MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

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REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA

NUMBER 94/PMK.02/2013

CONCERNING

GUIDELINES FOR PREPARATION AND REVIEW
ON WORK PLAN AND BUDGET OF STATE MINISTRY/AGENCY

BY THE GRACE OF THE ALMIGHTY GOD

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Considering : a. whereas in order to implement the provisions of Article 6, paragraph (5) and Article 10 paragraph (7) of the Government Regulation Number 90 of 2010 concerning the Preparation on Work Plan and Budget of State Ministry/Agency, the Ministry of Finance has set the Regulation of the Ministry of Finance Number 112/PMK.02/2012 concerning the Guidelines for Preparation and Review on Work Plan and Budget of State Ministry/Agency;

b. whereas in the framework of strengthening the implementation of the medium term expenditure framework, integrated budgeting, performance-based budgeting and affirmation of the role of State Ministry/Agency and the Ministry of Finance in the preparation and review on Work Plan and Budget of State Ministries/Agencies, it needs to enact new provisions regarding the guidelines for preparation and review on Work Plan and Budget of State Ministries/Agencies set out in the Regulation of the Minister of Finance Number 112/PMK.02/2012;

c. whereas based on the considerations as referred to in point a and point b, it is necessary to stipulate the Regulation of the Minister of Finance concerning the Guidelines for Preparation and Review on Work Plan and Budget of State Ministry/Agency;

In view of : 1. Law Number 17 of 2003 concerning the State Finance (State Gazette of the Republic of Indonesia Number 47 of 2003, Supplement to the State Gazette of the Republic of Indonesia Number 4286);

2. Government Regulation Number 90 of 2010 concerning the Preparation on Work Plan and Budget of State Ministry/Agency (State Gazette of the Republic of Indonesia Number 152 of 2010,
To enact: REGULATION OF THE MINISTER OF FINANCE CONCERNING THE GUIDELINES FOR PREPARATION AND REVIEW ON WORK PLAN AND BUDGET OF STATE MINISTRY/AGENCY.

Article 1

(1) In the framework of the preparation of the State Revenues and Expenditures Budget (the State Budget), the Ministers/Head of Agencies prepare the Work Plan and Budget of Ministries/Agencies [Rencana Kerja dan Anggaran Kementrian Negara/Lembaga (RKA-K/L)] they lead.

(2) In addition to preparing RKA-K/L over the budget section of the Ministry of Finance, the Minister of Finance prepare RKA-K/L for the Budget Section of the State Treasurer, hereinafter called the Expenditure Fund Plan-of the State Treasurer [Rencana Dana Pengeluaran-Bendahara Umum Negara (RDP- BUN)].

(3) The Ministers/Head of Agencies are responsible for the accuracy and completeness of RKA-K/L along with the supporting documents.

(4) The procedure for the preparation and review of RDP-BUN as referred to in paragraph (2) is subject to the Regulation of the Minister of Finance concerning the procedures for planning, determining allocations and validating documents of budget implementation of the state treasurer.

Article 2

(1) RKA-K/L is prepared by referring the general guidelines for RKA-K/L, which includes:

   a. Approach to budgeting system, consisting of:
      1) medium-term expenditure framework;
      2) integrated budgeting; and
      3) performance-based budgeting.

   b. Budget classification, consisting of:
      1) classification of the organization;
      2) classification of functioning; and
3) classification of types of expenditure.

c. Instruments RKA-K/L, consisting of:
   1) performance indicators;
   2) costs standard; and
   3) performance evaluation.

(2) The general guidelines of RKA-K/L as referred to in paragraph (1) as set out in Appendix I are an integral part of this Regulation of the Minister.

Article 3

RKA-K/L is prepared based on:

a. Budget Ceiling of K/L set by the Minister of Finance;
b. Work Plan of Ministries/Agencies [Rencana Kerja Kementrian/Lembaga (Renja-K/L)];
c. Government Work Plan [Rencana Kerja Pemerintah (RKP)] as the results of agreement between the Government and the Parliament in the preliminary talk of the state budget draft;
d. costs standard; and
e. other government policies.

Article 4

(1) The Ministers/Head of Agencies qualitate qua echelon I officials or other officials who have budget allocation (portfolio) and as the responsible persons for programs prepare RKA-K/L using the RKA-K/L format and RKA-K/L-DIPA implementation system that include details of the allocation based on:

a. basic figures; and/or
b. new initiatives.

(2) RKA-K/L prepared as referred to in paragraph (1) shall be accompanied by supporting documents which include TOR/RAB and other relevant documents for:

a. details of basic figures that change at stage level/activities component; and/or
b. details of budget used to fund new initiatives.
(3) The preparation of RKA-K/L and the supporting documents as referred to in paragraph (2) shall comply with the rules of budgeting planning, namely:

a. listing the performance targets that includes output volume and output performance indicators in RKA-K/L according to the performance targets in Renja-K/L and RKP;

b. ensuring the total ceiling in RKA-K/L according to the Budget Ceiling of K/L;

c. ensuring the detail of source of funds in RKA-K/L according to the source of funds specified in the Budget Ceiling of K/L;

d. ensuring the feasibility of budget and adhere the implementation of rules of budgetary planning, among others, the implementation of input costs standard and output cost standard, the suitability of types of shopping, things that are restricted or prohibited, the budget allocation for activities funded from state revenues of non-taxes, foreign loans/grants, domestic loans/grants, state sharia securities, public service agencies, multi-year contracts and budget allocations that will be submitted into the state capital participation in state-owned enterprises; and

e. ensuring the listing of thematic state budget at the level of output.

(4) RKA-K/L as referred to in paragraph (3) is prepared in stages consisting of:

a. Work Plan and Budget of Work Unit [Rencana Kerja dan Anggaran Satuan Kerja (RKA Satker)]; and

b. RKA-K/L of echelon I unit.

(5) RKA-K/L of echelon I unit as referred to in paragraph (4) point b is signed by echelon I officials or other officials who have budget allocation (portfolio) and as the responsible persons for programs.

(6) The procedures for the preparation on RKA-K/L and RKA-K/L format as referred to in paragraph (1) are listed in Appendix II, which is an integral part of this Regulation of the Minister.

Article 5
(1) In order to guarantee the correctness, completeness and compliance in the implementation of rules of budgeting planning, RKA-K/L, which has been signed as referred to in Article 4, is submitted by the echelon I officials or other officials who have budget allocation (portfolio) and as the responsible persons for programs to the Internal Inspectorate unit of State Ministries/Agencies [Aparat Pengawasan Interns Kementrian Negara /Lembaga (API K/L)] and General Secretariat/Main Secretariat/Secretariat qualitate qua Bureau of Planning/Planning Unit of K/L to be examined.

(2) The study as referred to in paragraph (1) is focused to ensure the correctness of RKA-K/L along with the supporting documents.

Article 6

In terms of K/L discuss RKA-K/L with relevant commission in the House of Representatives of the Republic of Indonesia in the framework of the preliminary talks of the state budget draft, the discussion is focused on the consultation on the new initiatives proposal as outlined in the RKA-K/L that has been examined as referred to in Article 5.

Article 7

(1) Ministers/Head of agencies or designated officials submit RKA-K/L that has been examined as referred to in Article 5 or RKA-K/L that has been discussed as referred to in Article 6 to the Ministry of Finance qualitate qua Directorate General of Budget and the Ministry of National Development Planning to be reviewed in the review forum between K/L, the Ministry of Finance, the Ministry of National Development Planning.

(2) The submission of RKA-K/L as referred to in paragraph (1) is equipped with the following documents:

a. letter of introduction for RKA-K/L which is signed by the minister/head of the agency or designated official;

b. statement of echelon I officials or other officials who have budget allocation (portfolio) and as the responsible persons for programs;

c. a detailed list of budget ceiling per work unit/echelon;

d. RKA Satker, and
e. Computer Data Archive [Arsip Data Komputer (ADK)] of RKA-K/L.

(3) The Ministry of Finance qualitate qua Directorate General of Budget uploads ADK of RKA-K/L as referred to in paragraph (2) to the application of Treasury and the State Budget System [Sistem Perbednaharaan Anggaran Negara (SPAN)] to be validated.

(4) In the event that the validation process as referred to in paragraph (3) contains data that is not in accordance with the rules of SPAN, RKA-K/L is returned to K/L to be corrected.

(5) The review of RKA-K/L as referred to in paragraph (1) is to examine:

a. the suitability of data in the RKA-K/L with Budget Ceiling of K/L;

b. the suitability between activities, output and budget;

c. the relevance of components/stages with output; and

d. the consistency of performance targets inclusion of K/L with RKP including the advanced prediction for the following 3 (three) years.

(6) The review of RKA-K/L as referred to in paragraph (5) is focused on the details of budget used to fund new initiatives.

(7) The results of the review of RKA-K/L as referred to in paragraph (5) and (6) is set forth in the Notes of Review Results and signed by the echelon II officials of K/L, the Ministry of National Development Planning and the Ministry of Finance.

(8) The procedure for review of RKA-K/L as listed in Appendix III is an integral part of this Regulation of the Minister.

Article 8

RKA-K/L resulted from the review as referred to in Article 7 is compiled by the Minister of Finance qualitate qua Director General of Budget to be used as the basis for preparing the Bill concerning the State Budget and Financial Memorandum.
(2) The Bill concerning the State Budget, Financial Memorandum and the Association of RKA-K/L as referred to in paragraph (1) shall be submitted by the Government to the House of Representatives no later than the second week of August for discussions.

Article 9

In terms of RKA-K/L resulted from the discussions as referred to in Article 6 has not been received by the Ministry of Finance qualitate qua Directorate General of Budget until the end of July, the Bill concerning the State Budget, Financial Memorandum and the Association of RKA-K/L is prepared based on the RKA-K/L resulted from the review as referred to in Article 7.

Article 10

(1) Based on the discussions of the Bill concerning the State Budget between the Government and the House of Representatives, the Minister of Finance shall determine the budget allocation of K/L.

(2) The budget allocation of K/L as referred to in paragraph (1) becomes the basis for the adjustment of RKA-K/L by ministers/head of agencies.

Article 11

(1) In terms of the budget allocation of K/L as referred to in Article 10 does not result in a change of RKA-K/L and has been approved by the head of relevant commission in the House of Representatives, the ministers/head of agencies or designated officials submit the RKA-K/L as defined in Article 7 and has been approved by the head of relevant commission in the House of Representatives to the Ministry of Finance qualitate qua Directorate General of Budget.

(2) The RKA-K/L as referred to in paragraph (1) becomes the materials for preparing the List of Review Results of Work Plan and Budget of Ministries/Agencies [Daftar Hasil Penelaahan Rencana Kerja dan Anggaran Kementrian Negara/Lembaga (DHP RKA-K/L)].

(3) DHP RKA-K/L as referred to in paragraph (2) shall be determined by the Director General of Budget qualitate qua Budget Director I/Budget Director II/Budget Director III no later than the third week of November.
Article 12

(1) In terms of the budget allocation of K/L as referred to in Article 10 results in a change of RKA-K/L, the ministers/head of agencies qualitate qua echelon I officials or other officials who have budget allocation (portfolio) and as the responsible persons for programs make adjustments of RKA-K/L.

(2) In terms of the adjustment of RKA-K/L as referred to in paragraph (1) is used to fund new initiatives including addition derived from discussions results with relevant commission in the House of Representatives, K/L shall complete with supporting documents.

(3) The RKA-K/L that has been adjusted as referred to in paragraph (1) and the supporting documents as referred to in paragraph (2) shall be submitted to the API unit of K/L and the General Secretariat/Main Secretariat/Secretariat qualitate qua Bureau of Planning/Planning Unit of K/L to be examined.

(4) The examination of RKA-K/L as referred to in paragraph (3) is focused to ensure the correctness of RKA-K/L that changes along with the supporting documents.

(5) The RKA-K/L that has been examined as referred to in paragraph (4) is then discussed with the relevant commission in the House of Representatives for approval.

(6) The Minister/head of agency or designated official submits the RKA-K/L that has been approved by the head of relevant commission in the House of Representatives as referred to in paragraph (5) and the documents as referred to in Article 7 paragraph (2) to the Ministry of Finance qualitate qua Directorate General of Budget and the Ministry of National Development Planning to be reviewed.

(7) The review of RKA-K/L as referred to in paragraph (6) is focused on RKA-K/L that is changing.

(8) The provisions on the procedures for the review of RKA-K/L as referred to in Article 7 shall apply mutatis mutandis in the review of RKA-K/L as referred to in paragraph (6).

(9) The RKA-K/L that has been reviewed as referred to in paragraph (6) becomes the materials for preparing DHP RKA-K/L.
(10) The DHP RKA-K/L as referred to in paragraph (9) shall be determined by the Director General of Budget qualitate qua Budget Director I/Budget Director II/Budget Director III no later than the third week of November.

Article 13

(1) In the event that the relevant commission in the House of Representatives has not approved the adjustment of RKA-K/L as referred to in Article 12 paragraph (5) until the third week of November, the DHP RKA-K/L is prepared referring to the adjustment of RKA-K/L that has been examined as referred to in Article 12 paragraph (4).

(2) The DHP RKA-K/L as referred to in paragraph (1) shall be determined by the Director General of Budget qualitate qua Budget Director I/Budget Director II/Budget Director III no later than the third week of November with the following conditions:

a. details of budget allocation for operational costs are not blocked;

b. details of budget allocation for non-operational costs as set out in the budget ceiling do not change and are not blocked; and

c. the adjustments to budget allocations in the form of additional ceiling used in addition to point a and b, can be contained in the backup output and/or record of details of allocation cannot be implemented prior to the approval of the House of Representatives, and are not blocked.

Article 14

The DHP RKA-K/L as referred to in Article 11 paragraph (3), Article 12 paragraph (10) and Article 13 paragraph (2) becomes the basis for preparing the Presidential Decree concerning the Details of Expenditures Budget of Central Government.

Article 15

(1) The Presidential Decree concerning the Details of Expenditures Budget of Central Government as referred to in Article 14 becomes the basis for preparing and ratifying the Check List of Budget Implementation (Daftar Isian Pelaksanaan Anggaran/DIPA).
(2) The preparation and ratification of DIPA as referred to in paragraph (1) comply with the provisions in the Regulation of the Minister of Finance concerning the procedures for preparing and ratifying the DIPA.

Article 16

In terms of SPAN application cannot be applied, the validation of ADK RKA-K/L, the review of RKA-K/L, the preparation of the Association of RKA-K/L, the printing of DHP RKA-K/L, the preparation of the Presidential Decree concerning the Details of Expenditures Budget of Central Government, as well as the preparation and ratification of DIPA are performed using RKA-K/L-DIPA application system.

Article 17

(1) In the event that the government policy to increase state revenues and/or expenditures efficiency of which the activities budget has been allocated in the RKA-K/L and should be implemented immediately, but cannot be carried out under the provisions of this Regulation of the Minister, the implementation of the activities in question can be proposed by Ministers/Head of Agencies or designated officials to the Minister of Finance for approval.

(2) The provisions as referred to in paragraph (1) also applies to the activities budget in RKA-K/L for Fiscal Year 2013, which is prepared based on the Regulation of the Minister of Finance Number 112/PMK.02/2012 concerning the Guidelines for Preparation and Review on Work Plan and Budget of State Ministries/Agencies.

Article 18

The provisions concerning the procedures for the preparation and review of RKA-K/L as provided in this Regulation of the Minister shall apply in mutatis mutandis to the procedures for preparation and review of revised RKA-K/L.

Article 19

At the time of this Regulation of the Minister comes into force, the Minister of Finance Regulation Number 112/PMK.02/2012 concerning the Guidelines for Preparation and Review on Work Plan and Budget of State Ministries/Agencies is revoked and declared void.
Article 20

This Regulation of the Minister shall come into force on the date of enactment.

For public cognizance, this Regulation of the Minister shall be promulgated in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on June 28, 2013

THE MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA,

Signed.

MUHAMMAD CHATIB BASRI

Promulgated in Jakarta
on July 5, 2013

THE MINISTER OF JUSTICE AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

Signed.

AMIR SYAMSUDIN

THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 905 OF 2013

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HEAD OF GENERAL BUREAU
On behalf of
HEAD OF ADMINISTRATIVE OF THE MINISTRY

GIARTO
NIP 195904201984021001
1. Preliminary
1.1 Approaches in Budgeting System

The preparation of budgeting in the documents of the Work Plan and Budget of State Ministries/Agencies (RKA-K/L) is part of the preparation of the State Revenues and Expenditures Budget (State Budget). The preparation of the State Budget includes the preparation of documents of RKA-K/L and the documents of annual financial plan of K/L arranged according to the Budget Division of the Ministries/Agencies.

Budgeting as a system manages the processes and mechanisms for preparing policies of the state budget revenues and expenditures.

In the budget spending preparation, it sets three (3) subject matters, namely: the budgeting preparation approach, the budget classification and the budgeting process. The budgeting process is the description of processes and mechanisms of budgeting, starting from the Indicative Ceiling up to the determination of Budget Allocation Ceiling of K/L which is final.

1) Integrated Budgeting Approach

Integrated budgeting preparation is done by integrating the entire process of planning and budgeting in K/L to produce documents of RKA-K/L with the budget classification according to the organization, functions and type of expenditure. The integration of planning and budgeting process is intended to avoid duplication in the provision of funding for K/L both for the purposes of investment and operational costs.

On the other hand, the implementation of integrated budgeting is also expected to create a Work Unit as the sole entity of accounting in charge for its assets and liabilities, as well as the accounts (income and/or expenditure) for a single transaction so it is made sure that there is no duplication in its use.

Refering to the integrated budgeting approach mentioned above, the preparation of RKA-K/L using the results of the programs/activities restructuring in relation to the budget classification according to programs and activities, as well as the arrangement of parts of the budget and work units for the management of the budget in relation to the budget classification according to the organization.

