIP ...........................................(2)

REVIEW RESULT NOTE
UPON THE RKA-K/L ECHELON I.................................(3)
STATE MINISTRY/ INSTITUTION ...............................(4)
FOR THE FISCAL YEAR 2015
RKA-K/L REVIEW RESULT NOTE ECHelon I .......................... (5)
STATE MINISTRY/ INSTITUTION ................................. (6)

<table>
<thead>
<tr>
<th>State Ministry/ Institution ............... (7)</th>
<th>Prepared by/ Date .......... (9)</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIP ............................................ (8)</td>
<td>Examined by/ Date .......... (10)</td>
</tr>
<tr>
<td></td>
<td>Approved by/ Date .......... (11)</td>
</tr>
</tbody>
</table>

Description of the Review Result Notes

In regard with the assignment pursuant to the Assignment Letter of the Inspectorate General of the State Ministry/ Institution .......... (12) Number ....................... (13) dated ............... (14) 2015 to conduct the review upon RKA-K/L echelon I ............... (15) of the State Ministry ............... (16) TA 2015, hereby we deliver the review result notes as follow:

GENERAL DATA

Indicative Budget Ceiling of the Fiscal Year 2015 at echelon I unit ............... (17) as much as Rpxxx with the detail allocation per fund resources and type of expenditure as follow:

<table>
<thead>
<tr>
<th>Fund Resources</th>
<th>Type of Expenditure (in thousand rupiah)</th>
<th>Sum (in thousand rupiah)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel Expenditure</td>
<td>Good Expenditure</td>
</tr>
<tr>
<td>Pure Rupiah</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNBP</td>
<td></td>
<td></td>
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<tr>
<td>BLU</td>
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<tr>
<td>PDN</td>
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<td></td>
</tr>
<tr>
<td>SBSN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sum</td>
<td>xxx</td>
<td></td>
</tr>
</tbody>
</table>

Pursuant to KMK Number ............... (19) on the Stipulation of Budget Ceiling of the Fiscal Year 2015, it is delivered the Budget Ceiling of echelon I unit ............... (20) of the Fiscal Year 2015 as much as RpXXX with the detailed as follow:

<table>
<thead>
<tr>
<th>Fund Resources</th>
<th>Type of Expenditure (in thousand rupiah)</th>
<th>Sum (in thousand rupiah)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel Expenditure</td>
<td>Good Expenditure</td>
</tr>
<tr>
<td>Pure Rupiah</td>
<td></td>
<td></td>
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<tr>
<td>PNBP</td>
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<td>BLU</td>
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<td>PDN</td>
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<tr>
<td>SBSN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sum</td>
<td>xxX</td>
<td></td>
</tr>
</tbody>
</table>

1. Budget feasibility for generating an output
<table>
<thead>
<tr>
<th>Conclusion:</th>
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</thead>
<tbody>
<tr>
<td>2. Compliance in applying the principles of budgeting</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>3. Completeness of the supporting document</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>4. Conformity with the Budget Ceiling (for RKA-K/L review upon the preparation of RKA-K/L)</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>5. Conformity of Budget Ceiling (for RKA-K/L review upon the preparation of RKA-K/L)</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>6. Conformity with the Budget Allocation (for RKA-K/L Review upon the conformity of RKA-K/L)</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>7. Compliance on the Vehicle/Office facilities Maintenance Expense</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>8. Compliance on the building/office maintenance that is jointly occupied</td>
</tr>
<tr>
<td>Conclusion:</td>
</tr>
<tr>
<td>Correction/ Revision that Have not Been Carried out/ Approved</td>
</tr>
<tr>
<td>Recommendation</td>
</tr>
<tr>
<td>Head of Finance Department of Echelon I</td>
</tr>
<tr>
<td>----------------------------------------</td>
</tr>
<tr>
<td>........................................ (33)</td>
</tr>
<tr>
<td>NIP ..................................... (34)</td>
</tr>
</tbody>
</table>

Notes:
1. It shall be filled with the K/L nomenclature
2. It shall be filled with the APIP nomenclature
3. It shall be filled with the echelon I unit to be reviewed
4. It shall be filled with the K/L nomenclature
5. It shall be filled with the echelon I unit to be reviewed
6. It shall be filled with the K/L nomenclature
7. It shall be filled with the K/L nomenclature
8. It shall be filled with the APIP nomenclature
9. It shall be filled with brief name of the employee who prepare CHR and the date of preparation
10. It shall be filled with brief name of the employee who examine CHR and the date of examination
11. It shall be filled with brief name of the official who approve CHR and the date of approval
12. It shall be filled with the K/L nomenclature
13. It shall be filled with number of assignment letter
14. It shall be filled with stipulated assignment letter
15. It shall be filled with the echelon I unit to be reviewed
16. It shall be filled with the K/L nomenclature
17. It shall be filled with the echelon I unit to be reviewed
18. It shall be filled with detail of expenditure and fund resources based on indicative budget ceiling
19. It shall be filled with KMK concerning stipulation of Budget Ceiling at the concerned year
20. It shall be filled with the echelon I unit to be reviewed
21. It shall be filled with detail of expenditure and fund resources based on budget ceiling
22. It shall be filled with the description of RKA-K/L review result concerning the budget feasibility to generate an output
23. It shall be filled with RKA-K/L review result concerning the Compliance on applying principles of budgeting
24. It shall be filled with RKA-K/L review result concerning Completeness of Supporting Document.
25. It shall be filled with RKA-K/L review result concerning the Conformity with Budget Ceiling (for RKA-K/L review upon the adjustment of RKA-K/L)
26. It shall be filled with RKA-K/L review result concerning the Conformity with the Budget Ceiling (for the RKA-K/L review upon the preparation RKA-K/L).
27. It shall be filled with RKA-K/L review result concerning the Conformity with Budget Allocation (for RKA-K/L review upon the adjustment RKA-K/L)
28. It shall be filled with RKA-K/L review result concerning the Compliance of the Vehicle/ office facility Maintenance Expense
29. It shall be filled with RKA-K/L review result concerning Compliance of the Vehicle/ office facility Maintenance Expense that is jointly occupied
30. It shall be filled with matters that have not been corrected/ revised or not approved
31. It shall be filled with the description proposed by the Review Team of RKA-K/L upon matters that should be considered not accordance based on the review that have been conducted
32. It shall be filled with date and month of CHR jointly approved
33. It shall be filled with name of the Head of Finance Department of echelon I unit K/L
34. It shall be filled with NIP of the Head of Finance Department of the echelon I unit
35. It shall be filled with name the Technical Controller in the assignment
36. It shall be filled with NIP of the Technical Controller in the assignment
6. FORMAT FOR RKA-K/L REVIEW RESULT REPORT

LOGO APIP

[NAME OF K/L]
[NAME OF APIP]

REVIEW RESULT REPORT
WORKING AND BUDGET PLAN OF THE ECHELON I XXXXX

[NAME OF K/L]
FISCAL YEAR [....] (1)

NUMBER: LAP- ...../ ...../ 20 ...
DATE: [ ....................................] (2)
## LIST OF CONTENT

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Executive Summary (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>2</td>
<td>Legal Basis (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>3</td>
<td>Objective of Review (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>4</td>
<td>Scope of Review (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>5</td>
<td>Methodology of Review (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>6</td>
<td>General Overview (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>7</td>
<td>Commentary of Review (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td>8</td>
<td>Appreciation (paragraph .. (3) - ... (4))</td>
<td>[... (5)]</td>
</tr>
<tr>
<td></td>
<td>Appendix: Review Result Notes (CHR)</td>
<td></td>
</tr>
</tbody>
</table>
REVIEW RESULT REPORT OF THE WORKING AND BUDGET PLAN OF ECHELON I UNIT XXXX OF THE STATE MINISTRY/ INSTITUTION (RKA-K/L) [NAME OF K/L] FISCAL YEAR 20XX]

1. EXECUTIVE SUMMARY [Contains the General Summary of Review Result Report]

Working and Budget Plan of the State Ministry/ Institution (RKA-K/L) is the annual planning document of the State Ministry/ Institution (K/L) that is prepared in accordance with the Budget Part of the State Ministry/ Institution (BA K/L). Preparation cycle of RKA-K/L started with the stipulation the policy direction and national development priority by President, which afterward will be the basic consideration in preparation of Government Working Plan (RKP). Based on this stipulation, K/L evaluates baseline and propose the proposal of new initiative. Minister of Finance then stipulates the Budget Ceiling of K/L for the preparation of RKA-K/L. Minister/ Head of Institution prepares RKA-K/L based on the Budget Ceiling that has been stipulated by Minister of Finance and Renja K/L.

Pursuant to the head’s instruction, [name of APIP K/L] conducts review RKA-K/L [Name echelon I K/L] Fiscal Year 20XX. While the review is conducted at the time of RKA-K/L preparation by the State Ministry/ Institution after the budget ceiling K/L (June/ July] is stipulated; and the adjustment of RKA-K/L by K/L after budget allocation (September/ October] is obtained.

Based on the RKA-K/L review result that has been conducted, it can be concluded as follow:

1) [.....];
2) [.....];
3) [.....];
4) etc

(6)
From the RKA-K/L review result mentioned above, [name of the RKA-K/L preparer unit], improvement to the [contains the improvements that have been conducted upon the RKA-K/L review result] has been conducted.

[name of the RKA-K/L preparer unit] has been suggested to conduct the improvement to [contains the improvements that have been conducted upon the RKA-K/L review result].

2. LEGAL BASIS [Contains the legal basis for the implementation of RKA-K/L]
   a. Circular Letter of the Minister of State Apparatus Empowerment and Bureaucracy Reform Number 7 Year 2012 on the Improvement Monitoring in the Saving Utilization of Good Expenditure and Personnel Expenditure within the Scope of the State Apparatus;
   b. Regulation of the Minister of Finance Number ............... (7)

3. OBJECTIVE OF THE REVIEW [Contains the objective of the RKA-K/L review activity]
   Objective from the implementation of RKA-K/L review [Name of echelon I K/L] of the Fiscal Year 20XX is to provide the limited assurance that the information in RKA-K/L is in accordance with the Budget Ceiling K/L and/or Budget Allocation K/L stipulated by the Minister of Finance, Renja K/L, RKP resulted from the agreement of the Government and DPR in the preliminary session of APBN, cost standard, other government policy and meet the principles of budget planning as well completed with the supported document.

4. SCOPE OF THE REVIEW [Contains the scope of RKA-K/L review activity]
   Scope of the RKA-K/L review is the study upon the preparation of financial planning document whose nature is annual in the form of RKA-K/L and the supporting document. Scope of the RKA-K/L review does not includes the assessment upon the internal control system that is commonly implemented in an audit.