2) Performance Based Budgeting Approach (PBB)

Performance Based Budgeting (Penganggaran Berbasis Kinerja/PBK) is an approach to the state expenditures budgeting planning system which clearly indicates the relationship between the allocation of funding and the expected performance of the allocation of the expenditures, as well as pay attention to the efficiency in the achievement of the performance. The definition of performance is work achievement in the form of output of an activity or a result from a program with a measurable quantity and quality.

The conceptual basis underlying the implementation of PBK includes:

1. Budget allocation oriented to produce or achieve a certain performance level (output & and outcome oriented);
2. Budget allocation for programs/activities based on the task-function of Work Units attached to the structure of the organization (money follow function);
3. The presence of budget management flexibility while maintaining the principle of accountability (let the manager manages).

The conceptual basis above in order to implement PBK aims to:
1. Show a clear link between the expenditure of budget funding and performance levels about to be achieved (directly linkages between performance and budget);
2. Improve efficiency and transparency in budgeting (operational efficiency);
3. Increase flexibility and accountability of units in performing its duties and budget management (more flexibility and accountability).

In order that the PBK implementation can be operationalized, then the PBK shall use the following instruments:
1. Performance indicators, i.e. an instrument or measuring unit used to measure the performance levels, whether planned or that have been achieved;
2. Costs standard, i.e. costs units set either in the form of input costs standard or output costs standard as a reference for the calculation of budget requirements;
3. Performance evaluation, i.e. an assessment of Performance Targets achievement, consistency of planning and implementation as well as the realization of budget absorption.

Based on the conceptual basis, the purpose of PBK implementation and instruments used by PBK, it can be concluded that operationally the main principles of PBK is a clear link between policy performance targets contained in national planning documents and the amount of budget funding allocation that will be managed by K/L according to the task-function (which is reflected in the organizational structure of K/L).

The planning documents include the Government Work Plan (Rencana Kerja Pemerintah/RKP) and Renja-K/L. Meanwhile, to fund the Work Plan, the allocation of budget expenditures managed by K/L will be reflected in the documents of RKA-K/L and DIPA, which will integrate the planning and budgeting in the budget period of 1 year. The relationship between the documents is described below.

Figure 1.1 The Relationship between Planning and Budgeting Documents
The Government sets the development priorities and their activities that will be carried out in the documents of RKP. The Expectation of the policy is results/performance nationally (national outcomes) as mandated by the Constitution.

Furthermore, based on the task-function carried and referred to RKP, K/L will prepare:
1. Programs, Key Performance Indicators (Indikator Kinerja Utama/IKU) of Programs and the results of the Echelon I Unit in accordance with the task-function;
2. Activities, Activities Performance Indicators (Indikator Kinerja Kegiatan/IKK) and the output of spending units at the Work Unit level or Echelon II in Echelon I Unit within the appropriate program which becomes their responsibility.

K/L formulates programs and activities referring to the Joint Circular between the State Minister for National Development Planning/Head of National Development Planning Agency (Bappenas) and the Minister of Finance dated June 19, 2009 No. 0142/MPN/06/2009 and No. SE-1848/MK/2009 concerning the Guidelines for Reformation of Planning and Development, in particular concerning the restructuring of programs and government activities that will be funded by the budget. The formulation of programs and activities resulted reflects the task-function of K/L or specific assignment within the framework of the National Development Priorities consistently.

The restructuring results have been implemented in the documents of RKP, Renja-K/L, RKA-K/L and DIPA in 2011. The things that have been implemented in 2011 (the implementation of PBK, KPJM and New Format of RKA-K/L in full) is the basic implementation of PBK in 2012 and subsequent years. However, there are some adjustments/changes made in order to develop the PBK implementation.

The formulation results of programs and Output of activities in the implementation of PBK are important in addition to the formulation of performance indicators of programs/activities. The formulation of performance indicators illustrates the success rate of programs/activities that have been implemented along with expected Output/Results. It is the Performance indicators that will be used as a measuring tool after the programs/activities are implemented. Indicators used both at the level of programs or activities in the PBK implementation can be seen from the side of:
1. Input
   An input indicator is intended to report the amount of resources needed in implementing an activity or program.
2. Output
An output indicator is intended to indicate the quantity of goods/services produced by an activity or program.

3. Outcome

An outcome indicator is intended to project the positive affect (including the quality of service) of a program or activity.

Based on the things described above, it requires a fundamental understanding in the preparation of budget concerning the line of thought:

1. Linkages or relevance between protecting activities and programs;
2. Linkages or relevance between the output of activities in a way or mechanism of achievements through Components.

Linkages occur between components as a step in the framework of achievement of output, so there are no steps/activities section (components) in order to achieve the irrelevant output.

3) Medium-Term Expenditure Framework (Kerangka Pengeluaran Jangka Menengah/KPJM) Approach

KPJM is an approach to budgeting preparation based on the policy, with the decision-making which raises implications of budget over a period of 1 (one) fiscal year.

In general, the preparation of comprehensive KPJM requires a stage of process in the preparation of medium-term planning:

a. the projection of availability of budgetary resources to fund various government expenditures plan. This first aspect is a Top-Down approach established by fiscal authorities;

b. the indication of budget funding requirements plan needed to achieve the performance level that has been targeted. This second aspect is a Bottom-Up approach, compiled by each executive unit of state expenditures policies;

c. the reconciliation framework that combines both of these, namely between the projection of availability of resources for funding to implement ongoing government policies.

In the framework of preparation of RKA-K/L with KPJM approach, K/L needs to align the activities/programs with the National Medium-Term Development Plan (National RPJM) and the Strategic Plan of K/L, which in the previous stage, is also a reference in preparing the RKP and Renja-K/L. Thus, in the context of Medium-Term Expenditures Framework, the spending policies will always be aligned with the government priorities.

Thus, implementation of the Medium-Term Expenditures Framework will make the budget expenditures allocation policy in harmony with the policy priorities set out in the medium term, along with the incurred projected fiscal impact.

1.2 Budget Classification

Budget classification is a budget grouping based on the organization, functions and type of expenditures (economic). The grouping aims to look at the amount of budget allocation according to the organization of K/L, the task-function of government and the expenditures of K/L.

1) Classification according to the Organization
Organization classification is a grouping of budget allocation in accordance with the organizational structure of K/L. The organization in question is K/L established to carry out specific tasks based on the Constitution of 1945 and applicable legislation. A K/L may consist of organizational units (Echelon I Unit) which is part of a K/L. And an organizational unit can be supported by work units responsible for carrying out activities of the echelon I programs or government policy and serves as the Authorized Budget Users.

Expenditure budgets classification based on the organization according to K/L is called Budget Section (Bagian Anggaran/BA). Viewed of what is manageable, BA can be grouped into 2 (two) types. Firstly, the Budget Section of K/L, hereinafter referred to BA-KL is a budget group authorized to Ministers/Head of Agencies as Budget Users. Secondly, the Budget Section of State Treasurer, hereinafter called BA-BUN (Bagian Anggaran Bendahara Umum Negara) is a budget group managed by the Minister of Finance as the fiscal manager.

The establishment of an organization as the Budget Section in relation with the state financial management considers the following matters:

1. The Financial Management of State Ministries/Agencies (K/L):
   a. Ministers/Head of Agencies are Budget Users/Items Users for K/L they lead (Article 4 paragraph 1, of Law Number 1 of 2004 concerning the State Treasury);
   b. President as the authority holder of the state financial management authorizes the state financial management to the ministers/head of agencies as the Budget Users/Items Users for K/L they lead (Article 6 paragraph 2 point b, of Law Number 17 of 2003 concerning the State Finance);
   c. Agencies are the State Agencies and the Government Agencies of Non-Ministry [Lembaga Pemerintah Non-Kementian (LPNK)];
   d. Within the State Agencies, Head of Agencies are officials who are responsible for the financial management of the relevant agencies (the explanation of Article 6 paragraph 2 point b, of Law Number 17 of 2003 concerning the State Finance);
   e. Ministers/Head of Agencies as the Budget Users shall prepare RKA-K/L on the Budget Section under their control (Article 4 Paragraph 2, PP No. 90 concerning the Preparation of RKA-K/L);
   f. Budget Section is part of budgets according to the nomenclature of K/L, therefore each K/L has a code for separate budget section.

Based on the points previously mentioned, it is concluded that:
   a. Ministers, Head of LPNK and the Secretary General of State Agencies are Budget Users with the authority from the President to manage the state finances of K/L they lead;
   b. As Budget Users, officials on point a above are directly responsible to the President and shall prepare RKA-K/L over the budget section under their control.

2. The Financial Management of Non-Structural Agencies [Lembaga Nonstruktural (LNS)]:

...
a. Agencies other than LPNK are called LNS;
b. The financial management of LNS can be organized as an independent budget section or as a work unit of K/L;
c. To determine the status of the financial management of a new government agency, it requires to do:
   1) Researches for the legal basis of its formation, in the form of Government Regulation (Peraturan Pemerintah/PP) or Presidential Decree (Peraturan Presiden/Perpres). PP or Perpres in question states that the head of agencies are responsible to the President; and the status of the agencies is as LPNK or not;
   2) If point 2.c.1 above is met then the agency including LPNK is so rightfully given a budget section with its separate code; or if it does not mention as LPNK, then the agency can be given: a Work Unit Code or Budget Section Code as long as at its establishment document is listed as a Budget User.

Furthermore, what defined as an organizational unit of K/L as described above is Echelon I Unit who is responsible for the achievement of programs/results (outcomes) targets and coordinating the implementation of activities by work units. In this case, those who are responsible for a program are primarily Echelon IA Unit.

With regard to the responsibilities of a technical program, K/L and its Echelon IA Unit are grouped with the following general rules:
1. High State Institutions Group may use more than 1 (one) technical program in accordance with the scope of its authority;
2. Ministry group for every 1 (one) Echelon IA unit with external services is going to use one (1) Technical Program;
3. State Ministry and Coordinator Ministry groups use one (1) Technical Program for the entire Echelon IA unit;
4. Government Agencies of Non-Ministry (LPNK) and Non-Structural Agencies use one (1) Technical Program for their agencies.

Meanwhile, work units in the organizational unit of K/L are good work units either at regional offices or work units who get assignments from the organizational unit of K/L. The work unit is designated as an Authorized Budget User in order to manage the budget.

In the framework of the effectiveness of budget management, K/L can propose new work units as KPA to exercise authority and management responsibility derived from the central office of K/L if it meets the following criteria:
1. It shall/must have complete units as an entity (the units which carry out the functions of planning, implementation, monitoring, reporting and accounting);
2. It is part of the organizational structure of K/L and/or performing the task-function of K/L;
3. The relevant Work Unit location is at different province/district/city from its parent office;

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1 Criteria number 1 and 2 are the criteria that must be met; while criteria 3, 4 and 5 are the additional criteria (may only be one of the additional criteria that are met).
4. The characteristics of tasks/activities handled are complex/specific and are different from its parent office;
5. The particular assignment from relevant Budget Users/Authorized Budget of Echelon I Work Unit. Meanwhile, the proposal/establishment of Budget Section and work units of K/L can be done with the following procedure:
   1. The Directorate General of Budget qualitate qua the Directorate of Budget I, the Directorate of Budget II and the Directorate of Budget III analyze/evaluate the proposals of requests for Budget Section or Work Unit of K/L based on the criteria above.
   2. If based on the assessment results, the proposal is considered to meet the requirements and can be considered for approval, then the Directorate of Budget I, the Directorate of Budget II and the Directorate of Budget III submit a memorandum of recommendation and ask for a Budget Section code or the work Unit as KPA at the Directorate of Budgeting System.
   3. The Directorate General of Budget qualitate qua the Directorate of Budget I, the Directorate of Budget II and the Directorate of Budget III inform the approval/rejection of the proposal in question to the relevant K/L in written.

2) Classification according to Function
   Function is the embodiment of governance tasks in certain areas carried out in order to achieve national development objectives, while sub-function is a further elaboration/more detailed description of the function.
   Function and sub-function use is adjusted to the main duties and functions of each K/L. The use is associated with activities (a program description) implemented and consist of one or several activities using resources provided to achieve measurable results in accordance with its mission conducted by institutions or public participation in the coordination of the relevant K/L.

3) Classification according to Types of Expenditure (Economic)
   Types of expenditure or classification according to the economic in the classification of expenditures is used in the budget documents either in the process of budget preparation, implementation or accountability/reporting. However, the use of types of expenditure in the documents have different goals. With regard to the budgeting preparation process in the documents of RKA-K/L, the goals of the use of the types of expenditure are intended to determine the distribution of budget allocation into other types of expenditure. The provisions of the types of expenditure that are used in the preparation of RKA-K/L in this PMK guide to the Director General of Treasury number PER-80/PB/2011 concerning the Additions and Changes in the Account of Revenues, Expenditures and Transfer in the Standard Accounts Chart, namely as follows:
   1. Personnel Expenditures
      Compensation to personnel in the form of money or goods which must be paid to domestic or foreign government personnel either to the State Officials, Civil Servants or Personnel who are employed by government that have no civil servants status and/or non-civil servants in return for work that has been carried out in order to support the task-function of government organizational units, except for work related to capital formation and/or activities that have
output in the category of goods expenditure. Personnel expenditures consist of Salaries and Allowances Expenditures, Honorarium/Overtime/Special Allowance Expenditures & Transito Employee Expenditures, as well as Social Contribution Expenditures.

2. Goods Expenditures
Expenditures for the purchase of consumable goods and/or services to produce goods and/or services marketed and goods procurement intended to be delivered or sold to the public/local governments including money transfer outside the criteria of social assistance expenditures as well as trips expenditures. In terms of the expenditures, it includes honorarium and vacation given in the context of the implementation of activities to produce goods and/or services. The Goods Expenditures consist of Goods Expenditures (Operational and Non-Operational), Services Expenditures, Maintenance Expenditures, Trips Expenditures, Public Service Agency Expenditures and Goods Expenditures Delivered to Community/Local Government.

3. Capital Expenditures
Budget expenditures are used in order to obtain or increase the value of fixed assets/other assets that benefit more than one accounting period and exceed the capitalization minimum limit of fixed assets or other assets by the government. In the accounting of asset value acquisition, it is calculated all the necessary funding from procurement planning, implementation until the asset is ready for use. Fixed assets/other assets are used for day-to-day operational activities of a work unit or used by the community/public recorded as the registration of assets of relevant K/L and not to be sold/given to public/local government. The Capital Expenditures consist of Capital expenditures of Land, Capital Expenditures of Equipment and Machinery, Capital Expenditures of Building and Construction, Capital Expenditures of Roads, Irrigation and Networking, Other Capital Expenditures, Expenditures of Value Addition of Fixed Assets/Other Assets and Capital Expenditures of Public Service Agency.

4. Debt Obligations Payment Expenditures
Payments made on the obligations of principal debt (principal outstanding) use, both domestic debt and foreign debt calculated based on the position of short-term or long-term loans, including penalties payment in the form of interest and payment of expenses related to domestic and foreign grant revenues. This type of expenditure is particularly used in the activities of the Section Budget of BUN.

5. Subsidy
Expenditures or budget allocation are provided by the government to state enterprises, government agencies or other third parties who produce, sell, export or import goods and/or services to meet the livelihood of many people in such a way that the selling price can be reached by the public. The expenditures among others are used for subsidy to the public through state enterprises and/or private companies. This particular type of expenditure is used particularly in the activities of the Section Budget of BUN.

6. Grant Expenditures
Government expenditures in the form of transfers that are specifically defined its designation are voluntary, not mandatory, non-binding, does not need to be paid back and not continuously performed with agreement between the grantor and the grantee to other governments, international organizations and local governments with the transfer of rights in the form of money, goods or services. Those included in grant expenditures are loans and/or foreign grants that are continued to be granted to local areas.

7. Social Assistance Expenditures
Expenditures in the form of transfer of money, goods or services provided by the Central/Local Government to the public in order to protect the public from the possibility of social risk, increase economic capacity and/or welfare of the community.

8. Other expenditures
State expenditures for payment of government obligations that are not included in the category of personnel expenditures, goods expenditures, capital expenditures, debt payment expenditures, subsidy, grant expenditures and social assistance expenditures as well as tend to be urgent and cannot be predicted in advance.

2. Budgeting System Implementation
2.1 Performance-Based Budgeting (PBK) Implementation

1) PBK Implementation Level

PBK Implementation refers to the organizational structure of each K/L. The relationship between the organizational structure and performance to be achieved is the framework of Performance-Based Budgeting as illustrated in the figure below:

Figure 1.2 The Framework of PBK
Based on Figure 2.1 above, the PBK implementation can be seen in 2 (two) levels, namely PBK implementation at National Level and PBK implementation at K/L Level. PBK implementation at National level is carried out through the following steps:

1. The government sets a goal (in the form of Priority and Priority Focus for national development along with the performance target) within a period of 1 (one) next fiscal year in RKP documents. Results expected are in the form of national outcomes that lead to the description as mandated by the Constitution;

2. Based on the goal, the Government formulates Priority Activities and/or Activities within the framework of task-function carried by K/L, Activity Performance Indicators (Indikator Kinerja Kegiatan/IKK) and output (type, volume and measurement unit). Furthermore, the Government will calculate the estimated budget requirement that is tailored to the country’s financial capability;

3. The Government’s goal will be implemented by each K/L (along with the organizations under its coordination) in the form of programs and activities according to the task-function.

Meanwhile, the PBK implementation at K/L level is carried out through the following steps:

1. In accordance with the Strategic Plan of K/L, Echelon IA Unit formulates Programs and Key Performance Indicators (Indikator Kinerja Utama/IKU) of program and results;
2. Next, the programs are described in Activities, IKK and output on spending units at Work Units or Echelon II within Echelon IA in accordance with the task-function;
3. These activities are tailored to the category of supported Function/Sub-Function, National Priority/Sector or Non-Priority;
4. The formulation of programs, IKU Program, results, activities, IKK and output is set forth in documents of Renja-K/L, RKA-K/L and DIPA.

2) Budget Allocation Structure in PBK

**Figure 1.3 Budget Structure in PBK Implementation**

Budget Allocation structure in the PBK implementation is more focus on the inter-relationship between the clarity of planning and budgeting that reflects the alignment between policies (top-down) and policy implementation (bottom up). The description about Budget Structure in the framework of Performance-Based Budgeting implementation can be illustrated in Figure 1.3.

Budget Structure is a unitary in budget funding resource requirements needed by Work Units in the framework of the implementation of activities that become their responsibility and authority as task-function carried by Work Units (bottom up). This should be contrasted with the policy draft decided at the Government Organization level which has been coordinated by its Organization Units (top down) who is responsible for the programs.

The parts and functions of the budget structure are as follows:
1. Programs:
   a. Programs are the elaboration of policies in accordance with the vision and mission of K/L of which the formula reflects the task and
function of Echelon I unit or units of K/L which contains activities to achieve outcomes with measurable performance indicators.

b. The formulation of the Programs is the result of restructuring in 2009 and its adjustment.

c. The formulation of the Programs in the document of RKA-K/L must be in accordance with the formula of the Programs contained in Renja-K/L.

2. Key Performance Indicators (KPI) of Program:
   a. IKU of Program is an instrument used to measure the results at a Program level.
   b. The approach used in preparing the IKU of Program oriented on the quantity, quality and/or price.
   c. In setting the IKU of Program, K/L coordinate with the Ministry of Finance and Ministry of Planning.
   d. The IKU of program formulation in the document of RKA-K/L should be in accordance with the IKU of program formulation in the document of Renja-K/L.

3. Results (Outcome):
   a. Results are a performance that reflects everything functioning the output of activities in a single Program.
   b. In general, the criteria of the results of a Program are:
      1) Reflecting the Performance Target of echelon I unit in accordance with the vision, mission and task-function;
      2) Supporting the Strategic Target of K/L;
      3) It can be evaluated.
   c. The formulation of results in the document of RKA-K/L should be in accordance with the formula of results contained in the document of Renja-K/L.

4. Activities:
   a. Activities are the description of a Program of which the formula reflects the task and function of Work Unit or a particular assignment of K/L that contains components of Activities to achieve output with measurable performance indicators.
   b. The formulation of activities is the results of restructuring in 2011 and its adjustment.
   c. The formulation of activities in the document of RKA-K/L should be in accordance with the formula of Activities contained in the document of Renja-K/L.

5. Activity Performance Indicators (IKK):
   a. IKK is an instrument used to measure output at activity level.
   b. The approach used in preparing the IKK oriented on the quantity, quality and/or price.
   c. In setting the IKK, K/L coordinate with the Ministry of Finance and Ministry of Planning.
   d. The IKK formulation in the document of RKA-K/L should be in accordance with the IKK formulation in the document of Renja-K/L.
6. Output
   a. Output is the performance in the form of goods or services produced by an Activity undertaken to support the achievement of program goals and objectives and policies.
   b. The formulation of output in the document of RKA-K/L gets the formulation of output in the document of Renja-K/L.
   c. The formulation of output in the form of goods or services is as follows:
      1) Output type, is a description concerning the identity of each output that reflects the specific task-function of Work Units.
      2) Output volume, is data concerning the number/amount of quantity of output produced.
      3) Output unit, a description concerning the measurement unit used in order to measure the output quantity (volume) in accordance with its appropriate characteristics.
   d. In general, the criteria of output is:
      1) Reflecting the performance target of Work Units in accordance with the task-function or assignment of national development priorities;
      2) The main/end product produced by Work Units in charge of activities;
      3) Specific and measurable;
      4) For Functional Activities, most of the output produced are in the form of regulations in accordance with the task-function of Work Units;
      5) For the assignment of Activities (National Development Priorities) produces output of national development priorities that have national impact;
      6) Each activity can produce more than one type of output;
      7) Each output is supported by input components in its implementation;
      8) Revised formulation of output is possible in the preparation of RKA-K/L with reference to Budget Ceiling of K/L or Budget Allocation of K/L.
   e. Output Type Classification
      To facilitate the preparation and analysis of the output on RKA-K/L, then the output type in the RKA-K/L is divided into two groups, namely:
      a) Output of goods, consisting of:
         1) The output of infrastructure goods, namely output of activities that are tangible goods and/or in the form of a network. For example: roads, bridges, buildings, irrigation systems and others.
         2) Output of non-infrastructure goods, namely output of activities that are both tangible and intangible goods and not in the form of a network. For example: motor vehicles, office equipment, applications software and others.
b) Output of services, consisting of:
   1) Output of regulation services, namely output of activities generated in order to support rulemaking or supporting administrative bureaucracy. This output form can be norms, standards, procedures and regulations. For example: Law, Government Regulation, Presidential Regulation, Presidential Decree, Minister Regulation, Director General Regulation and so on.

   2) Output of non-regulatory services, namely output of activities that is the form of a service from relevant agencies with task and functions of the relevant agencies. For example: Driving License services, SP2D services, BOS services and so on.

7. Output Achievement Process is divided into:
   a. Sub-output:
      1) Sub-output is essentially output.
      2) The output expressed as Suboutput is output that share a common in its type and unit.
      3) Sub-output is used as a description of respective goods or services in a collection of similar goods or services, which are summarized in single output.
      4) The number of Sub-output or the accumulation of Sub-output volume reflects the amount of the output volume.
      5) Sub-output is optional (may be used or not).
      6) Sub-output is only used on the output that is the summary of similar goods or services.
      7) Specific and stand-alone output (not the summary of similar goods or services) does not require Sub-output.

   b. Components:
      1) Components are a stage/part of process in achieving output, in the form of work packages.
      2) Components can directly support both output and Sub-output.
      3) Components are arranged for the need and relevance to the achievement of output, which consists of key components and supporting components.
      4) Inter-components are linked to one another or work together effectively in the process or mechanism of output achievement, so an unimplementation/delay in one component can cause an unimplementation/delay of other components and can also impact on the quality decrease, quantity decrease and failures in achieving the output.

   c. Sub-components:
      1) Sub-components are detailed expenditure group, arranged in order to facilitate the implementation of input Components.
      2) Sub-components are optional (may be used or not).

   d. Detailed Expenditures
Detailed Expenditures are details of expenditure requirement in each type of expenditure containing expenditure items.

3) Standardization Output

<table>
<thead>
<tr>
<th>No.</th>
<th>Output Type</th>
<th>Unit</th>
<th>Sub-output /Components/Details</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Office Services</td>
<td>Monthly Services</td>
<td>1. For output of &quot;Office Services&quot;, the components consist of Component 001 and/or Component 002.</td>
<td>2. For output of &quot;Office Services&quot;, it is possible to have only 1 (one) component (Component 001 or Component 002 only).</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Component 001, Salary and Allowance Payment</td>
<td>a. For Component 001, it is only used for output of Office Services.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>b. Component 001 is the budget allocated to meet the needs of operating costs such as salary and allowance payment attaching to the salary, meal allowance and payment associated with personnel expenditures.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Component 002, Operational Implementation and Office maintenance</td>
<td>a. For Component 002, it is only used for output of Office Services.</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>b. Component 002 is the budget allocated to meet the needs of operating expenses including office day-to-day needs, power and services subscription, office maintenance and payment associated with office operational implementation.</td>
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<td>2. Output of &quot;Motor Vehicle&quot; is output in order to meet the needs of land transportation for</td>
</tr>
<tr>
<td>3. Data and Communication Processor Devices</td>
<td>5. 4-Wheeled Vehicles</td>
<td>6. 2-Wheeled Vehicles</td>
<td></td>
<td></td>
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<tr>
<td>-------------------------------------------</td>
<td>-----------------------</td>
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</tr>
<tr>
<td><strong>Unit</strong></td>
<td><strong>Among others:</strong> 1. Laptop 2. Computer/PC 3. Printer/Multitask Printer 4. Scanner/Multitask Scanner 5. Server 6. LCD/Projector 7. Camera /Handycam/CCTV 8. Copier/Multitask Copier 9. External Harddisk 10. Telephone 11. PABX Machine 12. FAX Machine 13. Handkey Machine</td>
<td>of officials, personnel transportation and office/field operation. 3. Output of “Motor Vehicles” is generally in the form of land transportation which is manufacturing products and marketed in general/mass. 4. Sub-output of “6, 4, 2-Wheeled Vehicles” is sub-output in order to meet transportation mode for officials and office/field operation. 5. Transportation means that have special characteristics, special specification and/or procured by special order and/or used in the framework of specific technical distance implementation, so the output is stated separately, apart from the output of “Motor Vehicles”.</td>
<td>1. Incidental output (adhoc) and obtained through procurement. 2. Output of “Data and Communication Processor Devices” is output in order to meet the needs of data processing media, data storage, processed data display and/or communications media. 3. Output of “Data and Communication Processor Devices” is generally in the form of electronic equipment in the context of data processing and telecommunications supporting general administrative activities of an agency/office. 4. Equipment to meet the</td>
<td></td>
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</table>
needs of data processing media, data storage, processed data display, and/or communications media that have special characteristics, special specifications and/or procured by special order and are used in the instance specific technical implementation, so the output is stated separately, apart from the output of "Data and Communication Processor Devices".

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<tbody>
<tr>
<td></td>
<td></td>
<td>1. Incidental output (adhoc) and obtained through procurement. \ 2. Output of &quot;Office Facility Equipment&quot;, is output in order to meet the needs of completeness facility of sufficient and feasible office buildings. \ 3. Output of &quot;Office Facility Equipment&quot; is generally in the form of electronic/non-electronic equipment in order to meet the general eligibility of buildings/office buildings facility \ 4. Office facility equipment that have special characteristics, special specifications and/or procured by special order and/or used in the instance specific technical implementation, so the output is stated separately, apart from the output of &quot;Office Facility Equipment&quot;. \ 5. The allocation of inventory replacement for old/new officials is maximum of 10% of the total number of officials.</td>
</tr>
</tbody>
</table>
5. **Building/Construction**

<table>
<thead>
<tr>
<th>Description</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Incidental output (adhoc) and obtained through procurement.</td>
<td></td>
</tr>
<tr>
<td>2. Output of &quot;Building/Construction&quot; is output in order to establish/build/rehabilitate infrastructure of agencies/offices and home office.</td>
<td></td>
</tr>
<tr>
<td>3. Output of &quot;Building/Construction&quot; is generally in the form of establishing/building/rehabilitating infrastructure of agencies/offices and home offices in the form of the building/Construction, parks, parking lots, fences, security posts.</td>
<td></td>
</tr>
<tr>
<td>4. If in order to fulfill the Output of &quot;Building/Construction&quot; is required in advance of land acquisition, the land is declared as a component in the Output of &quot;Building/Construction&quot;.</td>
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</tr>
<tr>
<td>5. Building/Construction development that have special characteristics, special specifications and/or procured by special order and/or used in the stance specific technical implementation, so the output is stated separately, apart from the Output of &quot;Building/Construction&quot;.</td>
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</table>

Component 002 designation (office operations, maintenance and service trips).

<table>
<thead>
<tr>
<th>Description</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Day-to-day office needs</td>
<td>Among others:</td>
</tr>
<tr>
<td></td>
<td>• Stationery Office, printed goods for office management, hygiene kits;</td>
</tr>
</tbody>
</table>
| 1. Power and services subscription | Among others:  
\- Electricity, telephone, water and gas subscription, including the payment of fines tardiness;  
\- Postal and Giro Services;  
\- Telex, Internet, bandwidth, diplomat specialized communication;  
\- Offices/buildings rent, vehicles and photocopiers. |
|---|---|
| 2. | Among others:  
\- Building/construction maintenance, network installation, office infrastructure;  
\- Motor vehicles maintenance. |
| 3. Office maintenance | Among others:  
\- Honorarium related to Work Units operation;  
\- Groceries, endurance enhancer;  
\- Examination of employee health;  
\- Protocoler (including pass and guest toll services);  
\- Minister/Chairman, Leader Operation;  
\- Inauguration/taking the oath of office;  
\- Uniforms, toga, work clothes;  
\- Official travel in the framework of consultation/coordination. |
| 4. Payments related to the implementation of office operation | The standardized output is as follows:  
1. Output used in order to meet basic needs and facilities which are generally required by agencies/offices.  
2. Output as support of the implementation of the main task and function as well as support of day to day office activities.  
3. Output used only to facilitate the infrastructure of office operation.  
4. These output can be used by all Work Units in general, while the Echelon II Unit (Activities managers but not the work units) that have this type of output is just Echelon II Unit that perform secretarial functions or the like. |
5. These output are not only used for Activities in the Improvement Program of Apparatus Infrastructure and Management Supporting Activities and Other Technical Support.

6. In terms of Echelon I unit has 2 (two) Programs, namely the Management Supporting and Other Technical Implementation as well as the Improvement Program of Apparatus Infrastructure, then: the Output in the form of Construction/Building is only used on one Activity only in the Improvement Program of Apparatus Infrastructure

7. The standardized output above is included in the scope of improvement/perfection of basic figures.

4) The Preparation of Output Cost Standard

Cost Standard is one of the instruments in PBK implementation. In Article 5 paragraph (3) of Government Regulation No. 90 of 2010, it is stated that "the Preparation of RKA-K/L as referred to in paragraph (1) uses performance indicators instruments, cost standard and performance evaluation". Furthermore, in the explanation of the relevant Government Regulation, it is mentioned that what defined as cost standard is cost units established either in the form of input cost standard (standar biaya masukan/SBM) or output cost standard (standar biaya keluaran/ SBK) as a reference for the calculation of budget requirement in RKA-K/L.

SBK is the amount of costs required to produce output/sub-output. SBK functions like those set in Article 17 of PMK No.71/PMK.02/2013 concerning Cost Standard Guidelines, Cost Structure Standard and Indexation in the Preparation of RKA-K/L are as follows:

1. In budget planning, SBK is the highest limit in the preparation of RKA-K/L which means the amount can not be exceeded, and a reference for the preparation of advanced prediction and the preparation of indicative ceiling for the following year;

2. In budget implementation, SBK is an estimation which means the amount can be exceeded, adjusted to market prices and availability of budget allocations.

The preparation of SBK is useful in order to achieve efficiency and effectiveness of budget allocation in the output achievement of activities at planning level. SBK that has been prepared can be used as benchmark for the preparation of the same/similar output. Meanwhile, the benefits of the preparation of SBK are:

1. As an effort to improve the quality of planning to ensure a more efficient budget allocation process;

2. To expedite the preparation and review of RKA-K/L, especially for activities of Ministries/Agencies of which the output continues;

3. To facilitate the implementation of monitoring and evaluation in the output achievement.

5) Performance Evaluation

Performance evaluation as an instrument of performance-based budgeting in the preparation of the Work Plan and Budget of Ministries/Agencies (RKA-K/L) has an important role in bringing about
budget management accountability and improving the quality of budgeting program. To that, the performance evaluation on the implementation of RKA-K/L must be done by persons in charge for programs at each echelon I unit/unit equal to echelon I in accordance with policies established by Ministers/Head of Agencies as Budget Users/goods Users.

The necessity to conduct performance measurement and evaluation is stipulated in article 19 and article 20 of Government Regulation Number 90 of 2010 concerning the Work Plan and Budget of State Ministries/Agencies stating that Ministers/Head of Agencies conduct performance measurement and evaluation on the implementation of RKA-K/L in previous and current budget year which at least consist of:

a. output level;

b. outcome achievement;

c. efficiency level;

d. consistency between planning and implementation; and

e. realization of budget absorption.

The measurement results and performance evaluation on the implementation of RKA-K/L are submitted to the Minister of Finance and the Ministry of Planning for consideration on the implementation of rewards and sanctions in the determination of budget ceiling of ministries/agencies.

To facilitate the implementation of performance monitoring and evaluation on the implementation of RKA-K/L DIPA, the Minister of Finance has set the Regulation of the Minister of Finance Number 249/PMK.02/2011 concerning the Procedures for Performance Measurement and Evaluation on the Implementation of RKA-K/L supported by information technology in the form of web-based budget e-money application. The application can be used by the entire Work Units of budget managers to measure the performance achievements of RKA-DIPA of Work Units at any time in the current budget year, and as a means of monitoring, evaluation and reporting of budget performance achievements (RKA-K/L DIPA) per program by all echelon I unit/unit equal to echelon I in each ministry/agency, and can be used by Ministers/Head of Agencies at any time to monitor and evaluate the achievement on the budget performance achievement (RKA-K/L DIPA) per program of the current year implemented by echelon I unit/unit equal to echelon I as persons in charge for programs.

2.2 The Implementation of Medium-Term Expenditure Framework (KPJM)

KPJM is a policy-based budgeting approach, with decision making on policies in the perspective of more than one fiscal year, by taking into account of relevant decision cost implications in the next year as outlined in the advanced prediction.
KPJM prepared by State Ministries/Agencies should pay attention to planning documents such as the Government Work Plan (RKP) and the National Medium-Term Development Plan (RPJMN).

2.2.1 The Implementation of KPJM At National Level

2.2.1.1 Review of the Policy Priority Activities

In order to review the national priorities activities, each Ministry/Agency should first understand the framework of the national priorities activities, as described below:

**Figure 1.4 The Framework of Priorities Activities**

Based on the framework above, each State Ministry/Agency can review with the following mechanisms:

1. Does the policy constitute the priority policy set to continue or stop by the Government? Check related documents, such as RPJMN, RKP and Renja-K/L.

2. If it continues, check whether the Output of priority activities still continue (ongoing Output) or stop (terminating Output) in accordance with the recent government policy. Check related documents, such as RPJMN, RKP and Renja-K/L.