5. METHOD OF REVIEW [Contains the applied method in the RKA-K/L review activity and the basis implementation of RKA-K/L review]
a. RKA-K/L review [Name of echelon I K/L] of the Fiscal Year 20XX shall be implemented in accordance with the [Regulation of APIP K/L0 No. ....... (8) as well refers to the Regulation of the Minister of State Apparatus Empowerment and Bureaucracy Reform No. PER/05/M.PAN/03/2008 on the Standard Audit for the Government Internal Inspectorate Apparatus (APIP).

b. RKA-K/L Review shall be implemented using the method of gathering and conducting the study upon the document of financial planning data as well interview with the officer/official associated with the preparation process of RKA-K/L [Name of echelon I K/L].

c. RKA-K/L Review shall be implemented based on the Assignment Letter [Designation Name of the Leader of APIP K/L] Number [ .. (9)] dated [ .... (10)], with the team composition as follow:

<table>
<thead>
<tr>
<th>Quality Controller</th>
<th>: [....]</th>
<th>NIP [..]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Controller</td>
<td>: [....]</td>
<td>NIP [..]</td>
</tr>
<tr>
<td>Team Leader</td>
<td>: [....]</td>
<td>NIP [..]</td>
</tr>
<tr>
<td>Team Member</td>
<td>1. [....]</td>
<td>NIP [..]</td>
</tr>
<tr>
<td></td>
<td>2. [....]</td>
<td>NIP [..]</td>
</tr>
<tr>
<td></td>
<td>3. [....]</td>
<td>NIP [..]</td>
</tr>
<tr>
<td></td>
<td>4. ....</td>
<td>etc</td>
</tr>
</tbody>
</table>

(11)

RKA-K/L Review [Name of Echelon I K/L] of the Fiscal Year 20XX is commenced from [ ..(12)] up to [ .. (13)].

6. GENERAL OVERVIEW [Contains the preparation process of RKA-K/L and preparation mechanism of RKA-K/L based on the budget ceiling K/L as well name of K/L’s programs and sum of its budget ceiling]

a. GENERAL DATA

Indicative Budget Ceiling of the Fiscal Year 20XX at the echelon I [....(14)] is as much as Rp[.... (15)] with the detail allocation per fund resource and type of expenditure as follow:
Based on KMK Number [..... (17)] on the Stipulation of Budget Ceiling for the Fiscal Year 20XX, it can be informed that the Budget Ceiling of echelon I unit [.... (18)] for the Fiscal Year 20XX is as much as Rp[...... (19)] with the detail as follow:

<table>
<thead>
<tr>
<th>Fund Resources</th>
<th>Type of Expenditure (in thousand rupiah)</th>
<th>Sum (in thousand rupiah)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel Expenditure</td>
<td>Good Expenditure</td>
</tr>
<tr>
<td>Pure Rupiah</td>
<td>....</td>
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<td>....</td>
</tr>
<tr>
<td>BLU</td>
<td>....</td>
<td>....</td>
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<td>PLN</td>
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<td>HLN</td>
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<td>SBSN</td>
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<tr>
<td>Sum</td>
<td>....</td>
<td>....</td>
</tr>
</tbody>
</table>

b. [Contains the Preparation Process of RKA-K/L]

c. [Contains the Preparation Mechanism of RKA-K/L based on the Budget Ceiling K/L]

d. RKA-K/L Activity [Name of the echelon I K/L] in accordance with the Renja K/L, namely:

<table>
<thead>
<tr>
<th>Code</th>
<th>Activity</th>
<th>Performance Target/ Activity Performance Indicator (IKK)</th>
<th>Priority (N/B/0)</th>
<th>Sum Rupiah</th>
</tr>
</thead>
<tbody>
<tr>
<td>.....</td>
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</tr>
</tbody>
</table>
7. REVIEW RESULT DESCRIPTION [Contains the RKA-K/L review result description]
   1) [....];
   2) [....];
   3) [....];
   4) ......, etc (22)

8. APPRECIATION [Contains appreciation given to the object review of RKA-K/L]
   [Name of APIP K/L] express the gratitude for the assistance and cooperation from all officials/officers at [...... 923] for the availability to provide the required data/document, so that they can support the implementation of RKA-K/L review activity [Name echelon I k/L] of the Fiscal Year 20XX.

   Jakarta, ........... 20XX (24)

   [Official APIP K/L]

   Name [..... (25)]

   NIP [.... (26)]
Notes:
1. It shall be contained with the Fiscal year for the RKA-K/L to be reviewed
2. It shall be contained with Number of Report and Date of Report
3. It shall be contained with number of initial paragraph for the respective description of LHR
4. It shall be contained with number of end paragraph for the respective description of LHR
5. It shall be contained with page number in which the initial paragraph is available for the respective
6. It shall be contained with the conclusion upon RKA-K/L review result description of LHR
7. It shall be contained with PMK concerning the guidance for the preparation and study of RKA-K/L
8. It shall be contained with the regulation concerning the prevailing Standard Review for the respective APIP K/L
9. It shall be contained with Letter of Assignment to conduct RKA-K/L
10. It shall be contained with date of the assignment letter
11. It shall be contained with composition, name, and NIP of the RKA-K/T Review
12. It shall be contained with the date on which the assignment of RKA-K/L review is commenced
13. It shall be contained with the date on which the assignment of RKA-K/L review is ended
14. It shall be contained with name of echelon I to be reviewed
15. It shall be contained with sum of budget allocation based on the indicative budget ceiling at echelon I (in Rupiah)
16. It shall be contained with the detail of expenditure and fund resource based on the indicative budget ceiling
17. It shall be contained with number KMK concerning the stipulation of the indicative budget ceiling
18. It shall be contained with name of echelon I to be reviewed
19. It shall be contained with sum of budget allocation based on the budget ceiling of echelon I (in rupiah)
20. It shall be contained with detail of expenditure and fund resource based on the budget ceiling
21. It shall be contained with code, detail activity, Target Activity, Type of Priority (N = National Priority, B = Field Priority, 0 = Non Priority), and the sum of rupiah for the respective activity
22. It shall be contained with detail upon RKA-K/L review result
23. It shall be contained with name of the echelon I to be reviewed
24. It shall be contained with date and month of the LHR preparation approval
25. It shall be contained with name of the APIP K/L official who is responsible to the RKA-K/L review result.
26. It shall be contained with NIP of the APIP K/L Official who is responsible to the RKA-K/L review result.

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MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA

signed

MUHAMAD CHATIB BASRI

Copy as its original version
HEAD OF GENERAL BUREAU
for him
HEAD OF ADMINISTRATIVE DEPARTMENT
OF THE MINISTRY
signed and stamped
GIARTO
NIP 195904201984021001
PROCEDURE FOR THE STUDY OF RKA-K/L

The study of Working and Budget Plan of the State Ministry/ Institution (RKA-K/L) constitutes the study forum of RKA-K/L between the Ministry/ Institution with the Ministry of Finance and the Ministry of Planning. The RKA-K/L document that has been studied in the study forum constitutes the planning and budgeting documents that consist of program and activity of a State Ministry/ Institution (K/L) that is prepared in accordance with the mandate as set forth in PP Number 90 year 2010 on the Preparation of RKA-K/L. The study of RKA-K/L document is intended to ensure matters as follow:

a. Working plan that is included in the RKA-K/L shall be consistent with of which is included in the RKP;
b. In order to achieve such performance plan, it shall be allocated the efficient in the level of planning;
c. Within its allocation, it has followed the provision on the application of integrated budgeting, budgeting on performance basis and framework of midterm expense.

Therefore, performance planning that is included in RKA-K/L constitutes the performance plan of K/L to meet the task and function in accordance with the government policy and the planning is allocated in efficient. Study of RKA-K/L is conducted in 2 (two) methods as follow:
a. **Face-on-Face Study**

*Face-on-Face* study constitutes the study carried out jointly with the related party who conducts the study at a place in the Ministry of Finance c.q Directorate General of Budget.

b. **Online Study**

Online study of RKA-K/L constitutes the virtual study using the computer device and internet media, in which the related party who conduct the study is at the respective task.

1. **Scope of RKA-K/L Study**

Scope of RKA-K/L Study for the Budget Ceiling of RKA-K/L and Budget Allocation K/L consist of the research that includes the administrative and substantive criteria

1.1 **Administrative Criteria**

Administrative criteria aims to examine the completeness of document to be utilized in the RKA-K/L study. The study of administrative criteria consist of the study toward:

a. cover letter of RKA-K/L;

b. statement letter of the echelon I official or the other official who has the budget allocation (portfolio) and as the program responsible person;

c. RKA-K/L;

d. list of the detail budget ceiling per satker/ echelon I;

e. RKA Satker; and

f. Computer Data Archive (ADK) RKA-K/L.

1.2 **Substantive Criteria**

Substantive criteria aims to examine the conformity, relevance, and/or consistence from each part of RKA-K/L. Study of substantive criteria consists of:

a. conformity of data in RKA-K/L with the Budget Ceiling/ Budget Allocation K/L;
b. conformity between the activity, activity and its budget;

c. relevance of the component/ step with the output (for output that has not been stipulated by the Minister of Finance as SBK);

d. consistence in the inclusion of target performance K/L with RKP; and

e. consistency in the inclusion of forward forecast for the next 3 (three) years.

2. Preparation for RKA-K/L Study

2.1 Matters that should be considered prior to Study the RKA-K/L

There are some matters that should be considered in the Study of RKA-K/L, namely:

a. The submitted ADK RKA-K/L should prior validated by DJA

DJA conducts validation toward the ADK RKA-K/L submitted by K/L to ensure the conformity with the principles of SPAN. In case the result of validation is not accordance with the principles of SPAN, ADK will be returned to be revised, and at no longer than 2 (two) days after return it should be resubmitted to DJA.

b. Study document consists of:

1) Cover Letter signed by the Minister/ Head of Institution or the appointed official;

2) Statement Letter of the echelon I official or the other official who has budget allocation (portfolio) and as the program responsible person;

3) RKA-K/L that has been reviewed and examined;

4) List of Budget Ceiling Detail per Satker/ Echelon I;

5) RKA Satker; and

6) Computer Data Archive (ADK) RKA-K/L.

Completeness and correctness of the study document constitutes the responsible of the Schelon I unit and Satker.

c. Ministry of Finance c.q Directorate General of Budget conduct the study focuses to:
1) conformity data in RKA-K/L with the Budget Ceiling K/L stipulated by Minister of Finance;
2) conformity among the Activity, Output, and its budget; and
3) relevance on the Component/ Step and the Output.

d. Ministry of National Development Planning/ Bappenas conduct the study that focus in the consistence of performance target in RKP with RKA-K/L, as well examining the quality of GBS (if any);

e. Ministry of Finance c.q DJA does not conduct the study up to the level of detail or expense item, yet it is only up to the level of component/ step. The study shall be focused to the performance to be achieved by K/L;

f. Budget allocation whose purpose still have not been clear will be inputted as the Reverse Output, while of which has not met the requirement will be marked as "@" and given the notes in DHP RKA-K/L.