3. If it continues, does the Output of priority activities constitute output with specific targets and limited (cap) or output accommodating any changes in the target (demand driven)? Check related documents such as RPJMN, RKP and Renja-K/L.
4. Check the components, the output as follows:
   a. Check the components, whether the related Output continue (ongoing component) or stop (non-ongoing component).
   b. If the component continues (ongoing component), check the related output components either the policy component or supporting policy component.
   c. Check the policy supporting component whether it has fixed price or can be adapted to the real price (price adjusted) based on the index scale set by the Government.
   d. Check the policy component whether it has fixed price or can be adapted based on the government’s decision.
5. If the review has been done in accordance with the characteristics of output and components at point 4, adjust the calculation on the Basic Figures allocation, namely by:
   a. performing indexation using specified indexes, for components that support the output achievement set by the government needs to be adjusted to the real price (real value);
   b. calculating components that support the output achievement set by the government have fixed price.
Things that need to be considered in reviewing:
1. Priority output is output resulted from national priorities activities as outlined in the President Regulation concerning the National Medium-Term Development Plan and the President Regulation concerning the Government Work Plan set each year by the Government.
   a. Continued priority output is priority activities output stated to to be continued in the next fiscal year based on the government’s decision as outlined formally either in the documents of RPJMN or RKP so that it needs to be taken into account for the implication of funding for the next fiscal year in the calculation of Medium-term Expenditure Framework (KPJM);
   b. Stopped priority output is priority activities output stated to have been complete in a particular fiscal year based on the government’s decision as outlined in either in the documents of RPJMN or RKP so that it needs to be taken into account for the implication of funding for the next fiscal year.
2. National Priority Activities Output consists of major components and supporting components.
3. Output Achievement Structure
   Output Achievement Structure follows the structure of budget in PBK implementation.
4. Major Components
   a. Are direct financing components from the implementation of a policy;
   b. The need for major components is influenced by the total volume of output to be achieved;
c. The major components are stated to be continued and remain to be calculated for the financing as long as the priority is set to be continued by the Government.

5. Supporting Components
   a. Are the components of financing which are used in order to run and manage the policy;
   b. The supporting components should be relevant to the output priority to be implemented;
   c. The supporting components are not directly related to the total volume of output to be achieved;
   d. The supporting components are optional, i.e. they can be continued or stopped related to the relevance of the achievement of the relevant priority output;
   e. The supporting components can be planned to be implemented in the 1st Advanced Prediction, 2nd Advanced Prediction or 3rd Advanced Prediction.

Example:
   a. The output of giving *Raskin* (Rice for the Poor) consists of:
      1) Major Components are the cost for purchasing the rice for poor amounting to Rp.2,000/kg multiplied by the target/number of recipients of the *Raskin*;
      2) Supporting Components include the administration for the implementation, monitoring and evaluation, as well as reporting.
   b. The output of giving BOS consists of:
      1) Major Components are the cost of giving BOS to students amounting to Rp.400,000/student to Urban Elementary Schools multiplied by the target/number of students receiving BOS;
      2) Supporting Components include the administration for the implementation, monitoring and evaluation, as well as reporting.

6. The calculation of advanced prediction as the indicative ceiling at the early next fiscal year should pay attention to:
   a. The continued priority output in accordance with the valid documents of RPJMN or RKP;
   b. Components calculated in the advanced prediction are the components stated to be continued;
   c. Components that are not calculated in the advanced prediction are components stated to be stopped/complete;
   d. The calculation of advanced prediction uses figures outlined in the output level and continued components;
   e. The initial calculation of advanced prediction is done by multiplying the amount of allocated budget in the basic components at basic years with indexes.

In terms of the amount of the major components set by the government is not multiplied by specified indexes. For example: the major components of which the amount set by the government are School
Operational Assistance \((\text{Bantuan Operasional Sekolah}/\text{BOS})\) and Health Operational Assistance \((\text{Bantuan Operasional Kesehatan}/\text{BOK})\).

f. Advanced prediction adjustment is then performed by multiplying the amount of allocated budget in the component of each advanced prediction with a cumulative index;

g. Indexes used to calculate the advanced prediction are economic assumptions set out in the State Budget and/or in accordance with the amount of output group indexes.

2.2.1.2 The procedure for calculating the projected advanced prediction

In general, the procedure for calculating a policy/Output of priorities activities are using a general formula, namely:

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

The procedure for calculating the initial advanced prediction (baseline). The formula for calculating the initial advanced prediction of output is as follows:

<table>
<thead>
<tr>
<th>Priority Output</th>
<th>= Policy components + supporting policies components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy components</td>
<td>= price \times quantity \times \text{cumulative index}</td>
</tr>
<tr>
<td>Supporting policy components</td>
<td>= price \times quantity \times \text{cumulative index}</td>
</tr>
</tbody>
</table>

2.2.2 The Implementation of KPJM at State Ministries/Agencies Level

2.2.2.1 Review on the Program/Activities Policy

In order to conduct a review on functional technical activities, at first each Ministry/Agency should understand the framework of functional technical activities, as follows:

**Figure 1.5 The framework of Functional Technical Activities**
Based on the framework above, each State Ministry/Agency can review with the following mechanisms:

1. Does the program/activity constitute the program/activity set to continue or stop by the State Ministry/Agency? Check related documents, such as Renstra-K/L and Renja-K/L;
2. If it continues, check whether the functional technical activities Output still continue (ongoing Output) or stop (terminating Output) in accordance with the most recent priority of the State Ministry/Agency. Check related documents, such as Renstra-K/L and Renja-K/L;
3. If it continues, does the functional technical activities Output constitute output with specific targets and limited (cap) or output accommodating any changes in the services target (demand driven)? Check related documents;
4. Check the input components, the output as follows:
   a. Check the components, whether the related Output continue (ongoing component) or stop (non-ongoing component).
   b. If the component continues (ongoing component), check the related output components either the direct component or indirect component.
   c. Check the indirect component whether it has fixed price or can be adapted to SBM.
   d. Check the direct component whether it has fixed price or can be adapted based on the most recent policy of the State Ministry/Agency.
5. If the review has been done in accordance with the characteristics of output and components at point 4, adjust the calculation on the Basic Figures allocation, namely by:
   a. performing indexation using specified indexes. For components set by the government it can adjusted to the real price (real value);
b. calculating by multiplying the price with the new target resulted from the
adjustment for functional technical activities output set by the government
with fixed price.

Things that need to be considered in reviewing:

1. Functional technical activities output is output resulted from functional
technical activities as outlined in Renstra-K/L and Renja-K/L set each year by
each K/L.
   a. Continued functional technical activities are functional technical activities
      output stated to to be continued in the next fiscal year based on the decision
      of relevant Ministers/Head of K/L as outlined formally either in the
      documents of Renstra-K/L or Renja-K/L so that it needs to be taken into
      account for the implication of funding for the next fiscal year in the
      calculation of Medium-term Expenditure Framework (KPJM);
   b. Stopped functional technical activities is functional technical activities
      output stated to have been complete in a particular fiscal year based on the
      decision of relevant Ministers/Head of K/L as outlined in either in the
      documents of Renstra-K/L or Renja-K/L so that it needs to be taken into
      account for the implication of funding for the next fiscal year.

2. Functional technical activities output consists of major components of services
   and supporting components of services.

3. Output Achievement Structure
   Output Achievement Structure follows the structure of budget in PBK
   implementation.

4. Major Components
   a. Are direct financing components from the implementation of work unit
      bureaucracy/public services output;
   b. The need for major components is influenced by the total volume of output
      to be achieved;
   c. The major components are stated to be continued and remain to be
      calculated for the financing as long as the functional technical activities is
      set to be continued by the Government.

5. Supporting Components
   a. Are the components of financing which are used in order to run and manage
      the work unit bureaucracy/public services;
   b. The supporting components should be relevant to the work unit
      bureaucracy/public services to be implemented;
   c. The supporting components are not directly related to the total volume of
      output to be achieved;
   d. Are usually allocated with the goods expenditure account (account 52) and
      the capital expenditure account (account 53);
   e. The supporting components are optional, i.e. they can be continued or
      stopped related to the relevance of the achievement of the relevant functional
      technical output;
   f. The supporting components do not need to be allocated by relevant work
      units as long as they have been included in the allocation of office
      operational and maintenance components.
g. The supporting components can be planned to be implemented in the 1st Advanced Prediction, 2nd Advanced Prediction or 3rd Advanced Prediction. Example:
   a. The output of cooperation documents of Indonesian Manpower (TKI) placement consists of:
      1) Major Components are the cost required in order to realize the cooperation documents such as official travel cost and accommodation in order to probe and negotiate with partner of service countries for TKI placement abroad;
      2) Supporting Components include the costs required in order to realize the cooperation documents such as honorarium (if necessary), costs for review of the possibility of TKI placement in a specific country, coordination cost with relevant institutions and so on.
   b. The output of Superior Varieties Resistant to Pests consists of:
      1) Major Components are the cost used in order to examine and test the Superior Varieties Resistant to Leffhoppers;
      2) Supporting components include the cost used in order to support the realization of the Superior Varieties Resistant to Leffhoppers such as the cost to review the examination, reference search, comparative study and so on.

6. The calculation of advanced prediction as the indicative ceiling at the early next fiscal year should pay attention to:
   a. The continued functional technical output in accordance with the valid documents of Renstra-K/L or Renja-K/L;
   b. Components calculated in the advanced prediction are the components stated to be continued;
   c. Components that are not calculated in the advanced prediction are input components stated to be stopped/complete;
   d. The calculation of advanced prediction uses figures outlined in the output level and continued components;
   e. The initial calculation of advanced prediction is done by multiplying the amount of allocated budget in the basic components at basic years with indexes.
      1) It should be paid attention to the indexation of major components must refer to the most recent decision of each State Ministry/Agency.
      2) Supporting components can directly be adjusted to the new cumulative index.
   f. Advanced prediction adjustment is then performed by multiplying the amount of allocated budget in the component of each advanced prediction with a cumulative index;
   g. Indexes used to calculate the advanced prediction are economic assumptions set out in the State Budget and/or determined indexes.

2.2.2.2 The procedure for calculating the projected advanced prediction
   In general, the procedure for calculating output of functional technical activities is to use the general formula, namely:
The procedure for calculating the initial advanced prediction at K/L level using the formula to calculate the advanced prediction of Output is as follows:

<table>
<thead>
<tr>
<th>Priority Output</th>
<th>= Major components + supporting components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major components</td>
<td>= price x quantity x cumulative index</td>
</tr>
<tr>
<td>Supporting components</td>
<td>= price x quantity x cumulative index</td>
</tr>
</tbody>
</table>

2.2.2.3 The Formulation for Calculating the Advanced Prediction of Activities/Output of Office Services, Activities/Output of Multiyears, Activities/Output of Non-Multiyears

In line with the dynamics of changes and progress in the implementation of Programs/Activities by each K/L, then to improve the quality of calculation of advanced prediction figures, it requires to do some changes, including:

1. The formulation for calculating the Advanced Prediction of Activities/Output of Office Services should pay attention to the following matters:
   - Continued (on-going) Output of Office Services;
   - Reflecting the needs of operating costs, including: personnel expenditure requirements and the inherent benefits and expenditure requirements of office holding goods (day-to-day office needs, operating costs, office equipment maintenance);
   - The calculation of advanced prediction figures refers to the existing condition (assuming the same output volume) and multiplied by the index set out for the Output of Office Services;
   - For additional budgetary requirements due to the addition of new employees or assets maintained, it is considered at the time of basic figures review.

2. The formulation for calculating the Advanced Prediction of Activities/Output of multiyears should pay attention to the following matters:
   - Continued (on-going) output of multiyear as long as the period of multiyears has been specified;
   - Reflecting the need for cost per year according to the cost table that has been prepared, both for the major components and supporting components;
   - The calculation of advanced prediction figures per year follows the budget requirements according to the table cost with the assumptions of the same output volume and do not need to be multiplied by the index;
   - In the event of any changes in the cost table or changes in the multiyear duration, the advanced prediction figures can be adjusted after the changes in the multiyear license has been approved.

3. The formulation for calculating the Advanced Prediction of Activities/Output of non-multiyears should pay attention to the following matters:
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- Output of non-multiyears can be derived from activities that are the task-functions of units or Activities that reflect the assignment/national priorities;
- For Output that is the task-function of units is continued (on-going), while for the Output that is a continue assignment must be in accordance with the predetermined period of assignment;
- Reflecting the need for cost per year according to the volume/planned output targets, both for the major components and supporting components;
- The calculation of advanced prediction figures every year refers to the planned output volume and multiplied by the specified index.
- For Output in the framework of assignment/National Priorities, the advanced prediction figures for FY 2015 and FY 2016 to be filled with FY 2014 targets or lower. This is in accordance with the policies in RPJMN which ends in 2014.

2.2.2.4 The Application of Indexation
The application of indexation is done with the aim to produce a calculation of advanced prediction figures that reflects the real needs at the time of implementation. The amount of index specified in the calculation of advanced prediction consists of:
1. The index for Output requirement of Personnel Expenditures Office Services.
2. The index for Output requirement of Goods Expenditures Office Services.
3. The index for the Supporting Components of Output of Infrastructure Goods.
5. The index for the Supporting Components of Output of Regulatory Services.
7. The index for the Major Components of Output of Infrastructure Goods.
8. The index for the Major Components of Output of Non-Infrastructure Goods.
10. The index for the Major Components of Output of Non-Regulatory Services.

2.2.3 Basic Figures and Fiscal Space
The preparation for the planned year should start by looking at the advanced prediction that has been prepared when preparing the budget of the previous year. The collection of advanced prediction prepared will yield indicative ceiling for the planned year as Basic Figures after having fixed and adjusted.

Basic Figures are indicative ceiling of advanced prediction from repeat activities and/or multi-years activities based on the policy defined and become a reference for the preparation of Indicative Ceiling of planned fiscal year that is made when preparing the budget. For example: in Fiscal Year 2011, advanced prediction has been compiled for the advanced prediction of FY 2012 and FY 2013:

In Rupiah
Fiscal Space is a budget space that can be used by K/L to propose new initiatives. Fiscal space can be seen from the difference in the calculation of advanced prediction of K/L which has been corrected and adapted to the ceiling of K/L in the RKP/RPJMN of year planned.

2.2.3.1 Review and Updates of Basic Figures
Review of Basic Figures is an activity performed at the beginning of fiscal year in the framework of preparation of Indicative Ceiling for the next fiscal year. Some things to note:
1. Budget requirements for Operating Costs, including: Personnel Expenditures and Goods Expenditures. In the event that there is a shortage or it needs to add budget due to the addition of new employees or additional maintenance of new assets, information and supporting documents can be submitted at the time of review of basic figures;
2. Budget requirements for Non Operating Costs, including: (i). Multiyears project, (ii). Output in the framework of task-functions, and (iii). Output in the framework of assignment/national priorities;
3. Realization of performance achievement of the previous year;
4. Performance targets plan for the year planned;
5. Specified government policies.

After the review of basic figures and additional new initiatives are approved, the basic figures need to be re-adjusted by updating the basic figures that can be explained as follows:
1. Basic figures updates done twice a year, namely:
   (i). At the time of the preparation of RKA-K/L based on the Budget Ceiling in July, and (ii) at the time of adjustment of RKA-K/L based on the Budget Allocations of K/L in November;
2. The first basic figures update in July has accommodated the amount of basic figures from the previous year plus new initiatives that have been approved in the Indicative Ceiling (chance I) and Budget Ceiling (chance II).
3. The second Basic figures update in November has accommodated the amount of basic figures from the previous year plus new initiatives that have been approved in the Indicative Ceiling, Budget Ceiling and Budget Allocation (chance III).
2.2.3.2 The Steps for Reviewing Basic Figures

1) The review of Basic Figures for operational costs
   a. Nationally, does the operational costs requirement for each K/L get budget allocation *enough for 1 year*?
   b. In the event that there is shortage of ceiling allocation, can the cause be *identified* clearly?
   c. In the event that there are changes in the employee database, new allowance, the BMN data and other matters related to operational costs, does K/L *complete* the entire document correctly?
   d. Based on the trend analysis, does the calculation of the operational cost requirement still *relevant* using the aceress approach of 2.5% (salary and allowance) and the *inflation rate* of 5%-7% (operational costs)?
   e. In reviewing the baseline of operational costs, it is not necessary to enter any new policies such as: the increase of food costs, overtime rates and side dishes money because the policy will be calculated by the system nationally.

The follow-up of review of basic figures for operational costs:
   a. If nationally, the amount of budget allocation provided is sufficient, but in practice there are units that express less, it should improve the distribution pattern or inter-program or inter-unit/Work Unit within the relevant K/L.
   b. In the event that there is a shortage of ceiling allocation, as long as the cause has been identified clearly and equipped with the right supporting documents, then the budget requirement has to be calculated into baseline.
   c. In the event that there is ceiling allocation that is manifestly excessive, then the difference of the excessive shall be excluded from the baseline calculation.
   d. In order to implement the efficiency gains, does the addition of allocation using aceress approach and inflation rate can be reduced gradually?

2) The review of Basic Figures for non-operational costs
   a. Is the program/activity/output highly-needed to be continued?
   b. Does the goal/performance target change in line with the change in policy direction and development priorities (environment changed)?
   c. Does the implementation of programs/activities yield optimization (efficiency)?
   d. Does the implementation of programs/activities already use the proper method (contractual or self-management)?
   e. Is the formulation of Outcome/Output relevant to Program objectives in order to overcome the existing problems?
   f. Does the inclusion of a realistic performance target plan can be achieved in 1 year?
   g. Can the performance plan of previous years be achieved properly?

The follow-up of review of basic figures for non-operational costs:
   a. If all of the questions are answered YES, then the budget requirement for Programs/Activities/Output is calculated as basic figures.
   b. If the question “1)” is answered NO, then the budget requirement is "dropped" and not included in the calculation of basic figures.
c. In the event that there are questions answered NO (in addition to the question "1"), then the formulation of performance targets or methods of implementation need to be reviewed and completed.

2.2.3.3 Correcting Basic Figures

Before you make correction of the Basic Figures in order to implement KPJM, K/L must first understand the formulation of output and structure under the output.

1. The Formulation of Activity Output
The Formulation of Activity Output should receive attention in order to evaluate the adjustment of the Basic Figures for the year planned. This is done to ensure that the formulation of activity output in the previous year has been in compliance with the signs and criteria of output. In the end, the formulation of output will actually have an impact on the calculation of the advanced prediction figures for the year planned.

The Explanation of the formulation of activity output has been described in the sub-chapter of the Implementation of Performance-Based Budgeting. The purpose of the explanation of this section is to remind basic things about the output of activities:

a. Output are goods/services produced by an activity which refers to the task-functions of work units or particular assignment. Because the number of task-function of work units as executors of activities are not too many, the resulting output should also not be too much.

b. The information contained in the output is in the form of three things: the type of goods/services; volume of goods/services produced and the measurement unit of goods/services mentioned.

2. The Budget Structure Determination under Output
Budget allocations are arranged in hierarchies/levels of the so-called budget structure. A complete budget structure consists of programs, activities, output, sub-output, components, sub-components, expenditures accounts and details of expenditures. The program has performance targets in the form of results. Activities have performance targets in the form of output. Meanwhile, a budget structure under output (sub-output, components, sub-components, accounts and details of cost) should be defined as a process of output achievement.

With regard to the budget structure under this output, there are several things that must be considered and understood:

a. Sub-output and components roles are different and can not be exchanged;

b. Sub-output are basically 'output' because they have similarities in terms of the type of goods/services and the measurement unit, but not the component that is a stage/part in the achievement of output;

c. Components must be relevant to the output to be achieved. Relevance mentioned is related to the quantity and quality of output to be achieved;

d. Components with respect to the quantity of output are grouped into major components that influence the calculation of KPJM of output.

Understanding of the structure above the budget and its use in the process of adjusting the basic rate will determine the accuracy of the budget to be prepared.
Components are one part of the process of output achievement. Components in the context of KPJM occupy an important role and should be interpreted as a stage to yield output. The size of budget allocation depends on the size of component costs. This is the important role of components. Therefore, when calculating the advanced prediction of activity output, attention must be focused on output and components. Are the activity output still produced in the following years? Do the stages (components) required still exist/not or is there any addition or reduction of components? It is the two statements that underlie the calculation of KPJM.

The following are examples of cases in the implementation of budget structure in the preparation of RKA-K/L, particularly output and components of an activity. For example, an activity that has Output of Office Building with an area of 100 m² is prepared. The outline of the output in a working paper of RKA-K/L can be done in 2 (two) ways and both are justified. The ways to outline in the budget structure with the 2 (two) ways are the freedom of planners in preparing the working paper of RKA-KL.

The first way:

Output : Office Building of 100 m²  
Sub-output : Building A (to be built with an area of 60 m²)  
  Component 1: Planning  
  Component 2: Construction  
  Component 3: Monitoring  
Sub-output : Building B (to be built with an area of 40 m²)  
  Component 1: Planning  
  Component 2: Construction  
  Component 3: Monitoring

The second way:

Output : Office Building of 100 m²  
Sub-output: - (no sub-output)  
  Component 1: Planning  
    Sub-component 1.1 : Building A (the building area 60 m²)  
    Sub-component 1.2 : Building B (the building area 40 m²)  
  Component 2: Construction  
    Sub-component 2.1 : Building A (the building area 60 m²)  
    Sub-component 2.2 : Building B (the building area 40 m²)  
  Component 3: Monitoring  
    Sub-component 3.1 : Building A (the building area 60 m²)  
    Sub-component 3.2 : Building B (the building area 40 m²)

Of the both cases above show that components can be placed anywhere, and they remain as a stage in generating output of activities. Components costs as a step in the process of generating output are divided in two (2) types: major and supporting. Component costs are said to be major costs if the component does not affect the volume of output. In terms of the component cost does not affect the volume of output directly then, it is grouped into supporting costs. In the example of cases mentioned above, what defined as major component costs are the 'construction' of the buildings.
After understanding the formulation of output and the structure under the output, the next step is to correct the basic figures. Errors that may occur when setting initial basic figures should be fixed so it shows the correct figures.

The main reason for improving the basic figures are:
1. K/L makes a mistake when listing the Volume of Output in the Advanced Prediction;
2. K/L mistakenly classifies the "stopped" or "continued" for output or components;
3. K/L mistakenly classifies the components as "main" or "supporting";
4. K/L is too detail in classifying output, so the number of output of K/L is too much;
5. K/L defines output too broad which is further divided into several sub-output that should be able to become separate output;
6. Output nomenclature of K/L does not reflect the shape of goods or services;
7. At a component level, K/L needs to bring new components or remove components that are not needed; and/or
8. K/L needs to sharpen/repair the formulation of components.

The steps undertaken by K/L to trace the errors of Basic Figures are:
1. Checking programs/activities in the year planned with the advanced prediction that is much larger or smaller than the ceiling of the previous year (eg, with the deviation limit of 10%).
   a. If the value is much larger, it may occur due to errors when entering the Volume of Output;
   b. If the value is much smaller, it may occur due to the Volume of Output has not been entered to the Advanced Prediction or the output are mistakenly classified as "stopped".
2. Planners conduct review to the output and components to check whether the output and components nomenclature are correct.
3. Planners check the output and components whether the output/components nomenclature needs sharpening, or the output/components need classification changes.
4. Check which work unit causing the error.

After checking and inspection so that the errors that occur in the Basic Figures can be identified, the correction of Basic Figures can be grouped into the correction at the output level and the correction at the components level.
1. The correction at the output level
   a. Correction of errors in the classification of "stopped" or "continued" output
      To be able to correct errors due to incorrect classification of "Stopped" or "continued", it must be known in advance which output that should be classified as "stopped".
      The classification of “Stopped” is given to:
      1) Short-term projects or projects with limited time, such as the construction of new buildings; or
      2) Projects funded by Loans or financing by other donors, and no agreement to continue the financing.
K/L has an opportunity to reclassify the output that has been classified as stopped output into continued output but this will reduce the fiscal space of K/L in filing new initiatives.

Example:
The Ministry of Finance implements programs of budget management and budgeting systems development activities in which one of the output is the "application of RKA-K/L". This activity is planned to repeat every year, but due to a technical error, the output is classified as stopped output in 2011. This error leads to no advanced prediction for 2012 for the output. Correction is made to bring back the output, which causes an increase for the initial Basic Figures of the Finance Ministry with the consequences of reducing fiscal space for new initiatives in 2012.

b. Merging output
In determining the output, K/L often defines all goods produced as output of activities. The provisions are some goods or services produced can be grouped into a single output if the goods are similar.

Example:
1. A K/L has output of various 2-wheeled, 4-wheeled and 6-wheeled vehicles. With output standardization, the formulation of output in order to procure the vehicles is output of motor vehicles, where the 2-wheeled vehicles, 4-wheeled vehicles and 6-wheeled vehicle are the sub-output. Provisions regarding the output standardization as stated in the sub-chapter of the Implementation of Performance-Based Budgeting.

2. Some K/L is still formulating output in sizes that are too detailed. For example: procurement of stairs, lamps and trash can are formulated as output. It is not supposed to be at the output level but on the detail for output of office equipment.

c. The formation of new output from the output that is too broad.
K/L often defines output too broad so that it is less detailed or too general, as a result it doesn’t reflect what kind of work packages done by the K/L. Although the output is detailed into sub-output but it is better that the K/L separates the sub-output into its separate output (showing new output), but the new output is out of the new initiatives.

Example:
At the Ministry of Health, Poltekkes produces output of education services that is described further into sub-output of education services of nursing and education services of paramedics. In describing the stage of sub-output (components) achievement mentioned, it is possible that there is a difference. To be more precise, both sub-output can be separated into separate output. The showing of the output is not classified as a new initiative because the new output derives from the existing sub-output and no additional funding.

d. The adjustment of output nomenclature.
Based on the review of the output nomenclature of K/L in 2011, there were still K/L of which the output nomenclature did not reflect goods or services.
In order to correct the basic figures of K/L, perfection of output formulation can be done so that it reflects goods or services produced for each activity.

Example:
1) A K/L has output of "the Completion of Children Health Journal" in the context of material preparation of child health journal (the output is services). The word "completion" does not refer to goods or services so that the formula for the output is adjusted into "the Publishing of Children Medical Journal".
2) A K/L has output "the Implementation of Administrative Management of the Ministry of A and General Secretariat", for this output should become "the Administrative services of the Ministry of A and the General Secretariat".

e. Correcting errors in the inclusion of Volume of Output
Some K/L may have included a larger or smaller volume of output than it should be planned. In correcting the Basic Figures, K/L can correct the inclusion of the volume of output. Checking the output of volume can be done by comparing it with the volume of output listed in the Government Work Plan (RKP).

Example:
The ministry of A performed activities in 2011 which were planned to continue until 2014. In 2011, it produced 100 Output with the cost per output of Rp100,000 and for the following year, it was planned for 100 more output, but technical errors occurred in the Volume of Output; in the Advanced Prediction, it was listed 10,000 resulting in a very significant increase than they should. Correction was performed by comparing the output with the output listed in RKP.

2. The correction at the component level
a. Sharpening the components formulation
Components of output should be relevant to the output to be achieved. Correction in order to sharpen components includes perfecting the nomenclature of components formulation. Components nomenclature uses active sentences which reflect the stage of output achievement.

Example: (the use of the correct components)
Output : Motor Vehicles
Sub-output : 2-Wheeled Vehicles
Component : 2-Wheeled Vehicles Procurement (the word "procurement" shows an active verb).

b. Showing new components
Showing new components should pay attention to the policy of the relevant K/L. The new components appear (one of them) because of an error at the beginning of the budget preparation that does not accommodate the components.

c. Removing components
Removing components from output can be implemented after reviewing the advanced prediction that has been prepared. If based on the review, the component is not required, K/L can remove the component.
Example:
A K/L has output of “education and training in the education field” that will be held for 3 years.

<table>
<thead>
<tr>
<th>Component</th>
<th>Continued/Stopped</th>
<th>Major/Supporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and Training Implementation</td>
<td>Continued</td>
<td>Major</td>
</tr>
<tr>
<td>Evaluation of Education and Training Implementation</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
<tr>
<td>Module Preparation</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
<tr>
<td>Participants Selection</td>
<td>Continued</td>
<td>Supporting</td>
</tr>
</tbody>
</table>

Based on the review in the 2nd years, the component of "module preparation" is not needed anymore, so that this component can be removed and become fiscal space for K/L.

d. The correction for errors in the stopped or continued classification
Correction for errors in the stopped or continued of a component should pay attention to the following matters:
1) Errors when processing data into the application of RKA-K/L, the component that should be classified into a stopped component in specific year is classified as a continued component or otherwise. The administrative error can be corrected.
2) Major components always generally follow output, if the output is continued, the major component is likely to continue.
3) Supporting components are not directly related to output so that it can be classified as stopped although its output is classified as continued.

If a component in the advanced prediction has been classified as stopped yet to be corrected so that the component is continued whether because of administrative errors or correction after review of the component requirement directly will reduce the fiscal space of the ministry in filing a new initiative.

e. The correction for errors in the “major” or “supporting” components classification
Reclassification of components from "major components" into "supporting components" will have an impact on the advanced prediction figures that have been prepared. The characteristics of "supporting components" that must be indexed and not directly related to changes in volume of output, if converted into a characterized "major component" directly related to the volume of output and are usually not indexed or otherwise would change the structure of the stages of output achievement process.

Example:
The Ministry of Home Affairs conducts activities of increased Independence of Rural Communities with Output of funding of Direct Self-Help (Bantuan Langsung Mandiri/BLM). The components for this activity are:

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>10 districts</td>
<td>15 districts</td>
<td>20 districts</td>
</tr>
<tr>
<td>Index</td>
<td>1.000</td>
<td>1.053</td>
<td>1.108</td>
</tr>
</tbody>
</table>

Once the evaluation for 2012 is done, the policy of "socialization of BLM funding" component is classified as a major component because the implementation is greatly influenced by the volume of output.

As a result of the policy, the Basic Figures for 2012 increased by 45 which will reduce fiscal space in the Ministry of Home Affairs in 2012.

2.2.3.4 The adjustment of Basic Figures

The adjustment of Basic Figures is a process of making Basic Figures that have been prepared in the year before the year planned (e.g., in 2011) in accordance with the assumptions or parameters that will happen in the year planned (e.g., in 2012). The parameters that need to be adjusted are economic parameters that are automatically carried out by the application system of RKA-K/L and non-economic parameters adjusted manually by planners. In addition to the parameters adjustment, the adjustment of Basic Figures also include the preparation of a new Advanced Prediction Figures (3 years from the year planned).

There are three things that make the adjustment of Basic Figures need to be done, namely the adjustment of economic parameters, the adjustment of non-economic parameters, and the preparation of a new advanced prediction.

1. The adjustment of economic parameters
Economic parameters used in the KPJM approach in preparing budgets is the economic assumption contained in the State Budget, but in the current implementation of KPJM, the assumption used is inflation.

Every year, the inflation prediction is different from the previous year, therefore it is necessary to update the inflation assumption that will be used in the year planned. The inflation assumption used as a parameter adjustment in order to the planned expenditures in the year planned is correct.

When the adjustment is made with the parameter assumption of new inflation, in the preparation of budget in the year planned, the expenditures prediction can be increased or decreased according to the increase or decrease in the inflation assumption.

Examples of inflation adjustment (the initial inflation is 5.3%):

<table>
<thead>
<tr>
<th>Code</th>
<th>B/L</th>
<th>Initial Year</th>
<th>Final Year</th>
<th>Cost Character</th>
<th>Index</th>
<th>Cost FY 2011</th>
<th>Cost FY 2012</th>
<th>Cost FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa</td>
<td>Activity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa,bb</td>
<td>Output I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Volume of Output</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Without Sub-Output</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb, ccc</td>
<td>Component 1</td>
<td>B 2011</td>
<td>Major</td>
<td>Yes</td>
<td>100</td>
<td>1,000</td>
<td>1,053</td>
<td>1,109</td>
</tr>
</tbody>
</table>

In 2011, in preparing the advanced prediction (Prakiraan Maju/PM 1) for 2012, the inflation assumption (parameter) used was 5.3%, if in 2012 the inflation used was 4%, then it is necessary to adjust to the 2012 budget about to be prepared.

<table>
<thead>
<tr>
<th>Code</th>
<th>B/L</th>
<th>Initial Year</th>
<th>Final Year</th>
<th>Cost Character</th>
<th>Index</th>
<th>Cost FY 2011</th>
<th>Cost FY 2012</th>
<th>Cost FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa</td>
<td>Activity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa,bb</td>
<td>Output I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Volume of Output</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Without Sub-Output</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb, ccc</td>
<td>Component 1</td>
<td>B 2011</td>
<td>Major</td>
<td>Yes</td>
<td>100</td>
<td>1,000</td>
<td>1,040</td>
<td>1,081</td>
</tr>
</tbody>
</table>

Note: The adjustment of inflation is done automatically by a system.

2. The adjustment of non-economic parameters

Economic parameters are parameters related to government or K/L policies. The scope of the economic parameters that must be adjusted is:
a. The calculation adjustment of personnel expenditures is adjusted to the changes in personnel database.

b. The addition or reduction of Volume of Output K/L can increase the volume of output for each activity but without adding the budget, while for the target subtraction of volume of output may only allow for the output that is the priority for K/L.

1) The addition of Volume of Output can be made by K/L with funding from the optimization result of the relevant K/L.

2) The reduction of Volume of Output can be made if the evaluation of the previous year Volume of Output that become the target can not be achieved by K/L. The reduction of the Volume of Output can be made only on the priority activities of K/L.

Example:
The Ministry of A is assumed in 2011 only to be able to realize the Output achievement by 70%. So for the adjustment of Basic Figures in 2012, the volume and budget ceiling of the previous year should be reduced 30% and subsequently recalculated for a new advanced prediction.

The initial Basic figures:

<table>
<thead>
<tr>
<th>B/L Initial Year</th>
<th>Activity</th>
<th>Volume</th>
<th>Without Sub-Output</th>
<th>Component 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011</td>
<td>FY 2012</td>
<td>FY 2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 2011</td>
<td>Major</td>
<td>Yes</td>
<td>100</td>
<td>1,000</td>
</tr>
</tbody>
</table>

The adjustment (the realization of 70% and the inflation assumption is constant)

<table>
<thead>
<tr>
<th>B/L Initial Year</th>
<th>Activity</th>
<th>Volume</th>
<th>Without Sub-Output</th>
<th>Component 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011</td>
<td>FY 2012</td>
<td>FY 2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 2011</td>
<td>Major</td>
<td>Yes</td>
<td>100</td>
<td>700</td>
</tr>
</tbody>
</table>

c. The budget reduction

According to the Regulation of the Minister of Finance concerning the implementation of award and sanctions in 2011 will directly affect the Basic Figures that have been prepared based on the Advanced Prediction. Sanctions
to K/L which did not fully implement the 2010 budget year (the previous fiscal year) would result in a budget reduction in 2011 (the current year) and would give effect to the reduction in the advanced prediction for the year planned (Basic Figures). The budget reduction due to the sanctions should not reduce the target of volume of output planned.