2.2 Parties involved in the Study of RKA-K/L along with its Duty and its Roles:

1) Ministry of Finance
   Ministry of Finance c.q DJA as the coordinating in the process study has the task:
   a. Preparing the schedule of study and delivering invitation/ notification concerning the time for study to the Ministry of Planning and K/L.
   b. Uploading the ADK RKA-K/L for validating (by system).
   c. Within the process of study, DJA examines:
      1) completeness of the study document;
      2) conformity data in RKA-K/L with the Budget Ceiling K/L stipulated by Minister of Finance;
      3) conformity among Activity, Output and its budget;
      4) relevance Component/ Step with the Output; and
      5) forward forecast for the next three years.
2) Minister of Planning

For the purpose of study, duty of the Minister of Planning are:

a. Preparing the required documents in the process of study.

b. Maintaining the Performance target consistence K/L includes the output volume and Performance Activity Indicator RKA-K/L with RKP.

c. Examining the quality of GBS (if any).

3) State Ministry/ Institution

a. Following the schedule of study prepared by DJA.

b. Preparing the required documents in the process of study.

c. Ensuring the reviewer officer that will follow the study.

2.3 Document That Should B Prepared in the RKA-K/L Study

1) Ministry of Finance

Ministry of Finance c.q DJA as the reviewer should prepare the study instrument that will be the reference when examining the RKA-K/L document. Matters that should be prepared shall be as follow:

a. Decree of the Minister of Finance on the Budget Ceiling K/L;

b. Regulation of the Minister of Finance on the Guidance for Preparation and Study of RKA-K/L;

c. RKA-K/L delivered by K/L;

d. Baseline review result;

e. Regulations related to the budget allocation;

f. Renja K/L and RKP of the planned year;

g. Agreement result of Trilateral Meeting;

h. Output Standard Cost (SBK).

2) Ministry of Finance

a. Renja K/L and RKP of the planned year;

b. Agreement result of Trilateral Meeting concerning with the national activity priority and field of priority that informs the performance target to be achieved;
c. Result of the session for proposal of the New Initiative budget that is approved (if any);

d. GBS (if any).

3) State Ministry/ Institution

For the purpose of RKA-K/L study with the Ministry of Finance, K/L should prepare:

a. Assignment Letter for study;

b. RKA-K/L that has been examined by APIP K/L and Planning Bureau K/L;

c. RKA Satker;

d. List of the Budget Ceiling Detail per Satker/ Echelon I;

e. Target and budget ceiling PNBP (if any);

f. GBS (if any); and

g. Computer Data Archive (ADK) RKA-K/L.

3. Mechanism for the RKA-K/L Study

3.1 Mechanism of the RKA-K/L Study Based on the Budget Ceiling

3.1.1 Steps of Study

Official and reviewer officer of the Ministry of Finance c.q DJA and Ministry PPN/ Bappenas conducts the RKA-K/L study with the reviewer study of K/L.

a. Study on the administrative criteria:

1) Cover letter RKA-K/L should:

   a) be signed by the minister/ head of institution or the appointed official (equal to level Echelon I);

   b) In case the cover letter RKA-K/L is signed by the appointed official, the appointment letter should be attached.

2) Statement Letter of the echelon I official should:
a) be signed by the echelon I official or the other official who has budget allocation (portfolio) and as the program responsible person;

b) In case the statement letter is not signed by the echelon I official or by the appointed official, such statement letter should be returned for revision.

3) RKA-K/L

Administrative criteria of RKA-K/L whose document completeness and signing should be examined, namely:

a) Form 1 for recapitulation for all echelon I unit signed by the Minister/ Head of the Institution; and

b) Form 2 and Form 3 for the respective echelon I shall be signed by the echelon I official who has budget allocation (portfolio) and as the program responsible person.

4) List of the budget ceiling detail per satker/ echelon I

It shall be conducted by examining:

a) sum of satker and budget ceiling for the respective satker compared to the total budget ceiling/ budget allocation for echelon I unit related to Form 2 RKA-K/L; and

b) signing of List of the Budget Ceiling Detail per Satker/ Echelon I.

In case the budget ceiling/ budget allocation is based on the list of budget ceiling per satker/ echelon I is different with the total budget ceiling/ budget allocation at the Form 2 RKA-K/L for the concerned echelon I unit, the list of budget ceiling detail per satker/ echelon I shall be returned for revision.

5) RKA Satker;

Study of RKA Satker shall be conducted by examining the sum of RKA Satker that is submitted to be compared with the sum of satker in the list of the budget ceiling detail per satker/ echelon I.
6) Computer Archive Data (ADK) RKA-K/L;
ADK is automatically validated by the system to view its conformity with the principles of SPAN. In case the ADK is not valid will be returned to be revised.

7) Approval of the related DPR’s Commission, shall be conducted by ensuring RKA-K/L is signed by:
   a) Chairman of the commission; and
   b) three representatives of Vice Chairman of the commission.

In case the submitted RKA-K/L to the DJA has not been approved by the related DPR’s commission, RKA-K/L study remain can be conducted as long as the administrative document is complete and the related information that has not been approved by the related DPR's commission is included into the “Note of Revision Result”.

b. Study of the substantive criteria, namely:

1) conformity data in RKA-K/L with the Budget Ceiling/ Budget Allocation k/L.

   Study to the conformity data in RKA-K/L with the Budget Ceiling/ Budget Allocation k/L shall be conducted by comparing the RKA-K/L document with the Budget Ceiling/ Budget Allocation k/L, includes:
   a) Total Budget Ceiling K/L;
   b) Total Budget Ceiling per Fund Resource;
   c) Budget Ceiling per Program;
   d) Budget Ceiling per Function;
   e) Detail of the Fund Resources per Program; and
   f) List of the Budget Ceiling Per Satker with RKA Satker.

   In case the shift of inter-Program budget ceiling and has obtained the approval from DPR-RI, matters that should be done to ensure:
a) In case the shift is used to add the Operational Expense and does not reduce the national priority performance target, the study can be continued; or
b) In case the shift is used to add the national priority performance target and does not reduce the Operational Expense, the study can be continued; or
c) In case the shift resulted from the reorganization, the change has been accommodated in the data of Renja K/L at Bappenas;
d) Study can be continued and result of study shall be included into the Note of Study Result.

2) Conformity among activity, output and its budget

Study on the conformity among activity, output and its budget shall be conducted by comparing between RKA-K/L of the previous year with the RKA-K/L of the planned year to ensure that the budget allocation has been included in RKA-K/L of the planned year has been in accordance with:
a) Formulation of the function duty of the related echelon I unit; or
b) Legal basis or the Government Policy or President’s Directive that bases the budget allocation.

In case there is the same Activity/Output to RKA-K/L of the previous year, but the budget allocation is different, matters that should be conducted are for ensuring:
a) Is the difference resulted by the New Component;
b) Is there any change in the Activity’ sum of volume;
c) In case the status quo, difference of the remaining budget that is allocated to the other Output or included into the Reverse Output;
d) Study can be continued and result of study shall be included in the Note of Study Result.

In case there is the Activity/ new initiative Output whose budget allocation has been very different to the existing Activity/ Output, matters should be conducted for ensuring:

a) Is there any different Component that is applied as the basic for calculation of the budget allocation?

b) Is the sum of Activity volume different?

c) In case the basis for calculation is the same, the surplus of budget that is allocated to the other Output or included in the Reverse Output;

d) Study can be continued and study result shall be included into the Note of Study Result.

3) Relevance of Component/ Step with the Output

Relevance of Component/ Step with the Outcome is conducted to ensure:

a) Is there any Component that is not directly linked to the achievement of Output. In case there is any component that is not directly linked, then:

1) Budget allocation for the concerned component shall be forwarded or added to the other Component in the same Output and add the Output volume; or

2) Budget allocation for the concerned component shall be forwarded or added to the other Component in the different Output and add the Output Volume; or

3) Budget allocation for the concerned Component shall be included into the Reverse Output in the same Activity.

4) Study can be continued and the result of study shall be included in the Note of Study Result.
Study on relevance to the component/step with the output shall be conducted, only for the Output that has not been stipulated by the Ministry of Finance as SBK. While for the Output that has been stipulated by the Minister of Finance as SBK, study only be conducted to match the sum of money in achieving the Output between RKA Satker and SBK.

b) Is there any Component that is wrongly placed. In case there is any wrongly placed component, as result:
   i. The concerned Component and its budget location shall be excluded from the output and included into the separate Output; and/or
   ii. Budget allocation for the concerned Component shall be forwarded and added to the other Component in the existing Output and add the Output volume;
   iii. Study can be continued and result of study shall be included in the Note of Study Result.

c) Is there any Component whose budget allocation is plentiful (inefficient). In case there is any plentiful budget allocation at the component, then:
   i. it shall be added into the other Component in the same Output and add the Output volume;
   ii. it shall be forwarded and added to the other Component in the different Output and add Output volume; and/or
   iii. it shall be included in the Reverse Output in the same Activity;
   iv. Study can be continued and result of the study shall be included in the Note of Study Result.
4) Consistence in the inclusion of performance target K/L with the RKP

Study of consistence in the inclusion of performance target K/L with the RKP shall be conducted for ensuring:

a) Type and volume Output stipulated in RKP included in the same RKA-K/L, it shall be conducted with the steps as follow:

i. In case the different type and volume Output constitutes the national priority and has been approved by the related Commission of the DPR-RI, ensure Bappenas can approve the change in question and has been accommodated in the change of Renja K/L and RKP.

ii. In case the diminished output Volume constitutes the continued Output from the previous year, ensure the change in question has been accommodated in the change of Renja K/L and RKP.

iii. In case the diminished Output volume constitutes the continues Output, particularly the multi years contract, ensure the change in question has obtained the approval of re-composition by the Minister of Finance.

iv. In case the inclusion of the different Output type and volume has not obtained the approval from DPR-RI, budget allocation in RKA-K/L shall be given with the notes.

v. Study can be continued and result of study shall be included in the Note of Study Result.

b) Type and Output volume of the new initiative that is included in the RKA-K/L shall have the reference in RKP, it is made with the steps as follow:
i. Ensure the legal basis or assignment as the basic of budget allocation has been available.

ii. Ensure the Output data has included in the reference RKA-K/L.

iii. Study can be continued and result of study shall be included in the Note of Study Result.

iv. In case the legal basis or assignment as the basis for the budget allocation has not been available, budget allocation in RKA-K/L shall be given with the notes.

C) Is there any change of formulation for the Outcome, Primary Performance Indicator, and the Activity Performance Indicator in RKA-K/L, steps below shall be conducted:

i. Ensure the change has accommodated in the change data of Renja K/L and RKP;

ii. Ensure the change has included in the reference of RKA-K/L;

iii. Study can be continued and the result of study shall be included in the Note of Study Result.