Example:
The ministry of A in 2010 did not fully implement the budget so that they were imposed sanctions in 2011 amounted to Rp.200. The budget reduction in 2011 would give effect to the baseline in 2012 so it was necessary to make adjustments according to the table below (the inflation assumption remained 5.35%):

<table>
<thead>
<tr>
<th>Program I</th>
<th>Activity</th>
<th>Volume of Output</th>
<th>Without Sub-Output</th>
<th>Component 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>B/L</td>
<td>Initial Year</td>
<td>Character</td>
<td>Cost</td>
<td>Index</td>
</tr>
<tr>
<td>Output I</td>
<td>2011</td>
<td>Major</td>
<td>Yes</td>
<td>10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program I</th>
<th>Activity</th>
<th>Volume of Output</th>
<th>Without Sub-Output</th>
<th>Component 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>B/L</td>
<td>Initial Year</td>
<td>Character</td>
<td>Cost</td>
<td>Index</td>
</tr>
<tr>
<td>Output I</td>
<td>2011</td>
<td>Major</td>
<td>Yes</td>
<td>80</td>
</tr>
</tbody>
</table>

In addition due to the imposition of sanctions, the budget reduction may also occur if K/L performs optimization. In terms of the budget reduction is the result of the optimization, K/L can propose new initiatives implemented in accordance with the submission mechanism. The budget reduction can be carried out on the activities of national priorities, areas priorities and K/L priorities.

d. The reduction in the volume of output and budget targets.  
The reduction in the volume of output and budget can be done if in the evaluation of the previous year, the Volume of Output that becomes the target cannot be achieved by K/L. The reduction of the Volume of Output and budget is only for the priority activities of K/L.
e. The reallocation of budgets and Output as well as the ceiling of K/L targets.
In implementing KPJM, K/L is given flexibility in reallocating output targets in making an adjustment as long as the budget ceiling is fixed, either the budget ceiling in the framework of national/areas priorities or the budget ceiling of K/L priorities. Reallocation can be made between programs, activities, output and work units including between locations. The constraint given is that reallocation cannot be made from the national priorities or areas priorities to K/L priorities.

f. Removing volume of Output targets to the future
In adjusting the Basic Figures, K/L is given the flexibility to remove the Volume of Output to the next financial year in accordance with the considerations of Output achievement. Removing the Volume of Output targets to the future is not followed by the budget carried over.

3. Creating a new advanced prediction
The main principle of the implementation of KPJM is a rolling budget. As part of the preparation of the annual budget, the new advanced prediction should be added in the Basic Figures.

a. The new advanced prediction for supporting components
Supporting components are components that are not directly related to the volume of output and the indexation in the calculation of the advanced prediction is carried out. An example for the calculation of the advanced prediction is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>1,00</td>
<td>1,04</td>
<td>1,081</td>
<td>1,125</td>
<td>1,170</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program I</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>Activity</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>Output I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Volume of Output</td>
<td></td>
<td></td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>aaaa, bb, ccc</td>
<td>Component 1</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>
</tr>
</tbody>
</table>

The adjustment for supporting components will be done automatically by the system as long as such components are classified as recurring components. As for the stopped supporting components will only exist until the year when the components stop. An example for the stopped supporting components in a given year (2014) is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>1,00</td>
<td>1,04</td>
<td>1,081</td>
<td>1,125</td>
<td>1,170</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>
</tr>
</thead>
<tbody>
<tr>
<td>Program I</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>Activity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b. The new advanced prediction for major components

The calculation of the advanced prediction for major components is directly related to the volume of output of activities so that the increase or reduction in the volume of output will directly reduce the costs for major components. Other characteristics of the major components are in terms of indexation. The major components can be indexed if determined by the policies and costs for the major components that are affected by market prices (affected by the inflation).

An example for the new advanced prediction for major components (without indexation) is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>1,000</td>
<td>1,040</td>
<td>1,081</td>
<td>1,125</td>
<td>1,170</td>
</tr>
</tbody>
</table>

An example for the adjustment of the advanced prediction for major components (indexed):

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>1,000</td>
<td>1,040</td>
<td>1,080</td>
<td>1,125</td>
</tr>
</tbody>
</table>

2.3.4 The illustration of the Review and the Implementation of KPJM

2.3.4.1 The illustration of the Review and the Implementation of KPJM at National Level

Illustration I
(An example for changing inflation and a fixed policy price)

Budgets of 2011
Inflation of 2011 amounted to 10%

<table>
<thead>
<tr>
<th>The Name of Priority Output</th>
<th>Budgets of 2011</th>
<th>Advanced Prediction 1 of 2012</th>
<th>Advanced Prediction 2 of 2013</th>
<th>Advanced Prediction 3 of 2014</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A 1. Policy Components</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Output A</td>
<td>350</td>
<td>310</td>
<td>321</td>
<td>333</td>
<td></td>
</tr>
</tbody>
</table>

Budgets of 2012
Inflation of 2012 amounted to 8%

<table>
<thead>
<tr>
<th>The Name of Priority Output</th>
<th>Realization of 2011</th>
<th>Budgets of 2012</th>
<th>Advanced Prediction 1 of 2013</th>
<th>Advanced Prediction 2 of 2014</th>
<th>Advanced Prediction 3 of 2015</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A 1. Policy Components</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>200,00</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>100,00</td>
<td>108,00</td>
<td>116,64</td>
<td>125,97</td>
<td>136,05</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50,00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Output A</td>
<td>350,00</td>
<td>308,00</td>
<td>316,64</td>
<td>325,97</td>
<td>336,05</td>
<td></td>
</tr>
</tbody>
</table>

The explanation for the calculation of the budget allocation of 2012 with the assumption of changing inflation and a fixed policy price is as follows:
1. The budget indication of 2012 comes from the advanced prediction 1 of 2012
2. To calculate the budget allocation of 2012 is as follows:

1. Policy Components in 2012       | Policy components cost in 2011
|                                  | 200
2. Policy Components in 2012       | Supporting components cost in 2011 x cumulative index inflation
|                                  | 110 x (1,08/1,10)
|                                  | 108,00
Total Cost of Output A in 2012 | Policy components in 2011 + Supporting Components in 2011
|                                  | 200 + 108,00
|                                  | 308,00

Illustration II
(An example for changing inflation and a fixed policy price adjusted to the real price)
Budgets of 2011
Inflation of 2011 amounted to 10%

<table>
<thead>
<tr>
<th>The Name of Priority Output</th>
<th>Budgets of 2011</th>
<th>Advanced Prediction 1 of 2012</th>
<th>Advanced Prediction 2 of 2013</th>
<th>Advanced Prediction 3 of 2014</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Policy Components</td>
<td>200</td>
<td>220</td>
<td>242</td>
<td>266</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Output A</td>
<td>350</td>
<td>330</td>
<td>363</td>
<td>399</td>
<td></td>
</tr>
</tbody>
</table>

Budgets of 2012
Inflation of 2012 amounted to 8%

<table>
<thead>
<tr>
<th>The Name of Priority Output</th>
<th>Realization of 2011</th>
<th>Budgets of 2012</th>
<th>Advanced Prediction 1 of 2013</th>
<th>Advanced Prediction 2 of 2014</th>
<th>Advanced Prediction 3 of 2015</th>
<th>Description</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 Components</td>
<td>200,00</td>
<td>216,00</td>
<td>233,28</td>
<td>251,94</td>
<td>272,10</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>100,00</td>
<td>108,00</td>
<td>116,64</td>
<td>125,97</td>
<td>136,05</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50,00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Output A</td>
<td>350,00</td>
<td>324,00</td>
<td>349,92</td>
<td>377,91</td>
<td>408,15</td>
<td></td>
</tr>
</tbody>
</table>

The explanation for the calculation of the budget allocation of 2012 with the assumption of changing inflation and a fixed policy price is as follows:
1. The budget indication of 2012 comes from the advanced prediction 1 of 2012
2. To calculate the budget allocation of 2012 is as follows:

1. Major Components in 2012
   
   Major components cost in 2011 x cumulative index inflation
   
   \[220 \times \frac{1,08}{1,10}\]
   
   \[216,00\]

2. Supporting Components in 2012
   
   Supporting components cost in 2011 x cumulative index inflation
   
   \[110 \times \frac{1,08}{1,10}\]
   
   \[108,00\]

Total Cost of Output A in 2012

Major components in 2011 + Supporting Components in 2011

\[216,00 + 108,00\]

\[304,00\]

Example:
Giving Raskin (Rice for the Poor) activities
The government sets a policy of giving raskin to the poor with the criteria that each of the poor has the right to get raskin about 10 kg per month and is given in the form of rice in accordance with the market price. The rice price in 2010 was Rp4,000/kg and the inflation was 10% per year. The policy of raskin started in 2010 with the total amount of the poor in 2010 was 10 thousands inhabitants and was assumed to increase about 10% per year based on the calculation from the Central Bureau of statistics.

Review:

<table>
<thead>
<tr>
<th>Description</th>
<th>Review</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy</td>
<td>Yes</td>
<td>The authority of the policy implementation outlined in RKP</td>
</tr>
<tr>
<td>Effective Date of the Policy</td>
<td>2010</td>
<td></td>
</tr>
<tr>
<td>The contents of the policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Giving <em>raskin</em> about 10 kg/the poor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- The rice price is adjusted to the market price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- The data of the poor in 2010 was 10 thousands inhabitants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- It was predicted that the increase of the poor is 10%/year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>Yes</td>
<td>Consistent with the government policy</td>
</tr>
<tr>
<td>Output of Activity</td>
<td>Yes</td>
<td>The relevance to the activity</td>
</tr>
<tr>
<td>Giving <em>raskin</em> to 10 thousands inhabitants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output Character</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Continue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stop</td>
<td>No</td>
<td>Stop and does not need to continue the review</td>
</tr>
<tr>
<td>Components Character</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Continue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stop</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price Treatment</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Fixed price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real price (adjusted price)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Volume Treatment</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Fixed volume</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume can be adjusted based on the government policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Allocation</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Calculate the total allocation requirement after being adjusted</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Policy Financing Estimation:

<table>
<thead>
<tr>
<th>Name</th>
<th>Policy Price</th>
<th>The Number of the Poor in 2010</th>
<th>Budgets of 2010</th>
<th>Advanced Prediction 1 of 2011</th>
<th>Advanced Prediction 2 of 2012</th>
<th>Choose to be Continued or Stopped</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2.3.4.1 The illustration of the Review and the Implementation of KPJM at K/L Level

Illustration III
(An example for changing inflation and a fixed policy price)

<table>
<thead>
<tr>
<th>The Name of Functional Technical Output</th>
<th>Budgets of 2011</th>
<th>Advanced Prediction 1 of 2012</th>
<th>Advanced Prediction 2 of 2013</th>
<th>Advanced Prediction 3 of 2014</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output of Office Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary Components</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>Continue</td>
</tr>
<tr>
<td>2. O and P Components</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>Continue</td>
</tr>
<tr>
<td>Output of Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Major Components</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Functional Technical Activities</td>
<td>450</td>
<td>410</td>
<td>421</td>
<td>433</td>
<td></td>
</tr>
</tbody>
</table>

The procedure for the calculation:

Functional Technical Activities of 2012 | Output of Office Services + Output of Services
Output of Office Services               | Salary Components + Operational & Maintenance Components
### Output of Services 2012

<table>
<thead>
<tr>
<th>Major Components of Services + Supporting Components of Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting Output of 2012</td>
</tr>
<tr>
<td>1. Salary Components of 2012</td>
</tr>
<tr>
<td>Salary allocation of 2011</td>
</tr>
<tr>
<td>2. O and P Components of 2012</td>
</tr>
<tr>
<td>O and P allocation of 2011 x cumulative index</td>
</tr>
<tr>
<td>Output of Services 2012</td>
</tr>
<tr>
<td>1. Major Components of Services of 2012</td>
</tr>
<tr>
<td>Allocation for major components of services of 2011 (fixed price)</td>
</tr>
<tr>
<td>2. Supporting Components of Services of 2012</td>
</tr>
<tr>
<td>50 x 0 (nil because it is stated to stop in 2011)</td>
</tr>
</tbody>
</table>

### Illustration IV

*(An example for changing inflation and a fixed policy price with real price)*

#### Budgets of 2011

**Inflation of 2011 amounted to 10%**

<table>
<thead>
<tr>
<th>The Name of Functional Technical Output</th>
<th>Budgets of 2011</th>
<th>Advanced Prediction 1 of 2012</th>
<th>Advanced Prediction 2 of 2013</th>
<th>Advanced Prediction 3 of 2014</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output of Office Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary Components</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>Continue</td>
</tr>
<tr>
<td>2. O and P Components</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>Continue</td>
</tr>
<tr>
<td>Output of Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Major Components</td>
<td>100</td>
<td>110</td>
<td>121</td>
<td>133</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Functional Technical Activities</td>
<td>450</td>
<td>420</td>
<td>442</td>
<td>466</td>
<td></td>
</tr>
</tbody>
</table>

#### Budgets of 2012

**Inflation of 2012 amounted to 8%**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Output of Office Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Salary Components</td>
<td>200.00</td>
<td>200.00</td>
<td>200.00</td>
<td>200.00</td>
<td>200.00</td>
<td>Continue</td>
</tr>
<tr>
<td>2. O and P Components</td>
<td>100.00</td>
<td>108.00</td>
<td>116.64</td>
<td>125.97</td>
<td>136.05</td>
<td>Continue</td>
</tr>
<tr>
<td>Output of Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Major Components</td>
<td>100.00</td>
<td>108.00</td>
<td>116.64</td>
<td>125.97</td>
<td>136.05</td>
<td>Continue</td>
</tr>
<tr>
<td>2. Supporting Components</td>
<td>50.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Stop in 2011</td>
</tr>
<tr>
<td>Total Cost of Functional Technical Activities</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>

#### The procedure for the calculation:

<table>
<thead>
<tr>
<th>Functional Technical Activities of 2012</th>
<th>Output of Office Services + Output of Services</th>
</tr>
</thead>
</table>

MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA
- 50 -

Output of Office Services
Salary Components + Operational & Maintenance Components

Output of Services 2012
Major Components of Services + Supporting Components of Services

Supporting Output of 2012
1. Salary Components of 2012
Salary allocation of 2011
200

2. O and P Components of 2012
O and P allocation of 2011 x cumulative index
110 x 1,08/1,10
108,00

Output of Services of 2012
1. Major Components of Services of 2012
Allocation for major components of services of 2011 x cumulative index
110 x 1,08/1,10
108,00

2. Supporting Components of Services of 2012
Allocation for supporting components of services of 2011 x cumulative index
50 x 0 (nil because it is stated to stop in 2011)

Example: An Organizing Activity of Authorized BUN in provinces (Functional Technical Activity)
Originally the activities in Jakarta KPPN I in RKA-K/L of 2010 consist of:
1. The management activities of salaries, allowances and honorarium;
2. The implementation activities of office operational and office maintenance;
3. The budget administration, the treasury organization; and
4. The budget management and control.

Based on the restructuring results, the activities in KPPN Jakarta I become the Implementation Activities of Authorized BUN in provinces. The output of these activities is the publishing service of SP2D as many as 10,000 pieces. To achieve the output is done by identifying the supporting input components and the assumptions, namely:
1. The payment of salaries, allowances and honorarium components;
   The salary financing model : salary index x number of employees
   The number of employees assumption: 50 employees
   The salary index : follow the provisions in the Salary PP
2. The operational management and office maintenance components;
   operational funding model : operational index x number of employees
   : maintenance index x amount of assets
3. The funds disbursement service management components as many as 10,000 SP2D
   SP2D management model : SP2D price x volume of published SP2D
   The assumption : SP2D price x Rp 5,000/peice
   volume of published SP2D as many as 10,000/year

(in million rupiah)

<table>
<thead>
<tr>
<th>Program/Activity</th>
<th>Current Budget</th>
<th>Budget</th>
<th>Advanced Prediction</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2011</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>The State Treasury Management Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### The Implementation Activities of Authorized BUN in provinces

<table>
<thead>
<tr>
<th>Activity</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>The payment of salaries, allowance and honorarium</td>
<td>2,700</td>
<td>2,700</td>
<td>2,700</td>
<td>2,700</td>
<td>2,700</td>
</tr>
<tr>
<td>Operational management and office maintenance</td>
<td>2,600</td>
<td>2,808</td>
<td>3,033</td>
<td>3,276</td>
<td>3,538</td>
</tr>
<tr>
<td>Funds disbursement service management</td>
<td>50</td>
<td>54</td>
<td>54</td>
<td>63</td>
<td>68</td>
</tr>
<tr>
<td>Basic Allocation</td>
<td>5,350</td>
<td>5,562</td>
<td>5,791</td>
<td>6,390</td>
<td>6,300</td>
</tr>
</tbody>
</table>

### 2.3.5 The Preparation and Establishment of New Initiatives

The Preparation and Establishment of New Initiatives are one of the principles in the Medium-Term Expenditures Framework to facilitate K/L to get additional budgets excluded from the Basic Figures that have been set. Some things to consider in the preparation and establishment of new initiative are as follows:

1. The new initiatives proposal should be in line with the policy direction and development priorities determined by the President;
2. The categories of new initiatives, funding sources and the period for proposal submission tailored to the budget cycle;
3. The supporting documents must be completed at the time of proposal submission;
4. Other provisions shall pay attention to the Regulation of the Minister of National Development Planning Number 1 of 2011.

### 3. The Budgeting Process

3.1 The Budgeting Cycle

**Figure 1.6 The Budgeting Cycle**
3.2 Stages in the Establishment Process of Expenditures Ceiling of K/L

In the framework of the preparation of the State Budget, as it has been mandated by the Government Regulation Number 90 of 2010 concerning the Preparation of RKA-K/L, there are three times of funds ceiling establishment for K/L, namely indicative ceilings, budget ceilings and budget allocation. The figures listed in the three provisions are the highest number that should not be exceeded by K/L as a reference in preparing the RKA-K/L. Broadly speaking, the explanation about the three ceilings will be explained as follows:

3.2.1 Indicative Ceilings

Starting in 2012, the figures listed in the advanced prediction for fiscal year 2013 that is stated at the time of the preparation of RKA-K/L for fiscal year 2012 will serve as the Basic Figures, as one of the variables that determine the amount of the indicative ceilings for fiscal year 2013. In order to prepare the indicative ceilings for the year planned, it should go through the following process:

1. The president sets the policy direction and the national development priorities

At the beginning of each year, the president sets the policy direction that will be conducted in the year planned, here the President sets the national development priorities that will be conducted at the year planned. In addition, the President also sets the priority allocation from the budget of the government. The policy direction and the priorities of this budget will become a basic consideration in the preparation of RKP.

2. K/L evaluates baseline (basic figures)
The advanced prediction that has been included in the documents of the previous year planning and budgeting will be used as the basic figures for planning and budgeting in the fiscal year planned. However, the figures listed in the advanced prediction has to be adjusted/reviewed in advance to get the right figures that will be used. In the review process, it will focus on the continued or stopped establishment of output, the volume of output, the determination of the output component character (major or supporting) and the evaluation of input component from output required in the year planned.

3. K/L can plan new initiatives
   If there is a Program/Activity/Output to be done and not to be done yet in the previous year, K/L can submit the plan with new initiatives mechanism. New initiatives may be submitted within three chances, namely the first chance is before the establishment of the indicative ceiling, the second one is before the establishment of the budget ceiling and the third one is before the determination of budget allocation. Matters related to the new initiatives submission mechanism are based on the Regulation of the Minister of National Development Planning/Head of National Development Planning Agency Number 1 of 2011 concerning the Procedures for the Preparation of New Initiatives.

4. The Ministry of National Development Planning/Bappenas and the Ministry of Finance evaluate the baseline and review the proposed new initiatives
   The Ministry of National Development Planning/Bappenas and the Ministry of Finance will evaluate the results of review of basic figures that have been carried out by K/L. This evaluation is to ensure that the basic figures as reviewed is correct. In addition, the Ministry of National Development Planning/Bappenas and the Ministry of Finance also evaluate the proposed new initiatives submitted by K/L. The evaluation is conducted to determine whether a new initiative deserves to be approved to be implemented or not. Besides, the Ministry of National Development Planning/Bappenas and the Ministry of Finance also evaluate the implementation of Programs and Activities in progress, as a consideration in the preparation of programs and activities that will be implemented in the year planned which will be set out in the established indicative ceiling.

5. The Ministry of Finance prepares the estimation of fiscal capacity
   The Ministry of Finance prepares the estimation of fiscal capacity for the preparation of Indicative Ceiling in the fiscal year planned, including the adjustment of the medium-term indicative budget ceiling no later than mid-February.

6. The Minister of Finance and the Minister of National Development Planning/Head of Bappenas prepare the Indicative Ceiling
   The Indicative Ceiling is planned to be prepared by taking into account the fiscal capacity and in order to meet the national development priorities. The Indicative Ceiling mentioned is detailed by organizational units, programs, activities and the indications of funding to support the Policy Direction that has been set out by the President. The Indicative Ceiling that has been established along with the national development priorities as outlined in the preliminary draft of the Government Work Plan (RKP) is submitted to K/L with the Joint Circular signed...
by the Minister of Finance with the Minister of Planning in March. The Indicative Ceiling is detailed according to organizational units, programs and activities. The figures listed in the indicative ceiling from the advanced prediction figures is obtained from the advanced prediction figures that have been listed in the previous year that have gone through a process of adjustment added with a new initiative at the first chance accommodated/approved.

In the form of a figure, the process until the determination of the indicative ceiling above can be illustrated as follows:

**Figure 1.7 The Preparation of Indicative Ceiling**

![Diagram](image)

3.2.2 Budget Ceilings

1. Ministers/Head of Agencies prepare the Work Plan of the State Ministry/Agency (Renja-K/L)
   In preparing Renja-K/L, K/L is based on the letter concerning the Indicative Ceiling and trilateral meeting agreement. Renja-K/L mentioned is prepared with a performance-based approach, the medium-term expenditures framework and integrated budgeting that include:
   a. policy;
   b. programs; and
   c. activities.

2. Trilateral Meeting
   The preparation process of Renja-K/L is carried out with the meeting of three (3) parties among the Ministry/Agency, the Ministry of Planning and the
Ministry of Finance. This meeting starts from after the establishment of the Indicative Ceiling until before the deadline for submission of Renja-K/L to Bappenas and the Ministry of Finance. The objectives of this meeting are:

a. To improve coordination and understanding among the Ministry/Agency, the Ministry of Planning and the Ministry of Finance, related to the achievement of national development priorities that will be outlined in RKP;
b. To maintain the consistency of existing policies in the documents of plans with budgeting documents, i.e. among RPJMN, RKP, Renja-K/L and RKA-K/L;
c. Get a shared commitment on the necessary improvement to the Preliminary RKP Draft, namely certainty regarding: the priority activities; PHLN number; Public Private Partnership (Kerja Sama Pemerintah Swasta/KPS) support; Gender Responsive Budgeting (Anggaran Responsif Gender/ARG); education budget; PNBP/BLU; new initiatives; operational expenditures; additional requirement for pure rupiah; and Deconcentration and Assistance Diversion.

3. K/L submits Renja-K/L to the Ministry of National Development Planning/Bappenas and the Ministry of Finance Ministers/Head of Agencies submit Renja-K/L to the Ministry of Planning and the Ministry of Finance to improve the material of the Initial RKP Draft and the preparation of ceiling details according to organizational units, functions, programs and activities as part of the preliminary talk material of the State Budget draft.


5. The Government submits the talking points of the State Budget draft
   The Government submits the talking points of the State Budget draft including:
   a. Macroeconomic Framework and Fiscal Policy Points;
   b. RKP;
   c. Details of organizational units, functions, programs and activities.

6. The Minister of Finance sets the Budget Ceiling of K/L
   In the framework of the preparation of RKA-K/L, the Minister of Finance sets the Budget Ceiling of K/L based on the fiscal capacity, the amount of Indicative Ceiling and Renja-K/L and pay attention to the evaluation results of the Ministry/Agency's Performance. The Budget Ceiling of K/L mentioned describes the Policy Direction that has been set by the President, detailed by organizational units and programs. The figures outlined in the budget ceiling are the figures in the indicative ceiling, basic figures adjustments (if needed again) added by the new initiative on the 2nd chance accommodated/approved.
   The Budget Ceiling of K/L is submitted to each Ministry/Agency no later than the end of June.

   In the form of a figure, the establishment process of budget ceiling above can be illustrated as follows:

**Figure 1.8 The Preparation of Budget Ceiling**
3.2.3 Budget Allocation

1. Ministers/Head of Agencies prepare RKA-K/L
   Ministers/Head of Agencies prepare RKA-K/L based on:
   a. The Budget Ceiling of K/L;
   b. Renja-K/L;
   c. RKP resulted from the agreement between the Government and the House of Representatives in the preliminary talk of the State Budget Draft; and
   d. Costs Standard.
   The preparation of RKA-K/L mentioned includes accommodating the proposed new initiatives. RKA-K/L is materials for preparing the Bill concerning the State Budget after it is first reviewed in the review forum among the Ministry/Agency and the Ministry of Finance along with the Ministry of Planning. RKA-K/L becomes materials for preparing the the State Budget Bill after it is reviewed in the review forum among K/L and the Ministry of Finance along with the Ministry of Planning.

2. K/L discusses RKA-K/L with the House of Representatives
   In the framework of the preliminary talk of the State Budget Draft, K/L discusses RKA-K/L with the the House of Representatives. The discussion is focused on the consultation on the proposed new initiative.

3. Adjustments to the proposed new initiatives
   In the discussion of RKA-K/L with the House of Representatives, it can be adjusted to the proposed new initiatives as long as:
   a. It is according to RKP;
   b. The achievement of performance targets of K/L;
c. It does not exceed the Budget Ceiling of K/L.

4. The review of RKA-K/L
   The review of RKA-K/L is completed no later than the end of July.
   The review of RKA-K/L is integrated, which include:
   a. The feasibility of budget against the target performance;
   b. The consistency of performance target of K/L with RKP.

5. The Ministry of Finance collects RKA-K/L resulted from the review to be used as:
   a. Materials for preparing the Financial Memorandum, the State Budget draft
      and the State Budget Bill;
   b. Supporting documents for the State Budget Draft discussion.
      After being discussed in the cabinet meeting, the Finance Memorandum, the
      State Budget Draft and the State Budget Bill are submitted by the government
      to the House of Representatives no later than August. The discussion results
      of the State Budget Draft and the State Budget Bill are outlined in the
      minutes of agreement of the State Budget Draft and the State Budget Bill and
      are final. The minutes of agreement resulted from the discussion is submitted
      by the Minister of Finance to K/L, to be used as the basis to make
      adjustments of RKA-K/L.

6. The result of RKA-K/L adjustment is submitted to the Ministry of Finance for a
   review and then used as the basis for preparing the Presidential Decision
   concerning the Budget Allocation of K/L and BUN. The budget allocation of K/L
   is detailed according to the budget. Meanwhile, the Budget Allocation of BUN is
   detailed according to:
   a. The requirement of Central Government; and
   b. The transfer to provinces.

7. The government sets the Budget Allocation of K/L and the Ministry of Finance as
   the State Treasurer.
   The figures listed in the Budget allocation are the figures outlined in the minutes
   of agreement of the State Budget Draft Bill, Basic Figures adjustment (if needed
   again), added by new initiatives on the 3rd chance accommodated/approved.
   Furthermore, the Minister/Head of Agency prepares the implementation
   document based on the budget allocation set out in Presidential Decree of
   RABPP, and is then submitted to the Minister of Finance for approval. The
   Ministry of Finance approves the budget implementation documents no later
   than December 31. In the form of a figure, the establishment process of the
   budget allocation above can be illustrated as follows:
Figure 1.9 The Preparation of Budget Allocation

The next stage is the Minister of Finance approved the document of budget implementation prepared by the Minister/Head of Agency no later than December 31.

4. Provisions in the Budget Allocation

In the preparation instruction of RKA-K/L, apart from related to materials concerning the budget classification, it also discusses materials for activities budget allocation. The activities budget allocation is the accumulation of all costs required to produce output of activities planned. The budget preparation for output of activities outlined in RKA-K/L also refers to the regulations governing specifically. The regulations mentioned include the regulations concerning: Standard Accounts Chart (Bagan Akun Standar/BAS), activities source of funds, types of work units that carry out activities and the budget allocation perspective. The integration of the regulations in the budget allocation for output of activities in the preparation of RKA-KL is set as the following mechanism.

4.1 The Calculation of Personnel Expenditures Allocation in Work Units

In order the allocation of employee salaries and allowances to be more realistic with the requirement, then the allocation shall be done based on data, using an application to calculate the Personnel Expenditures allocation on Output of Office Services. The application program in the form of an Application of Basic Salary of an Employee (Gaji Pokok Pegawai/GPP) of the Directorate General of Treasury produces new information about employees in a Work Unit and has been
validated by the Treasury Services Office. The cost for employee salaries and allowances is allocated to Component 001 (Output of Office Services). The budget allocation is done with the following steps:

1. The data resulted from the GPP application is transferred to the Personnel Expenditures module in the application of RKA-K/L;
2. The application of RKA-K/L will automatically calculate the cost requirements for employee salaries and allowances of a Work Unit for the year planned.

In terms of K/L is not using the GPP application, K/L can directly enter the employee data that has been updated in the Personnel Expenditures module on the application of RKA-K/L. With the application of SPAN, the calculation of personnel expenditure requirements will be facilitated by the application of an integrated SAKTI.

Specifically for the allocation of Physician Temporary Employees and Midwives Temporary Employees Salary, it uses the following rules:

For the physician and midwives temporary employees salary, it should be calculated based on the Circular of the Director General of Budget dated January 5, 2001 No. SE-07/A/2001 concerning the Implementation of Physician and Midwives Income Payment as Temporary Employees (Pegawai Tidak Tetap/PTT) during the service period and Joint Decree (Surat Keputusan Bersama/SKB) of the Minister of Health and the Minister of Finance No. 1537/Menkes-Kessos/SKB/X/2000 and No. 410/KMK.03/2000 dated October 11, 2000 concerning the Implementation of Physician and Midwife Payroll as Temporary Employees During the Service Period.

Meanwhile, the allocation of expenditure accounts that is included in Personnel Expenditures follows the following rules:

1. Honorarium
   a. Teaching honoraria for Temporary Teachers;
   b. Over teaching hours honoraria for Permanent Teachers and Temporary Teachers;
   c. Service examination honoraria;
   d. Teaching honoraria, provided, among other for outstanding teachers in the Ministry of National Education or outside the Ministry of National Education of which the rate has been approved by the Minister of Finance.

2. Overtime Pay
   Provision of funds for overtime pay of the year planned is based on the rate determined by the Minister of Finance, with the calculation of a maximum of 100% compared to the previous year overtime pay allocation. Especially for new work units, it can allocate the overtime pay with the calculation of maximum of 16 hours per month for each employee. Overtime pay budget allocation is the highest limit in one fiscal year.

3. Others
   Other personnel Expenditures include:
   a. Personnel expenditures for Working Bound Allowances (Tunjangan Ikatan Dinas/TID);
   b. Other legal allowances of which the rate has been approved by the Minister of Finance.
4. Side Dishes Money for Indonesian National Army/Police
   Side Dishes Money for Indonesian National Army/Police is calculated per calendar day per member.

5. Table Money for Civil Servants
   a. Table money for Civil Servants expenditures are calculated per working day per Civil Servant for a maximum of 22 days per month;
   b. Table money payment includes for civil servants assigned/employed, as long all they are not paid by their original agency.

6. Bereavement Pay for Death/Killed
   It is charged to the account of bereavement pay for death/killed, regardless the relevant account fund ceiling.

4.2 The Budget Allocation for State Buildings/Construction Development
   In general, the budget allocation for the development/renovation of state buildings/construction is based on the Regulation of the Minister of Public Works Number 45/PRT/M/2007 concerning the Technical Guidelines for State Buildings/Construction Development. The basis for the calculation of budget allocation is as follows:
   1. For a (new) construction work of state buildings/construction or a renovation work of state buildings/construction located in the country is the calculation of cost requirements for the development/renovation of state buildings/construction or the like from the Ministry of Public Works or the local Public Works Department;
   2. For a renovation work of state buildings/construction located overseas (representative offices) that alters the structure of the buildings is the calculation of the cost requirements for the development/renovation of state buildings/construction or the like from the Ministry of Public Works. The analysis document of the calculation of cost requirements for the development/renovation of state buildings/construction or the like from the Ministry of Public Works can be prepared based on the calculation of the local country planning consultant;
   3. For a renovation work of state buildings/construction located overseas (representative offices) that does not alter the structure of the buildings is the calculation of the cost requirements for the development/renovation of state buildings/construction or the like from the local country planning consultant.

4.3 The Implementation of Standard Accounts Chart
   The alignment of budget norms and accounting norms in order to synchronize the budget planning through the preparation of RKA-K/L and the budget implementation through the preparation of financial reports uses the Standard Accounts Chart norms. An improvement is made continuously in order to increase the accountability and transparency in the budgeting process. In general, the implementation of Standard Accounts Chart is set as follows:
   1. Goods Expenditures
Goods Expenditures can be differentiated into Goods Expenditures (Operational and Non-operational) and Services, Maintenance Expenditures as well as Official Travel Expenditures.

The accounts included in the Goods Expenditures consist of:

a. Operational Goods Expenditures
   Expenditures included in this criterion are operational goods expenditures, among others:
   1) Office daily requirements;
   2) Procurement/replacement of office inventory of which the value is below the capitalization;
   3) Procurement of foodstuffs;
   4) Endurance enhancer;
   5) Other goods expenditures that directly support the operations of State Ministries/Agencies;
   6) Procurement of service uniforms;
   7) Honorarium for officials making commitments included in the group of Goods Operational Expenditures (5211) account, namely the fee associated with the operation of work units (521115 account).

b. Non-Operational Goods Expenditures
   Expenditures are used to finance non-operational activities in order to implement an activity of work units.
   The expenditures included in the criteria, among others:
   1) Materials Expenditures;
   2) Transit goods expenditures;
   3) Vacation, is the provision of funds as an allowance for examiners or checkers of examination papers/answers. This expenditure is charged to non-operational goods expenditures and input of relevant output. The budget allocation is the highest limit in one fiscal year.
   4) Honorarium related to output;
      The use of Honorarium Accounts associated with Output of Activities mentioned must be really selective and can be allocated for activities as long as:
      1) The implementation requires formation of a committee/team/work group;
      2) It has a clear and measurable output;
      3) It is coordinative by including work units/other organizations;
      4) It is temporary so that the implementation should be prioritized or do outside working hours;
      5) It geminates a specific function or task to Civil Servants apart from its daily core work;
      6) It is non-operational that can be resolved by work units internally.

c. Other goods expenditures that directly support the non-operational activities.

d. Services Expenditures
   Expenditures for power and services subscription (electricity, telephone, gas, and water), postal and giro services, consulting services, rent, professional services and other services.
e. Maintenance Expenditures

Maintenance expenditures are expenditures that are intended to maintain fixed assets or other fixed assets that already exist to normal condition of which the value does not meet the capitalization value as set by the government with the Regulation of the Minister of Finance. Maintenance expenditures include, among others, land maintenance, building and office buildings maintenance, official residences, service motor vehicles, equipment and building facilities repair, roads, irrigation systems, machine tools and other facilities related to governance. Expenditures for office buildings maintenance, home office/occupation, motor vehicles and other facilities related to governance include equipment and building facilities repair (according to the standard general expenses), of which the value is under capitalization.

Example, an agency plans to allocate a budget of Rp2,000,000,- for oil replacement cost of 10 official cars. The agency will list maintenance expenditures on the State Budget expenditures amounted to Rp2,000,000,-. Towards the realization of the expenditures, it is recorded and presented as Maintenance Expenditures, because the expenditures for the maintenance do not meet the requirements for capitalization of fixed assets, namely because it does not lead to increasing age, benefits or capacity, as well as the cost per unit under the limit value of capitalization.

f. Official Travel Expenditures

Official Travel Expenditures consist of Ordinary Official Travel Expenditures, Fixed Official Travel Expenditures and other Official Travel Expenditures. The amount of budget allocation in the budgeting document for the purposes of Official Travel Expenditures will follow the provisions set in the Regulation of the Minister of Finance concerning the applicable Costs Standard.