D) Is there any change in the Program formulation and/or Activity due to re-organization, shall be made with the steps as follow:

i. Ensure the legal basis or approval from the Minister of PAN and Bureaucracy Reform has been available;

ii. Ensure the change has been accommodated in the change of Renja K/L and RKP data;

iii. Ensure the change has included in the reference of RKA-K/L;

iv. In case the legal basis or approval from Ministry of State Apparatus Empowerment and Bureaucracy
Reform has not be available budget allocation in RKA-K/L shall be given with the notes.

5) consistence in the inclusion of forward forecast for the next 3 (three) years.

Study of the consistence in the inclusion of the forward forecast for the next 3 (three) years shall be conducted to find out:

a) Is there the number of forward forecast far different with the budget allocation of the planned year, it shall be made with the steps as follow:
   i. Ensure that there is not any mistake in the inclusion of Output volume (too big) compared to the planned year;
   ii. Ensure the formula and calculation index of KPJM has been correct;
   iii. In case the mistake is occurred during the inclusion of Output or the mistake of formula and index KPJM, data improvement in ADK RKA-K/L shall be conducted;
   iv. Study can be continued and result of study shall be included in the Note of Study Result.

b) Ensuring the need of budget for the Operational Expense shall merely be calculated with flat policy approach for the next 3 (three) years, it shall be made with the steps as follow:
   i. Ensure whether the difference is resulted from the change of personnel database.
   ii. In case there is not any change in the personnel database, number of the forward forecast shall be improved with the assumption:
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- Output Volume shall be the same to the planned year;
- Budget allocation shall be the same to the planned year;
- The proposed addition for TA+1, TA+2, and TA+3 can be considered in the review of baseline of TA+1.

iii. Study can be continued and the study result shall be included in the Note of Study Result.

c) Ensuring the budget allocation for the Operational Expense related to the implementation of unit function duty, including of which has been the commitment, such as, multi years contract inputted to the forward forecast, steps below that should be conducted:

i. Number of the forward forecast shall be improved with the assumption:
   - Output volume for the Activity function duty of the same unit;
   - Budget allocation for multi years contract shall be calculated in accordance with the need of annual plan.

ii. Study can be continued and result of study shall be included in the Note of Study Result.

d) Ensuring the Activity/ Output and/ Activity component that is not continued is not inputted in the forward forecast, steps below shall be conducted:

i. Number of forward forecast shall be improved by making non continued Activity/ Output and/ or Activity component is changed to "0".
ii. Study can be continued and the result of study shall be included into the Note of Study Result.

e) Ensuring the legal basis or policy that bases the budget allocation that is still continued, is still effectively prevailing. Steps below shall be conducted:
   i. Number of forward forecast shall be improved by making non continued Activity/ Output and/ or Activity component is changed to "0".
   ii. Study can be continued and the result of study shall be included into the Note of Study Result.

c. Ministry of Planning, particularly, examining the substantive criteria in the form of consistence of the performance target of K/L with Renja K/L and RKP, namely:
   1) Examining the Program, Principal Performance Indicator (IKU) as well the Outcome K/L.
   2) Examining the category of activity, whether it is included in the national priority activity, field priority activity or K/L priority.
   3) Examining the consistence in the formulation of Output in the RKA-K/L document to the Output available in Renja K/L and RKP.
   4) Examining the consistence in Output Volume in RKA-K/L document with the Renja K/L document and RKP of the planned year.
   5) Examining the consistence in Output with its activity performance indicator (in the RKA-K/L document and Renja K/L and RKP).

d. Exceptional Provision of Satker BLU and ARG Study
   1. Study of BLU
      Study of RKA Satker BLU shall be prioritized to the matters as follow:
i. Examining the program and activity conducted by Satker BLU. Program and activity that are applied in the preparation of RKA Satker BLU constitutes the part of program and activity resulted from reconstructing of the program and activity of the parent K/L.

ii. Examining the conformity of the budget ceiling in RKA Satker BLU with the budget ceiling of RKA-K/L, particularly, concerning with the fund resource (PNBP and Pure Rupiah) as set out in the Summary of Business and Budget Plan (RBA).

iii. Examining the conformity of the Minimum Service Standard (SPM) stipulated by the Minister/Head of Institution for the purpose of implementation of service activity to the public with RBA summary.

iv. Output included in the RKA Satker BLU refers to the application RKA-K/L program reference table.

v. Examining the budget allocation of baseline is the same to non BLU satker.

vi. In the process of RBA study, Directorate General of Budget can involve the Directorate General of Treasury.

2. Study of ARG

Study of ARG in the activity of Gender Responsive Budget (ARG), shall be prioritized at the matters as follow:

i. Ensuring that the budget allocation at the activity Output level that is categorized as ARG has been completed with the Gender Budget Statement (GBS).

ii. Reviewer officer of Bappenas examines the quality of GBS document (can be conducted prior the process of RKA-K/L study).

iii. Based on the explanation as set forth in letter a above, reviewer officer of DJA ensure that at the theme of
Gender Responsive Budget at the application has been checked that marked that the Activity output in question has been gender responsive.

4) Mechanism for the RKA-K/L Study Based on the Budget Allocation K/L

Study based on the K/L BudgetAllocation in the Ministry of Finance shall be conducted after the internal K/L conducts the review and examination carried out by APIP K/L and Planning Bureau. This study aims to check the conformity of data in RKA-K/L with the Budget allocation of K/L. Process of RKA-K/L Study after the stipulation of Budget Allocation shall be as follow:

1. Process of study shall be commenced by checking the RKA-K/L document completeness just like as process at the Budget Ceiling K/L added with the approval of the DPR.

2. In case the sum of Budget Ceiling K/L does not experience the change (equal to the Budget Ceiling k/L) then K/L shall remain deliver RKA-K/L and the supporting document along with the Computer Data Archive (ADK) RKA-K/L for studying. Result of RKA-K/L study in question become the basis for the stipulation of RKA-K/L by Director General of Budget and as the material for preparing the Presidential Degree (Kepres) on the Detail of Central Government Budget Expenditure (RABPP) along with its appendix.

3. In case the sum of Budget Ceiling Allocation K/L experiences the change, either in the addition or reduction then K/L delivers RKA-K/L and the study document along with the latest Computer Data Archive (ADK) RKA-K/L for re-study for the conformity of RKA-K/L with the Budget Ceiling Allocation K/L.
4. In regard with the amount of K/L Budget Ceiling Allocation in question is lower than the Budget Ceiling K/L, the study shall be conducted by examining RKA Satker with the conformity budget ceiling addition that is focused to:
   a. Addition of the type of Output, so that its type and volume increases;
   b. Addition of the Component to generate Output.

5. In regard with the amount of K/L Budget Ceiling Allocation is smaller than the K/L Budget Ceiling, the study shall be conducted by examining RKA Satker with the conformity budget ceiling reduction that is focused to:
   a. Output reduction due to the assignment, so that the type and volume reduced;
   b. Component reduction to generate the existing Output other than Salary and Office Operational Component.

3.1.2 Procedure for the online study

Online study uses computer and internet facility that involves the reviewer participant to interact in an online forum. In order to facilitate this study, Ministry of Finance c.q DJA has provided the web-basis application as the facility to conduct the study.

While the steps in the online study shall be as follow:

1. Preparation
   a. Preparing ADK RKA-K/L
      At this step, K/L prepares for ADK RKA-K/L DIPA that has been prepared using SPAN application or RKA-K/L DIPA. The latest data that has been approved at the level of K/L backup to make ADK RKA-K/L data.
   b. Preparing the invitation and time for study
Invitation contains the time for online study shall be prepared by DJA and delivered via K/L’s email that has been registered in DJA.

c. Preparing user ID (username)
User ID is used as the identity to login in the application RKA-K/L DIPA study in online. User ID shall be possessed by K/L (unit), DJA and Bappenas. In the process of study, the user ID for the satker can be added if it is necessary to explain the detail RKA-k/L DIPA.

2. Implementation
a. Login to the application of online study (K/L, DJA, and Bappenas)
Prior to conduct online study, firstly K/L and DJA login using user ID for the respective website http://rkakldipa.anggaran.depkeu.go.id

b. Upload ADK RKA-K/L DIPA data to the forum of study.
System automatically will validate the uploaded ADK RKA-K/L. The uploaded ADK RKA-K/L DIPA becomes the basis for commencing the online study.

c. Forum of study among DJA, Bappenas and K/L
Forum of study is established after echelon I unit K/L uploaded ADK RKA-K/L that automatically gives the notification to DJA and Bappenas to conduct online study. ADK RKA-K/L can be downloaded by the reviewer to be examined offline or viewed in detail up to the level of component in the forum. The study from DJA and Bappenas can give the commentary in the panel available and can be directly addressed by echelon I unit. In case the study requires the revision of ADK RKA-K/L, Echelon I Unit can conduct the re-upload ADK RKA-K/L DIPA that has been revised to be re-examined by the reviewer.
In case in the process of study requires explanation from the satker, Echelon I unit can propose to DJA to add the user Satker in the study forum.

4. Follow up of the RKA-K/L Study Result

RKA-K/L study result shall be included into the Note of Study Result and signed by the representative official of the K/L, Ministry of National Development Planning, and the Ministry of Finance. The official signatory of the Note of Study Result consists of:

a. K/L representative: echelon IV, echelon III official, and echelon II official at the Planning Bureau/Planning Unit K/L;
b. Ministry of the National Development Planning representative: staff, echelon III official, and echelon II official at the related Sectoral Deputy;
c. Ministry of Finance representative: echelon IV official, echelon III official, and echelon II official at the related Directorate I/II/III;

RKA-K/L that has been reviewed and the Note of Study Result that has been signed becomes the basis for the preparation and stipulation of DHP RKA-K/L by the Director of Budget I/II/III.

5. Particular Matters In the RKA-K/L Study

5.1 The change due to the Study

In case the RKA-K/L study result based on K/L budget ceiling or K/L budget ceiling allocation results the change of the performance allocation, such change can be conducted with criteria as follow:

5.2 The change associated with the Output formulation (Type and Unit), principally can be conducted as long as:

a. It has been agreed in the process of study;
b. It does not changes the Output that constitutes the National Priority Output Activity;
c. It is relevant to the stipulated Activity and Activity Performance Indicator;
d. There is the change of tasks and function at the concerned unit;
e. There is the additional assignment.
5.3 The changes associated with the formulation beyond the Output (Program, Principal Program Performance Indicator, Outcome, Activity and Performance Indicator), in case it is needed, it can be conducted as long as it has been agreed in the study process and constitutes the result of:

a. There is reorganization that result the change of tasks and function as well the organizational structure;

b. Such reorganization has the definite legal basis (Presidential Regulation (Perpres), approval of the Minister of the State Apparatus Empowerment and Bureaucracy Reform, Decree of the Minister/Head of the Institution in question);

c. The proposed change has been agreed in the Trilateral Meeting;

d. It has obtained the approval from the related commission in DPR.

5.4 Output/ Reverse Output

Based on the study result, in case there is budget allocation whose purpose is still unclear, then such budget allocation shall be included into the Reverse Output at the same activity/ type of expenditure. Reverse Output shall be used to collect the matters as follow:

a. Budget Allocation for the Activity/ Output that is not the tasks function of the unit and the legal basis has not been available;

b. Budget allocation for the same Activity/ Output with TA-1 (previous year) but its allocation is surplus;

c. Budget allocation for the Activity/ New initiative that is equal to the existing Activity/ Output, but the budget allocation is surplus;

d. Budget allocation for the component that does not directly associated with the Output achievement;

e. Budget allocation for the Component whose allocation is surplus;

f. Budget allocation whose purpose is still unclear and/ or Activity that previously has not been budgeted (unallocated).
Budget allocation at the reverse Output can be implemented/withdrawn after it has been revised guided with the provision concerning the procedure of budget revision.

5.5 Inclusion marking "@" and Notes in DHP RKA-K/L

Inclusion marking "@" and the provision "Note" shall be conducted as the follow up from the study based on K/L Budget Allocation, toward allocation whose purpose is clear, but:

a. Its allocation has not legal basis;

b. Agreement document (PHLN/ PHDN) and register number are not available;

c. It is still centralized and has not been distributed to the regional satker;

d. It still need the review result and approval from Bappenas;

e. It still need review result from the BPKP; and/or

f. Budget utilization detail is rejected by DPR;
### 7. Format and Guide

#### 7.1 Format RKA-K/L Study Notes

<table>
<thead>
<tr>
<th>STUDY NOTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORKING AND BUDGET PLAN OF THE STATE MINISTRY/ INSTITUTION</td>
</tr>
<tr>
<td>FISCAL YEAR 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STATE MINISTRY/ INSTITUTION</th>
<th>ORGANIZATION</th>
<th>SUM OF SATKER</th>
<th>SUM OF EMPLOYEES</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>RESULT OF STUDY</th>
<th>EXPEND 51</th>
<th>EXPEND 52</th>
<th>EXPEND 53</th>
<th>EXPEND 54</th>
<th>EXPEND 55</th>
<th>EXPEND 60</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>EXPEND 51</th>
<th>EXPEND 52</th>
<th>EXPEND 53</th>
<th>EXPEND 54</th>
<th>EXPEND 55</th>
<th>EXPEND 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. PROGRAM DETAIL</td>
<td>xxx.xx.xx program name</td>
<td>Sum:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. FUND RESOURCE (1+2+3)</td>
<td>xxx.xx.xx</td>
<td>Sum:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. MARKING WITH &quot;@&quot;/ NOTES</td>
<td>Sum:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. TYPE OF AUTHORITY (4+5+6+7)</td>
<td>xxx.xx.xx</td>
<td>Sum:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**RESULT OF STUDY**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>EXPEND 51</th>
<th>EXPEND 52</th>
<th>EXPEND 53</th>
<th>EXPEND 54</th>
<th>EXPEND 55</th>
<th>EXPEND 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>xxx.xx.xx 6. Co-administration</td>
<td>Sum:</td>
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<td></td>
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<tr>
<td>xxx.xx.xx 7. Joint Affairs</td>
<td>Sum:</td>
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<td></td>
</tr>
<tr>
<td>C. PROPERTY OF BUDGET ALLOCATION (8+9)</td>
<td>Sum:</td>
<td></td>
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<tr>
<td>xxx.xx.xx 8. Operational</td>
<td>Sum:</td>
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<tr>
<td>xxx.xx.xx 9. Non Operational</td>
<td>Sum:</td>
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</tbody>
</table>

**PARTICULAR MATTERS AND/ OR PENDING**


**OFFICER'S RATING/ COMMENTARY**


**BUDGET MARKED WITH "@"/ NOTE**


**OFFICIAL/ OFFICER REVIEWER**

<table>
<thead>
<tr>
<th>STATE MINISTRY/ INSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
</tr>
<tr>
<td>--------------------------------</td>
</tr>
<tr>
<td>1. ........................................</td>
</tr>
<tr>
<td>2. ........................................</td>
</tr>
<tr>
<td>3. ........................................</td>
</tr>
</tbody>
</table>

| NAME | DESIGNATION | Signature |
|--------------------------------|
| 1. ........................................ |
| 2. ........................................ |
| 3. ........................................ |
### MINISTRY OF FINANCE

<table>
<thead>
<tr>
<th>NAME</th>
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<tbody>
<tr>
<td>1.</td>
<td>Head of Section/ Echelon IV</td>
<td>1. ..........</td>
</tr>
<tr>
<td>2.</td>
<td>Head of Sub Directorate/ Echelon III</td>
<td>2. ..........</td>
</tr>
<tr>
<td>3.</td>
<td>Director of Budget I/ II/ III</td>
<td>3. ..........</td>
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</tbody>
</table>

### MINISTRY OF PLANNING

<table>
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<th>NAME</th>
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</thead>
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<tr>
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<td>1. ..........</td>
</tr>
<tr>
<td>2.</td>
<td>Head of Sub Directorate/ Echelon III</td>
<td>2. ..........</td>
</tr>
<tr>
<td>3.</td>
<td>Director ........</td>
<td>3. ..........</td>
</tr>
</tbody>
</table>
7.2 Format for RKA-K/L Compilation

**Form I RKA-K/L Compilation**

DETAIL OF THE CENTRAL GOVERNMENT BUDGET EXPENDITURE OF THE FISCAL YEAR 20XX
BY BUDGET PART, ORGANIZATIONAL UNIT, AND PROGRAM
(in thousand rupiah)

<table>
<thead>
<tr>
<th>CODE AND DESCRIPTION OF THE BUDGET PART, ORGANIZATIONAL UNIT, AND PROGRAM</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Form II RKA-K/L Compilation**

DETAIL OF THE CENTRAL GOVERNMENT BUDGET EXPENDITURE OF THE FISCAL YEAR 20XX
BY FUNCTION, AND SUB FUNCTION
(in thousand rupiah)

<table>
<thead>
<tr>
<th>CODE AND DESCRIPTION OF FUNCTION AND SUB FUNCTION</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**Form III RKA-K/L Compilation**

DETAIL OF THE CENTRAL GOVERNMENT BUDGET EXPENDITURE OF THE FISCAL YEAR 20XX
BY FUNCTION, SUB FUNCTION AND BUDGET PART
(in thousand rupiah)

<table>
<thead>
<tr>
<th>CODE AND DESCRIPTION OF FUNCTION, SUB FUNCTION AND BUDGET PART</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**Form IV RKA-K/L Compilation**

DETAIL OF THE CENTRAL GOVERNMENT BUDGET EXPENDITURE OF THE FISCAL YEAR 20XX
BY BUDGET PART, FUNCTION, AND SUB FUNCTION
(in thousand rupiah)

<table>
<thead>
<tr>
<th>CODE AND DESCRIPTION OF BUDGET PART, FUNCTION, AND SUB FUNCTION</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>CODE AND DESCRIPTION OF BUDGET PART, ORGANIZATIONAL UNIT, ACTIVITY, OUTPUT AND FUND RESOURCES</td>
<td>PURE RUPIAH</td>
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<tr>
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<table>
<thead>
<tr>
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<th>SUM N-1</th>
<th>SUM</th>
<th>SUM N+1</th>
<th>SUM N+2</th>
<th>SUM N+3</th>
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</table>
7.3 Format for the List Result of Study

<table>
<thead>
<tr>
<th>CODE</th>
<th>ORGANIZATIONAL UNIT</th>
<th>SUM SATKER</th>
<th>SUM OF BUDGET CEILING</th>
<th>FUND WITH NOTE</th>
<th>REVENUE TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
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SUM

DETAIL OF THE FUND RESOURCES

- RM
- PNBP/ BLU
- PHLN/ PDN

Detail budget allocation for the respective Organizational Unit in RKA-K/L TA 20XX as set forth in the Appendix that constitutes the integral part of the Presidential Decree on the Detail of the Central Government Budget Expenditure TA 20XX and become the basis for the preparation as well the legalization of DIPA TA 20XX.

Budget implementation stipulated in DHP RKA-K/L TA 20XX fully become the responsibility of the Budget User/ Budget User Proxy.

Jakarta, ...... November 20xx
ON BEHALF OF THE MINISTRY OF FINANCE
DIRECTOR OF BUDGET .....
7.4 Format for the Detail Budget Allocation Per Organizational Unit

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROVINCE</th>
<th>SUM</th>
<th>SUM OF BUDGET CEILING</th>
<th>FUND WITH NOTE</th>
<th>REVENUE TARGET</th>
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<td>(7)</td>
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</tr>
</tbody>
</table>

**APPENDIX DHP RKA-K/L**

Such budget allocation is detailed by location as follows: (in thousand rupiah)

<table>
<thead>
<tr>
<th>STATE MINISTRY/INSTITUTION</th>
<th>ORGANIZATIONAL UNIT</th>
<th>BUDGET CEILING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**SUM**
7.5 Guidance/ User Manual of the Online Study of RKA-K/L

A. Introduction

Online application of RKA-K/L constitutes the web-based information system within the scope of the Directorate General of Budget that is applied by the Directorate General of Budget itself, in this matter, the Technical Unit DJA (Budget I, Budget II, and Budget III), Ministry/ Institution, Echelon I unit from the Ministry/ Institution, and also Working Unit (Satker) under the Ministry/ Institution to access the information concerning the Program Reference, Activity, Output, Satker that is owned by the respective Ministry/ Institution, to download ADK RKA-K/L resulted from the revision process of RKA-K/L conducted by a K/L, Echelon I Unit, or the Working Unit, and also conduct the Online Study of RKA-K/L among Echelon I Unit K/L with the Technical Unit of DJA (Budget I, Budget II, and Budget III) and Bappenas. Online application of RKA-K/L consists of 5 modules, among other:

1. Module Reference
2. Module RKA-K/L
3. Module Online Study (Penelaahan Online)
4. Module Download ADK and PDF DIPA RKA-K/L
5. Module Utility

B. Scope and Purpose of the Program

Online application RKA-K/L module Online Study shall be divided into 4 sub main modules, namely:

- Beranda (Home)
  It shows the information concerning the list of Online Study Forum that is successfully established along with the date of commencing as well date of ending of such forum, as well the button to upload ADK RKA-K/L as the basis to conduct the online study of RKA-K/L.

- Menu Upload ADK RKA-K/L
  It manages the process of ADK upload for the first time that will be the basis for establishing the Online Study Forum and conducting study of RKA-K/L online.
• Menu Detail Online Study (Detail Penelaahan Online)
  It manages the process study of RKA-K/L online, either to conduct for giving
  the commentary, attaching the study supporting data with the file type of
  images, pdf, word, and excel, showing the note of study, as well closing the
  study forum.
• Menu Report (Laporan)
  It consists of Print Working Sheet RKA-K/L (Cetak Kertas Kerja RKA-K/L) to
  shoe the printing of working sheet RKA-K/L resulted from the upload ADK
  RKA-K/L and Print Study Forum (Cetak Forum Penelaahan) to show the
  printing of study forum result of RKA-K/L. Both menu of this report show
  the report in pdf format.

C. System Requirement

  This application can be accessed from computer/ PC that is connected to the
  internet or intranet of the Ministry of Finance and internet browsers installed
  (Mozilla Firefox, Internet Explorer, Google Chrome, Opera, etc).

D. Getting Started RKA-K/L DIPA Online

In order to get started with the application, open your browser and type url
as follow: http://rkakldipa.anggaran.depkeu.go.id at your browser. Your login
page of application RKA-K/L DIPA Online will appear at your browser.

E. Login Application RKA-K/L DIPA Online

The first view that will appear is the filling form of User ID, Password, and
Fiscal Year (Tahun Anggaran) that has previously been made by the
Administrator of RKA-K/L DIPA Online Application. The interface of login page
as shown at the page below:
In case the user forgets his/ her User ID and Password that has been given by the Administrator, then the User use the menu Lupa Password by clicking the link 'Lupa Password' under the login button as shown by red arrow below.
After clicking the link 'Lupa Password", then the application will direct us to the menu "Lupa Password”. In this menu, we will be required to fill User ID used to login into the application RKA-K/L DIPA Online, email that is firstly registered by the user when update the user’s data when firstly login into the RKA-K/L DIPA Online, and the confirmation of Security Code, User ID and Password RKA-K/L DIPA Online will be sent to the email inputted as shown figure below:

![Figure 3. Menu "Lupa Password"](image)

F. Main Page

User who successfully login will enter the main page. At the main page, all modules application RKA-K/L-DIPA are shown. It is only the authorized user who can access such modules.
Figure 4. Main Page of the RKA-K/L DIPA Online Application
G. Process of Online Study

1. Business Process of Online Study
2. System of Online Study

System of Online Study (Sistem Penelaahan Online) constitutes one of the application modules or module available at RKA_K/L DIPA Online. Sistem Penelaahan Online constitutes the application applied as the media to conduct the Online Study of RKA-K/L among the Ministry of Finance in this case is the Director General of Budget with its stakeholders, namely the State Ministry/ Institution (Echelon I Unit of K/L) and also Bappenas. By the presence of this application, it is expected to facilitate the study process of RKA-K/L in which previously the Study was conducted in DJA, then after the presence of this application it will reduce the direct meeting intensity among DJA, Echelon I Unit K/L, and Bappenas, in which the meeting can be held at their respective office or elsewhere in condition that it is connected to the internet network to open RKA-K/L Online Application.

Figure 2.1 Position of the Online Study System
Figure above explains the position of Online Study System featured at the RKA-K/L Online Application. We can select the menu "Penelaahan Online" >> Sub Menu Forum Penelaahan Online.

First page that will be featured at "Sistem Penelaahan Online" is "Beranda". It will feature:

a. Information concerning list of "Forum Penelaahan Online" that has been successfully established.

b. User conduct upload ADK RKA-K/L for "Penelaahan Online".

c. Date of commencement and date of ending of "Forum Penelaahan".

d. Button to conduct upload ADK RKA-K/L as the basis to conduct RKA-K/L Online study.

*Beranda* features the page as follow:

![Image of Online Study System](image.png)

*Figure 2.2 Main Page Study Online*

If the link of forum name at the column of "Kementrian/ Unit Eselon I - Forum", it will take us to the detail page of "Penelaahan Online" of the forum that has been established from the result of Upload ADK RKA-K/L in which the Upload ADK RKA-K/L constitutes the trigger to establish "Forum Penelaahan Online".
3. Upload ADK RKA-K/L for the Study

Menu "Upload ADK RKA-K/L" functions to manage the process upload ADK for the first time that will be made as basis for establishing 'Forum Penelaahan Online' and conducts the RKA-K/L Study Online. In order to enter this menu, we can click Upload button at the first page of Penelaahan Online/ Beranda as shown at the figure below:
In the menu Upload ADK RKA-K/L there is the filling form of the Kementrian, Unit, Jenis ADK, andAttach File ADK. For the filling form Kementrian and Unit will be filled automatically by the system in accordance with the authority of the user. User only select Jenis ADK and select file ADK to be uploaded, there are some condition, namely:

- ADK to be uploaded shall be the ADK with format D01_DDDUU_PP_SSSSSS_K.(the 2 last digits is Fiscal Year) in which DDD is the code of the Ministry, UU is the Code of Echelon I Unit, PP is the Program Code, SSSSSS is the Code Satker, and K is the Authority.

Example: D01_01503_00_000000_0.14

- The uploaded ADK comes from the backup uses menu "Utiliti" - Send Data Resulted of Validation with the Parameter Backup Kem-Unit in RKA-K/L DIPA Application.

- User can conduct the Upload ADK RKA-K/L Study only the user with authority as Echelon I Unit K/L.
After user Echelon I Unit K/L is successfully conduct Upload ADK RKA-K/L, then "Forum Penelaahan" will be established in accordance with the format k/L - Unit Echelon I - Type of Forum (Budget Ceiling or Budget Ceiling Allocation) and the system automatically will send notification email that contains the information concerning the establishment of "Forum Penelaahan Online" to Unit Echelon I that conducts Upload ADK RKA-K/L and also to the Technical Unit DJA that handle K/L from such Echelon I Unit.

4. Online Study Process of RKA-K/L (Detailed Online Study)

After Echelon I Unit K/L successfully conduct the Upload ADK RKA-K/L and receive notification email that contains the information concerning the establishment of "Forum Penelaahan Online" of which is also sent to the Technical Unit of DJA, then each user’s authority, which is the Echelon I Unit K/L User, Technical Unit of DJA and Bappenas User can commence the RKA-K/L online study, unless user with the satker authority, user with satker authority just can participate to conduct the Online Study after it is proposed by Unit Echelon I - and approved by the Technical Unit of DJA.

For the purpose of getting started the RKA-K/L Study Online, user enter into the page of "Beranda Penelaahan Online", list of "Forum Penelaahan" featured in accordance with the authority for the respective user. Here below is the link name of forum that should be clicked:

![Link Name of Forum Penelaahan Online](image)

Figure 4.1 Main Page Online Study and Link name of Forum *Penelaahan* Online
After clicking the link of such name of forum, then we will enter into the detail online study. Inside the detailed page of online study, the user will conduct RKA-K/L Online Study. At the figure below, will be explained the features at the detail page of online study:

**Figure 4.2 Detailed Page of Online Study**

1) **List Forum**

Functions to feature list of "Forum Penelaahan Online" is in accordance with the authority of the respective user Echelon I Unit.

2) **Print Forum**
It functions to print the result of study in the format of pdf, as shown at the figure below:

![Figure 4.3 Print "Forum Penelaahan"](image)

3) Table of the Detail ADK RKA-K/L resulted from upload

It functions to feature the detail of ADK RKA-K/L. The first table contains the Program of Echelon I Unit K/L along with its budget ceiling. If such link of Program name is clicked, then it will feature the table that further contains Program Budget Ceiling (Pagu Program), Sum of Satker (Jumlah Satker), Sum of Activity (Jumlah Kegiatan), Sum of Output (Jumlah Keluaran), respectively can be detailed by the presence of link in Pagu Program, Jumlah Satker, Jumlah Kegiatan, Jumlah Keluaran. If we click the link in Jumlah Satker, then it will feature the table contains the list of satker in such program along with sum of budget ceiling. If we click Jumlah Kegiatan, then it will feature table that contains the list of Activity in such program along with its budget ceiling. If we click the link
**Jumlah Keluaran** that is in such program, then it will feature the table that contains list of output in such program along with its budget ceiling. The respective detail constitutes the last level from the detail of ADK RKA-K/L that if the link is clicked, it will feature the working sheet RKA-K/L in accordance with the level of satker, Activity, or Output as shown below:

<table>
<thead>
<tr>
<th>No.</th>
<th>Kode</th>
<th>Program, Kegiatan, Sub Kegiatan, dan Rincian (K/R)</th>
<th>Jumlah Keluaran</th>
<th>Budget Ceiling</th>
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</thead>
<tbody>
<tr>
<td>1</td>
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<td>Pemangkatan Migas, Ulang, dan Migrasi Keuangan</td>
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<td>Pemangkatan Migas, Ulang, dan Migrasi Keuangan</td>
<td>000,000</td>
<td>000,000</td>
</tr>
<tr>
<td>3</td>
<td>018</td>
<td>Pemangkatan Migas, Ulang, dan Migrasi Keuangan</td>
<td>000,000</td>
<td>000,000</td>
</tr>
</tbody>
</table>

Figure 4.4 Working Sheet RKA-K/L

4) **Download Link of the file resulted from upload/ attachment**

   Each uploaded file or attached file through the posting of commentary will be featured in the column of commentary (*komentar*) that is successfully saved.

5) **Tools to edit the commentary**

   User can edit the format of commentary to be posted as at Microsoft Word/ other word processor, such as, changing the font size, type of font, change the color, setting the paragraph, etc.

6) **Add User of Satker**

   It functions to add user Satker that will be involved in "**Forum Penelaahan Online**". The addition of User Satker is only be carried out by the user with the authority of Echelon I Unit k/L. After User
Satker is added by Echelon I Unit K/L, it automatically cannot directly enter into the "Forum Penelaahan Online", but firstly should obtain the approval from the Technical Unit of DJA.

7) Button "Kirim Komentar"
   It functions to send the commentary that has been clicked at the column commentary. We also can attach the supporting file in the form of image, pdf, doc, docx or file ADK that simultaneously conducted at the time of sending the commentary.

8) Upload Image
   If functions to upload images as the attachment when posting the commentary.

9) Upload the other supporting files
   It functions to upload the other files with the extension of pdf, doc, docx as the attachment when sending the commentary.

10) Upload ADK
   It functions to upload file ADK as the attachment when sending the commentary.

5. Process of new user addition (satker) by Echelon I Unit
   User with authority of satker just can participate to conduct the Online Study after being proposed by its Echelon I Unit and approved by the Technical Unit of DJA. In order to add the user Satker, Echelon I Unit can click the button of "Tambah User" at the bottom left corner of the column of "Komentar" as shown below:
Figure 5.1 Button "Tambah User"

After clicking button "Tambah User", Echelon I Unit K/L will enter into the menu "Tambah User Forum". In the menu "Tambah User Forum", Echelon I Unit should select the satker that will be added/involved into the "Forum Penelaahan Online". The selected user Satker can be more than one satker. Here below is the figure of menu "Tambah User Forum":

![Image of menu "Tambah User Forum"](image-url)
Figure 5.2 Menu "Tambah User Forum"
After adding the User Satker, then the notification email will be sent by the system to such user satker and it should wait for approval from the Technical Unit of DJA. In order to conduct the approval of this User Satker, the Technical Unit enters the main page of "Penelaahan Online, and at the column "Last User" at link "jumlah User Satker" proposed by Echelon I Unit as shown below:

Figure 5.3 Link sum of satker (jumlah satker) proposed by Echelon I Unit

Technical Unit of DJA then clicks at such link and will enter into the menu Approve Permohonan User Forum. In such menu, there is the list of User Satker that should be approved by the Technical Unit of DJA. In order to conduct the approval, then the Technical Unit of DJA should click the button with image checklist at the most right column from each user satker that is proposed as shown in the figure below:
After being approved by the Technical Unit of DJA, then the notification email will be sent to the User Satker in question and such user Satker can enter into the Forum Penelaahan Online from its Echelon I unit.

6. Approval the Note of Study by Echelon I Unit K/L

In this step, Echelon I unit attempts to review the note of study that has been made by the Directorate Technique of DJA, in case everything have been completed then Echelon I Unit can approve the note of study and further make it as the basis for the Directorate Technique of DJA to close "forum penelaahan online", but in case the note of study has not been in accordance with, then the echelon I unit can reject such note of study so that the Directorate Technique of DJA is obliged to upload the note that has been revised.
Prior conducting the approval toward the Note of Study, Echelon I Unit should wait the Technical Unit of DJA conducting the upload of the Note of Study that has previously been saved from the Application of DSW (DJA Single Window) that is applied by the Technical Unit of DJA. While the steps taken shall be:
1) Technical Unit of DJA should firstly login to enter into the DSW Application using User ID and Password that has been provided by Administrator. Each user is granted with the authority in accordance with the K/L division that become its partners.

![Figure 6.2 Login Page of DSW Application](image)

2) After the user of Technical DJA successfully login, then the user will enter into the Main Menu of the DSW Application. At the Main Menu of DSW, user should click at DSW link as shown at the figure below:
Figure 6.3 Link DSW to enter into the DSW Form

3) After the user clicks the link at such DSW link, then the user will enter into the DSW Form. At this DSW Form there is the list of K/L up to the Satker, in order to upload the Note of Study, user should direct the cursor to the *Unit Eselon I* whose Note of Study will be uploaded, then click the Button 'Catatan Penelaahan' as shown at the figure below:
4) After the user click the button "Catatan Penelaahan" then the user will enter into form Catatan Penelaahan. The next step that should be made is selecting 'Kementrian dan Unit'. After the User select "Kementrian dan Unit", then the form will feature "Catatan Penelaahan" from the Echelon I Unit K/L that is selected. Afterward the user conduct the review toward such "Catatan Penelaahan", in case it has been in accordance with, the next step should save such Note of Study (Catatan Penelaahan) by clicking the button "Simpan". After "Catatan Penelaahan" is saved, the last step that should be taken by the user is uploading "Catatan Penelaahan" to "Penelaahan Online" by clicking the button "Upload ke Web" as shown at the figure below.
5) After Technical Unit of DJA conduct the upload of "Catatan Penelaahan" to "Penelaahan Online", then the echelon I unit K/L just can conduct the review in "Penelaahan Online" and conduct the approval or refusal such "Catatan Penelaahan".

7. Process in closing the "Forum Penelaahan" that has been completed by the Technical Directorate of DJA

After the Note of Study (Catatan Penelaahan) is approved by Echelon I Unit, then the technical Directorate of DJA can close such "Forum Penelaahan", hence the session of RKA K/L has been stated as completed. In case "Forum Penelaahan" has been closed, then the user cannot be able to conduct the giving of commentary or attaching the supporting data.

Button to close "Forum Penelaahan" is available at the bottom left corner at the column of "tambah komentar". This button will only appear if the user who conduct login is the Technical Unit of DJA and its Note of Study status has been approved by the Echelon I Unit.
Figure 7.2 Forum Penelaahan has been closed

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA

signed

MUHAMAD CHATIB BASRI

Copy as its original version
HEAD OF GENERAL BUREAU
for him
HEAD OF ADMINISTRATIVE DEPARTMENT
OF THE MINISTRY
signed and stamped
GIARTO
NIP 195904201984021001
GUIDANCE FOR THE ARRANGEMENT OF ADIK IN RKA-K/L

A. Introduction

Law Number 17 Year 2003 on the State Finance has mandated in order the budgeting in Indonesia uses the budgeting on performance basis that is outcome oriented.

Practically, the application of the budgeting on performance basis is varies, yet there is the same pattern that constitutes the foundation or main substance of the budgeting system on performance basis, namely:

1. the presence of strategic plan that includes the condition to be achieved (on outcome basis) and its achievement strategy based on the clear, relevant, and measurable logical framework;
2. the credible evaluation system that is capable to measure the achievement upon its implementation of the strategic plan mentioned above so that it generates the valid performance information; and
3. strategic information and valid performance information mentioned above become the integral part in the process of preparation and stipulation of the budget.

Government has conducted several efforts since 2004 in order to make the budgeting system on performance basis can run well in Indonesia. Such efforts surely can be adjusted to the capability of budgeting player in the overall Ministries/ Institutions, readiness of business process, and the information technology support.
Based on the evaluation result upon the application of budgeting system on performance basis for the last 8 years, there are lot of valuable matters that have been taken from such system application experience. From such experiences, Government insisted that beginning the fiscal year 2016, budgeting system on outcome basis will be fully implemented as mandated in the Law Number 17 Year 2003 as mentioned above.

Application of the budgeting system on outcome basis will be commenced by the arrangement of performance architecture in the RKA-K/L document of which further will be followed with the strengthening and sharpening the performance information to be more clear, more relevant and more measurable.

Guidance for the Arrangement of Architecture and Performance Information in RKA-K/L include the brief guidance concerning the mechanism of the performance information preparation in accordance with the principle of logical framework (logic model) of the program.

This guidance shall be divided into 5 (five) sub chapter, namely:

A. Introduction
B. Architecture of Performance on Outcome Basis in RKA-K/L
C. Definition, Criteria, and Mechanism for the Performance Information Preparation in RKA-K/L
D. Synchronizing the Performance Information Data among the RKA-K/L and Renja K/L as well Annual Working Plan (RKT)
E. Closing

In this guidance, several foreign terminologies remain to be applied for the mean of such terminologies is the equal to the mean as mentioned in several foreign reference that explain the budgeting system on performance basis.

B. Architecture of Performance on Outcome Basis in RKA-K/L

1. The Change of Performance Architecture in RKA-K/L

As all we know that the performance architecture applied at RKA-K/L since the beginning of financial reform in 2005 consists the components and structure as follow:
In 2009 and 2010 program and activity restructure have been made in which the program and activity structure were based on the organizational structure. Program and activity structure based on this organizational structure can be illustrated at the Chart 1 below and it was applied at RKA-K/L 2010-2015.

Chart 1
RKA-K/L Architecture
Based on the Organizational Unit

Performance architecture above is incredibly successful to deliver budgeting transformation system that prior the state financial reform is run purely based on the input based become more directed to the performance based budgeting on the output basis.
In line with the spirit in implementing the performance-based budgeting in full, it is required the strengthening strategic plan as set forth in Chapter - Introduction that is initiated with the arrangement of performance architecture in RKA-K/L. Such New Performance Architecture use the logical framework (logic model) approach on outcome basis whose components consist of:

a. Outcome
b. Output
c. Activity
d. Input
e. Indicator and target for the respective outcome and output.

Each component establishes a series that is capable to show the relationship and logical linkage between the expected condition of a program and strategy in achieving such expected condition. Broadly, relationship and linkage of each component can be illustrated in the Chart 2 below:
Logical relationship inter-components above, can be described as follow: "An outcome will be achieved in case the required Output has been available or produced. In order to make it available or produced, it is required several series of activity in which the implementation of several activities in question require several input (resource)".
Application of the new performance architecture in RKA-K/L is scheduled to be applied in RKA-K/L 2016.

Application of this performance architecture further will be followed with the strengthening and sharpening the performance information, either the outcome, output, activity, input formulation or the indicator and its performance target, so that the overall will be more clear, relevant, and measurable.

2. Main Consideration on the Need of the Change on Performance Architecture in RKA-K/L

The initial step that can determine the success of performance-based budgeting is the presence of clear, relevant, and measurable strategic plan of which there is the crucial point in the form of outcome and output determination at the strategic level. Based on the research upon the existing material of RKA-K/L it is found that the presentation of performance information still have several problems as follow:

a. the presented output is in fact still categorized as the input, so that the output is still too large and too detailed;

b. series relationship inter-activities with the program objective, inter activity, inter output, sub output and its component are not presented;

c. performance indicator still reflects the technical information and too detailed.

Such conditions are not found in the certain program, but they are occurred in overall program. Based on further analysis, it is found that the main factor that influences such condition above is the utilization of performance architecture on organizational structure basis.

The result of RKA-K/L research above, extremely in line with the opinion of the experts in the field of performance-based budgeting all over the world. In his book "Program Classification for Performance-Based Budgeting; How to Structure Budgets to Enable the Use of Evidence", Marc Robinson (2013) broadly states that the program structure that is based on the result is not equal to the organizational structure.
From the existing reference, it is related to the budget on performance basis and also the reference in associated with the program all over the world, said that the program structure on outcome basis is as set forth in the Chapter 2 above. Therefore, the change of performance architecture in RKA-K/L that will be implemented since RKA-K/L 2016 has been in accordance with the existing best practices.

C. Definition, Criteria, and Mechanism for the Performance Information Preparation in RKA-K/L

1. Outcome

1.1 Definition of Outcome

Outcome constitutes the condition that is expected to be achieved or maintained at the benefit receptor in certain period (long, middle, and short term).

1.2 Criteria of Outcome

Formulation of the fine outcome meet the criteria as follow:

a. outcome formulation should be in the external perspective (customer or target group);

b. outcome formulation should be specifically to the intervention carried out and that is not too broad/ general;

c. outcome should be measured and such measurable is shown by its indicator; and

d. outcome formulation had better made in the positive sentence, for instance, the sentence initiated with the word of "the decrease (menurunnya)", it had better to be changed to the word "the increase (meningkatnya)" and shall remaining to maintain the substance.

1.3 Mechanism of the Preparation of Outcome

Step that can be conducted in the formulation of outcome shall be as follow:
a. Understand the affair that becomes responsibility of the organization in question.

1) In order to assist to understand such affairs, it can be conducted with the identification of organization task and function in question.

2) understand its substance; what concern or main affair of the organization in question in fulfilling the objective of development. The more specific matters can be identified, the more helpful the process of information preparation at the next step.

3) Several questions to help the identification of specific affair, among other:

   i. What field that becomes the organization's affair (for instance, the economy)

   ii. Whether it can be more specific (please repeat this question until it can be identified in the most specific one). For instance, in case it is the affair of agriculture, is it in associated with the production, disease countermeasure, or the other problem. In case it is related to production, is it on the aspect of preparation, implementation, or its post-production, or overall production. And so on.

b. How large/ wide the scale or segmentation of such affair

Scale or segmentation can be based on the location (national or certain regional), age (below five-year-old, primary, old, etc), education, and/ or the other scale that can represent certain specific. The selected scale can be the combination, for instance, the location and age.

c. Identify, if such affair is fully the responsible of the organization in question.
In case there is other organization that contributes toward the affairs in question, mention such organization and what is the respective portion toward the affairs in question.

d. Identify and analysis the problem and/or the need.
   1) what is the problem and/or the specific need that is expected to be found and wish to be completed. Scope of the problem in here is not included the problem found in internal organization.
   2) Identify the source of problem, not its symptom. Improper identification on the cause of problem can lead to difficult of the next step.
   3) Is there any data that support the analysis of problem and/or need. Other alternative is to find out the problem and/or the need is through the literature study or deepening research result and/or the accountable result of research conducted by the experts.
   4) Identify the source of problem and/or need had better to be produced through a research. As much as possible it should be avoided to make the analysis on the basis of rumor, feeling, presumption, or other information that is not supported with the accountable data or evidence.

e. Identification of customer or target group
   1) Customer or target group constitutes the external party who will be served by the organization of the party that will be intervened upon the change that has been stipulated. Customer or target group can be people or institution.
   2) The more specific customer of target group is identified, the more facilitates next step and measure. Example for the identification of specific customer, for instance: coastal farmer, foreign investor. While the example that is too broad is the community.
3) In order to be the attention that it is not all external parties that are associated with the organization can be categorized as the customer or target group.

f. Identify the purpose that illustrates what wish to be achieved in several further year.

1) Identification of the objective can be conducted with:
   i. assistance of understanding about the vision of organization;
   ii. from the problem and/ or the need that have been formulated at the previous step;
   iii. identifying the objective contained in the formal document that includes several information associated with the objective of the organization in question.

2) The formulated objective should be in the perspective of customer or target group, the objective does not based on the internal organization's perspective.

g. Identify the change or which condition that should be realized in order the objective is achieved whose formulation can be made as the outcome.

1) Clearly formulate what kind of change expected. Have a look to the criteria of outcome formulation that previously has been explained.

2) Give the argument on why such condition or change is important. What is the relevance toward the situation that has been formulated at the previous step.

h. Arrange the outcome indicator. Mechanism of the indicator preparation shall be further explained in part E.

2. Output

2.1 Definition of Output
Output constitutes a final product resulted from the series process that is purposed to the customer or target group so that the outcome can be realized.

2.2 Criteria of the output

The excellent output shall meet the criteria as follow:

a. output constitutes the final product of the series of process;
b. it is used for the external program in question (customer or target group);
c. output reflects the interest and priority of the customer or target group;
d. output is not the input, process, nor the outcome of the program in question;
e. output should be measured and the measurable shall be showed by its indicator.

The main difference between the outcome and output shall be the output is commonly not directly "purchased" nor "produced", otherwise the output commonly can be produced.

Check the output that is presented with the approach of "seller" and "buyer"; what is sold of the program and what is purchased by the customer or target group from the program in question.

2.3 Mechanism of the Output preparation

Step that can be conducted in the output formulation shall be as follow:

a. Have a look to the outcome formulation that has been resulted.
b. Determine the final product that is needed by the customer or target group and directly can affect the outcome.

Understand the entire processes or cycles in the organization in question; because of a product for the external need but it is reused in the next process in the organization in question, it might that such matters not the final output so that it can be categorized as the output.
Be careful, never be trapped in the paradigm that an output should be in the form of physical object, for instance the document in the form of report of which in this perspective cannot be categorized as the output as such report is only the media.

c. Have a look again to the output that has been prepared and look again to the its conformity with the criteria that have been mentioned above.

Preparation for the output specification constitutes the continually process, that should be reviewed at least one time in a year, and can be improved/ revised in case it is needed.

The conducted review should consider the various aspects and interests, either program manager, or the other parties interested.

Potential difficulty faced at the output preparation shall be as follow:

1) difficulty in determining the output in associated with the regional autonomy (in fact it is the central government’s authority or regional);

2) output constitutes the assignment/ government policy;

3) output of a large project with large fund but it does not include in the input nor output classification.

In case we face the difficulties as mentioned above, identify the output in question and it can be accommodated as the performance information that during the process it can be re-evaluated, either in relation with the authority determination (central/ regional) or its urgency.
The other potential difficulty is to differentiate between input and output, as well between the output and outcome. Output is "what" is produced while Outcome is "why" the output need to be produced.

d. Arrange the output. Mechanism of the indicator preparation shall be explained in the part E.

3. Activity

Activity constitutes the process required to produce the output. In some references stated that the activity constitutes the mechanism in conversing the input becomes the output.

Step of activity formulation constitutes the business process formulation starting from the beginning to an output is produced or until the output is delivered to the customer.

4. Input

Input constitutes resource or precondition required during the activity is occurred to produce and deliver the output.

Input commonly includes:

a. human resources;
b. machine and equipment;
c. land and building;
d. data and information; and
e. norm/ system/ procedure/ provision.

5. Preparation of the Performance Indicator

5.1 Definition of Performance Indicator

Performance Indicator constitutes the marking that functions as the measurement tool in achieving the performance, either outcome or the output. Dimension of the performance measurement includes:

a. Quantity;
b. Quality;
c. Time (timeframe)
d. Location; and
e. Expense.

Other dimension can also be utilized as long as it is exceptionally needed in accordance with the need and interest of the interested parties by remaining to consider the aspect of certainty in its process of measurement. The other dimension is, for instance, "the reliability".

5.2 Criteria of the Performance Indicator

The excellent performance indicator shall meet the criteria as follow:

a. Relevant: reflecting the values upon the performance in question;

b. Well-defined: definition of the indicator is clear and does not have double meaning so that it is understandable and usable;

c. Measurable: the applied indicator is measurable with the certain measurement scale that has been agreed;

d. Appropriate: the selection of indicator that is in accordance with the effort in improving the performance; and

e. Reliable: the applied indicator is accurate and can follow the change of performance level.

Indicator is not everything that can be measured. Semantically, words such as "increasing", "adding", "achieving" are not the indicator criteria. Performance measurement that is stipulated should focus to the priority and interest as well the dimension of customer or target group.

5.3 Mechanism in the Preparation of Indicator

In this part, the guidance of mechanism in preparing the indicator, is general, which can be implemented at the time of indicator preparation of outcome or output.

There are 6 (six) steps in preparing the performance indicator, namely:

a. Formulate and arrange the size of performance in each level.
Size of performance should be in accordance with the objective of an activity/program in question and can illustrate the progress from a program in question. Preparation of the performance size shall be conducted in each level, which is the level of program and level of activity, which includes the size of performance for the outcome and output. Selection and preparation for the size of performance should consider the criteria as explained above.

b. Identify and formulate its comparison method

Size of performance is very useful and clearly visible when we can conduct a good and meaningful comparison. The comparison that commonly can be conducted among other:

1) inter-period comparison (year per year)
2) inter-region comparison (international, inter-province, inter-region)
3) inter certain group comparison (age, education, and so on)

c. Formulate the process of data gathering

Data is extremely required as the primary evidence that can show the progress of a performance achievement. The gathered data should be valid, it can be in the form of qualitative or quantitative data. The gathered data can be in the form of primary or secondary data. Lot of reference that explain the data gathering mechanism in complete that can be obtained in several literature.

d. Conduct the experiment of data gathering

Experiment of the data gathering is necessary to be conducted to ensure the availability of data in question when it is needed as well to find and anticipate several obstacles that might be faced when gathering the actual data.

e. Do the improvement upon the size of performance if needed

Size of performance preparation constitutes the learning process activity that can be improved during the process. But, it should be bearing in mind that if we made too many changes on the size
of performance it will difficult in viewing the progress of an outcome or output. Therefore, step 1 up to step 4 mentioned above should be conducted correctly so that we do not make the substantive change at every year.

f. Conduct the improvement upon the program framework and activity if needed.

If at certain current period, some obstacles are found in the provision of valid and reliable data as result the performance measurement cannot be conducted perfectly, we need to review the program and activity framework that have been prepared and conduct the improvement so that of which is included in the program and activity framework along with its size of performance is not only limited to the group of good sentences but they are difficult to be evidenced.

6. Preparation for the Target Performance

6.1 Definition of Target Performance

Target performance shows the target of specific performance that will be achieved in certain predetermined period. Target performance is commonly realized in the form of:

a. Number;
b. Percentage;
c. Ratio;
d. Point estimates; and
e. Range

6.2 Mechanism in the Preparation of Target Performance

Determination of the target performance can be conducted based on the series data (historical) or benchmarking information that are widely spread in several document/internet/other media.
Particular for the formulation of target outcome, in addition to fulfill the criteria as mentioned above, it also need to be considered in order to:

a. realistic (not to high/ ambitious or too low);

b. Determination of the size of performance and target more be adjusted at the external interest than to the ease in its measurement. Therefore, judgment is extremely required in this process although the principles above should be remaining maintained.

D. Synchronizing the Performance Information Data among the RKA-K/L and Renja K/L as well Annual Working Plan (RKT)

As it is known that in the planning and budgeting system, there are 2 (two) type of document that should be prepared by the Ministry/ Institution, namely Renja K/L document and RKA-K/L document. In the view of such documents there are the similarity in the type of data, then the same data in question can be integrated between them, which in the implementation can be supported by the information and technology system (IT).

Likewise when the State Ministry/ Institution prepares RKT that will be used as the basis for the preparation of LAKIP, data of performance available in the RKA-K/L also can be used to the preparation of RKT in question.

Integration process, as set forth above, will be delivered in the separate guidance from the Guidance for the Arrangement of Architecture and Performance Information herein.

E. Closing

In witness whereof, the brief guidance for the arrangement of architecture and performance information is prepared as the reference in preparing the planning and budgeting document within the scope of State Ministry/ Institution. Practically, a guidance will only give 20% - 25% upon the success
in preparing a fine and credible performance information, the remaining is approximately 75% - 80% is exceptionally determined by the quality of discussion of the preparer team. Therefore, in order to prepare the fine performance information, it is necessary to establish the team or group that consists of open and broad minded persons as well possess the vision and mission of the organization in question.

Step in the Preparation of Information Performance based on RKA-K/L Architecture/ Logic Model Basis

- Establish special team
- Arrange working agenda
- Change the mindset

1. Situation Analysis:
   - Need/ problem
   - Customer identification

2. Formulate the outcome

3. Indicator
   - target
   - Data Information Performance on LM Basis

4. Formulate the output

5. Indicator
   - target
   - Data Information Performance on LM Basis

6. Arrange the Activity

7. Identify the Input

- Ministry of Finance
- Bappenas
- Associated Institution
- Professional
- Academics

existent RKA-K/L Data (if needed)

= Critical step that determines the smoothness of the next step
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA

抄写其原版

HEAD OF GENERAL BUREAU

for him

HEAD OF ADMINISTRATIVE DEPARTMENT

OF THE MINISTRY

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