2. The Implementation of the acquisition value (full costing) concept on the type of expenditures:

a. Goods Expenditures

In the preparation of RKA-K/L using the concept of full costing, it means all of the costs for the procurement of goods/services are included in the acquisition values of goods/services mentioned (including, among others, and meeting and official travel expenses). For the expenditures account used must be in accordance with its designation as BAS.

b. Social Aid

Output resulted from an activity in order to give aid to education and/or worship institutions (which contribute to the activities of social aid), the budget allocation is included in 2 (two) types of expenditures, namely Goods Expenditures (including honoraria cost for the implementation of activities with the Account code 521213 as described in The Goods Expenditures above) and Social Aid Expenditures to accommodate the amount of aid allocation given (Social Aid Expenditures Account of Education Institutions).

3. The Implementation of the capitalization concept

The capitalization concept in the preparation of RKA-K/L is related to the type of capital expenditures. To determine whether an expenditure can be included as a
capital expenditure or not, it is necessary to know the definition of fixed assets or other fixed assets and fixed assets capitalization criteria. Fixed assets have characteristics as follows: tangible, will add to the government's assets, have a useful life of more than one year, the value is material (above the capitalization value). Meanwhile, the characteristics of other fixed assets are as follows: will add to the government's assets, have a useful life of more than 1 year, the value is relative material (above the capitalization value).

Based on the explanation above, it can be concluded that an expenditure can be categorized as capital expenditures if:

a. The expenditures lead to the acquisition of fixed assets or other fixed assets that add to the government’s assets;
b. The Expenditures exceed the minimum limit of fixed assets or other fixed assets capitalization that have been set by the government;
c. The acquisition of fixed assets or other fixed assets is intended for use in the operation of government, not to be sold or delivered to the public.

In terms of acquisition price concept provides that all expenditures resulting in the availability of assets ready to use, then all the expenditures are included in capital expenditures. The expenditures meet the minimum limits of capitalization (relative material) of fixed assets/other fixed assets.

In addition to capital expenditures for the acquisition of fixed assets and other fixed assets, expenditures for expenses after the acquisition of fixed assets or other assets may also be included as Capital Expenditures. The expenditures can be categorized as capital expenditures if the expenditures meet the requirements that the expenditures result in the increase of useful life, capacity, quality and volume of assets that have been held. It includes expenditures for building of which the renovation value is over 2% of the assets value, based on the calculation from the Directorate General of Cipta Karya.

The following are examples of expenditures that are included in the category of goods and capital expenditures related to the capitalization concept.

Examples of expenditures included in the category of Goods Expenditures:

<table>
<thead>
<tr>
<th>NO.</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Air conditioning Freon charging, air conditioning service</td>
</tr>
<tr>
<td>2.</td>
<td>Tires, oil and petrol purchase, service/tune up</td>
</tr>
<tr>
<td>3.</td>
<td>Painting, making non-permanent partition, curtain purchase</td>
</tr>
<tr>
<td>4.</td>
<td>Potholes repair/periodic maintenance</td>
</tr>
<tr>
<td>5.</td>
<td>Administration Costs for Vehicle Registration/Motor Vehicle Ownership Book</td>
</tr>
<tr>
<td>6.</td>
<td>Houses that will be handed over to the community</td>
</tr>
<tr>
<td>7.</td>
<td>Equipment and machinery that will be submitted to a third party</td>
</tr>
<tr>
<td>8.</td>
<td>Security Guard and cleaning service payment</td>
</tr>
<tr>
<td>9.</td>
<td>Purchase of Accu for official cars</td>
</tr>
<tr>
<td>10.</td>
<td>Office lights purchase</td>
</tr>
<tr>
<td>11.</td>
<td>Office building roof repair</td>
</tr>
<tr>
<td>12.</td>
<td>Compressor replacement</td>
</tr>
<tr>
<td>13.</td>
<td>Laboratory equipment parts, chemicals liquid materials, syringe</td>
</tr>
</tbody>
</table>
14. Mudflow handling infrastructure work
15. Anti-virus procurement

Examples of expenditures included in the category of Capital Expenditures:

<table>
<thead>
<tr>
<th>NO.</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>PC memory purchase, PC up grade</td>
</tr>
<tr>
<td>2.</td>
<td>Meubelair and dispenser purchase</td>
</tr>
<tr>
<td>3.</td>
<td>Road, irrigation and network construction</td>
</tr>
<tr>
<td>4.</td>
<td>Service vehicles overhaul</td>
</tr>
<tr>
<td>5.</td>
<td>Auction cost of assets procurement</td>
</tr>
<tr>
<td>6.</td>
<td>Repair of gravel to hot mix road</td>
</tr>
<tr>
<td>7.</td>
<td>Purchase of tape for official cars</td>
</tr>
<tr>
<td>8.</td>
<td>Telephones and network addition</td>
</tr>
<tr>
<td>9.</td>
<td>Electrical network addition</td>
</tr>
<tr>
<td>10.</td>
<td>Official travel, assets procurement</td>
</tr>
<tr>
<td>11.</td>
<td>Payment of development planning consultant/building and constructions</td>
</tr>
<tr>
<td>12.</td>
<td>Repair of roof from zinc to multirroof</td>
</tr>
<tr>
<td>13.</td>
<td>Procurement: maps, network, software, institutions symbol, medical equipment</td>
</tr>
<tr>
<td>14.</td>
<td>Film making</td>
</tr>
<tr>
<td>15.</td>
<td>Satellite image interpretation work</td>
</tr>
</tbody>
</table>

In the preparation process of RKA-K/L, the assets acquired in the procurement of goods/services are distinguished:
- If it is included in the asset of K/L; then the budget allocation uses the type of capital expenditures, and will be recorded in LKPP (balance sheet), or
- If it is not included in the asset of K/L; then the budget allocation uses the type of goods expenditures and social aid.

4.4 The Preparation of RKA-K/L in the Representative of Work Units of the Republic of Indonesia Abroad

With regard to the preparation of RKA-K/L in the Representative of Work Units of the Republic of Indonesia Abroad specifically follows the following rules:

1. The determination of Foreign Exchange Rates
   a. The currency used in the calculation of RKA-K/L follows the applicable regulations;
   b. The exchange rate of USD against Rupiah used in the calculation of the allocation is the exchange rate used in the assumptions of the State Budget for the year planned.

2. The Allocation by Type of Expenditures
   a. Personnel Expenditures
      1) The regulations concerning the personnel expenditures budgeting for officials serving abroad in the Representatives of the Republic of Indonesia
abroad, for both the components and the amount follow the applicable legislation.

2) Personnel Expenditures Allocation in the Representatives of the Republic of Indonesia abroad include the budget allocation for local staff salaries. The outline of budget allocation in RKA-K/L for local staff salaries uses the Expenditures Account of Local Staff (code 511149).

3) Home Staff salaries in the Representatives of the Republic of Indonesia abroad including Technical Attaché and Defence Attaché are based on the payroll at least on May of the current year. Overseas Livelihoods Allowances (*Tunjangan Penghidupan Luar Negeri*/*TPLN*) consist of the basic allowances and family allowances. Basic allowances are the multiplication of Overseas Allowances Basic Figures (*Angka Dasar Tunjangan Luar Negeri*/*ADTLN*) and the percentage of Overseas Allowances Principal Figures (*Angka Pokok Tunjangan Luar Negeri*/*APTLN*) of each Home Staff. Family allowances consist of wife/husband allowance (15% multiplied by the basic allowance) and child support (10% multiplied by the basic allowance) of which the amount follows the applicable provisions, with the number of children who can be given allowances is maximum 2 children in accordance with the provision of child support for Civil Servants;

4) If the allocation filling of F-B (vacancy formation) difference will be carried out, it is maximum as many as the plan for withdrawal/placement of home staff (including the Chief Representative) attached with the list of the Plan for Withdrawal/Placement of Home Staff signed by the Secretary General of Foreign Ministry and at least contain the time of placement/withdrawal and the diplomatic title. For family allowances, it is assumed for maxium 1 wife and 2 children;

5) The Budget allocation of Other Allowances for Home Staff is calculated maximum of 40% of the allocation of Foreign Salary/TPLN of Home Staff in the calculation of Rent Allowance amounted to 25% of TPLN and Restitution Allowances for medication amounted to 15% of TPLN unless otherwise stated by the Minister of Finance.

b. Goods Expenditures

1) The budget allocation for building lease is based on the applicable building lease contract. In terms of Technical Attaché/Defense Attaché occupy the same building and the same building lease contract documents as that of the building lease of the Representatives office of the Republic of Indonesia, then the budget allocation is only on RKA-K/L of Work Units of the relevant Representatives office of the Republic of Indonesia;

2) The Operational Allocation Supporting the Bilateral/Regional Cooperation consists of Operational Costs of the Chief Representative and the Representation. The allocation of other costs that have been allocated to the Operational Allocation Supporting the Bilateral/Regional Cooperation shall be allocated according to the designation of the performance target and details of calculation that are clear and accountable;

3) The budget allocation of the representation cost for the Chief Representative is calculated a maximum of 20% of the Basic Allowance x
12 months. As for the other home staff, it is calculated a maximum of 10% of the basic salary x 12 months;

4) The official travel in the Representative Office of the Republic of Indonesia abroad including Technical Attaché and Defense Attaché maximum consists of:
   a) Areas official travel
   b) Multilateral official travel
   c) Accreditation official travel
   d) Courier official travel

Official travel budgets in the Representatives of the Republic of Indonesia abroad are provided only for the existing official travel in the relevant Representatives of the Republic of Indonesia, and are calculated according to the number of officials assigned for the official travel, as well as the frequency of the travel to be made. The rate of per diem for the official travel abroad is organized by the Ministry of Finance.

5) Children's Education Aid

The budget allocation for children’s education aid of Overseas Service Officers (Pejabat Dinas Luar Negeri/PDLN) placed in the representatives of the Republic of Indonesia abroad is given for:
   a) Formal education from primary school to college and does not include post-graduate program;
   b) Only for tuition fees payment and are at cost. It does not include books money, shuttle expenses, school preparation fees, building fees, enrollment fees, boarding/lodging fees and other similar expenses;
   c) Only for children who are included in the family allowance and attend the school at the same location as the parent’s service office (the location of the Representative of the Republic of Indonesia abroad where the parent serves).

3. Miscellaneous provisions
   a) The budget allocation for the Representative of the Republic of Indonesia abroad including Technical Attaché and Defence Attaché is prepared in accordance with the Presidential Decree Number108 of 2003 dated December 31, 2003 concerning the Organizational Representative of the Republic of Indonesia abroad. For Technical Attaché and Defense Attaché who occupy the same building at the Representative of the Republic of Indonesia abroad, then the subscription costs of electricity, gas and water, building maintenance expenses as well as other maintenance that attaches to the building mentioned are allocated in the budget of the Ministry of Foreign Affairs;
   b) Personnel Expenditures Allocation in the Representative of the Republic of Indonesia abroad includes the budget allocation for local staff incomes. The amount of allocation for the payment of local staff incomes mentioned refers to the budget allocation for local staff counted maximum of 43% of ADTLN, with a maximum number of employees in accordance with the formation established by the State Ministry for Administrative Reforms and Bureaucratic Reforms. In practice, the payment of local staff incomes is adjusted with the real number of employees and does not exceed the formation determined by
the Minister for Administrative Reforms and Bureaucratic Reforms. The budget allocation of 43% mentioned above has included salaries and allowances, social security, accident insurance and overtime.

c) Official Advances Center Load (Beban Pusat Persekot Resmi/BPPR) consists of:
   • Advances for the house rent deposit with a maximum number of 2 (two) months rent (including in the type of Goods Expenditures);
   • Advances for maximum of U.S. $ 5,000 cars (including in the type of Goods Expenditures);
   • Advances for TPLN with a maximum number of 2 (two) months of TPLN (including in the type of personnel expenditures).

   BPPR calculations are based on the plans for placement mutations in the representative of the Republic Indonesia abroad.

d) The budget setting of the representative of the Republic Indonesia abroad including Technical Attaché and Defence Attaché that is not regulated or deviates from this regulation of the Minister of Finance complies with the provisions set by the Minister of Foreign Affairs after prior approval of the Minister of Finance. If there is a budget allocation that is based on the setting of the Minister of Foreign Affairs that has not received the approval of the Minister of Finance but has been allocated in previous years, the determination will be equalized as RAB and before the fiscal year planned begins, it should have sought approval to the Minister of Finance;

e) The allocation setting of the representative of the Republic Indonesia abroad located in the country does not comply with the provisions above but complies with the generally applicable provisions of the Guidelines for Preparation and Review of RKA-K/L.

   Other things that are not set specifically, the budget allocation complies with the generally applicable provisions of the Guidelines for Preparation and Review of RKA-K/L.

4.5 The Preparation of RKA-K/L in the Ministry of Defence

   With regard to the preparation of RKA-K/L at the Ministry of Defence of the Republic of Indonesia in general complies with the Government Regulation Number 90 of 2010 concerning the preparation of RKA-K/L and provisions regarding the Guidelines for Preparation and Review of RKA-K/L. In particular, the preparation of RKA-K/L at the Ministry of Defence complies with the following rules:

   1. The budget allocation for personnel expenditures purposes and partly for operational goods expenditures, started from conducting directly to the level of work units, in addition to the five work units that already exist;

   2. The budget allocation, other than for personnel expenditures purposes and partly for operational goods expenditures, is conducted centrally (at the level organizational units);

   3. For the purposes of budget allocation to the level of work units, the Ministry of Defence to form work units concerned;

   4. For expenditures encumbrances are based on the Government Regulation Number 71 of 2010 concerning the Government Accounting System, the Regulation of the Minister of Finance number 91/PMK.05/2007 concerning the
Standard Accounting Chart, the Regulation of the Director General of Treasury PER-08/PB/2009 concerning the Additions and Changes in Standard Accounts Chart and the Director General of Treasury PER-80/PB/2011 concerning the Additions and Changes in Revenue Account, Expenditures and Transfer to Standard Accounts Chart.

4.6 The Budget Allocation with the Source of Funds of Foreign Loans-Grants (PHLN)

The budget allocation for activities, with the source of funds derived from PHLN, in general refers to the Government Regulation No. 10 of 2011 concerning the Procedures for Procurement of Foreign Loans and Grants. In particular, the allocation refers to the provisions set forth in the Foreign Loans and Grants Agreement (Naskah Perjanjian Pinjaman Hibah Luar Negeri/NPPHLN) respectively. The general and special provisions of the budget allocation for the preparation of RKA-K/L is integrated and regulated by the mechanism below.

The allocation of PHLN and the Companion Pure Rupiah (Rupiah Murni Pendamping/RMP) in RKA-K/L complies with the following conditions:
1. Including the expenditure account in accordance with the transactions financed by NPPHLN adjusted to the financing categories allowed by lenders.
2. Including the pay office code, as follows:
   a. Including the KPPN code Especially for Jakarta VI (140) for PHLN transactions in foreign exchange and the withdrawal procedures use the mechanisms of the direct payment and letter of credit.
   b. Including the KPPN code according to the location of activities where the projects financed by PHLN are implemented and the withdrawal procedures use a special account mechanism.
3. Including the source of funds in accordance with NPPHLN, namely the source of funds in the form of foreign loans or grants.
4. Including the procedures for PHLN withdrawal according to the procedures for PHLN withdrawal set forth in NPPHLN or other documents that have been approved by the lender, such as documents of the Project Administration Memorandum (PAM). The procedures for PHLN withdrawal which is still allowed are:
   a. Special Account Mechanism, namely the procedures for PHLN withdrawal using initial deposit fund with a revolving fund that is placed on Bank Indonesia or Government’s Banks appointed by the Minister of Finance. The procedure can be used for projects funded by PHLN located in areas.
   b. Direct Payment Mechanism, namely the procedures for PHLN withdrawal by applying for funds withdrawal directly through KPPN Especially for Jakarta VI.
   c. Letter of Credit Mechanism, namely the procedures for PHLN withdrawal using LC of Bank Indonesia. Specifically for PHLN of which the withdrawal using L/C procedures, it takes consideration about the overall value of the contract works. This is related to the opening of L/C account by Bank Indonesia.
5. Including the PHLN register code in accordance with the register code issued by the Directorate General of Debt Management. In terms of budget allocation with
no registration, the budget allocation uses the temporary register code, as follows:

<table>
<thead>
<tr>
<th>Temporary Register Number</th>
<th>NPPHLN Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>99991102</td>
<td>IBRD Program Loans</td>
</tr>
<tr>
<td>99991103</td>
<td>Japan Program Loans</td>
</tr>
<tr>
<td>99991109</td>
<td>Other Loans Program</td>
</tr>
<tr>
<td>99992101</td>
<td>Regular Pledge Project Loans – ADB</td>
</tr>
<tr>
<td>99992102</td>
<td>Regular Pledge Project Loans – World Bank</td>
</tr>
<tr>
<td>99992103</td>
<td>Regular Pledge Project Loans – Japan</td>
</tr>
<tr>
<td>99992104</td>
<td>Regular Pledge Project Loans – Export Credit</td>
</tr>
<tr>
<td>99992105</td>
<td>Regular Pledge Project Loans – Other Multilateral</td>
</tr>
<tr>
<td>99992106</td>
<td>Regular Pledge Project Loans – Other Bilateral</td>
</tr>
<tr>
<td>99992201</td>
<td>Pledge Tsunami Project Loans – ADB</td>
</tr>
<tr>
<td>99992202</td>
<td>Pledge Tsunami Project Loans – World Bank</td>
</tr>
<tr>
<td>99992203</td>
<td>Pledge Tsunami Project Loans – Others</td>
</tr>
<tr>
<td>99993101</td>
<td>Grants</td>
</tr>
</tbody>
</table>

6. Including the percentage/portion of the financing funded by lenders in accordance with NPPHLN or other documents that have been approved by the lenders. For example:
   a. Civil work category of 60 % means the percentage funded by PHLN is 60 % multiplied by the value of activities/projects, while the remaining 40 % is companion pure rupiah load plus the amount of taxes (Value Added Tax/VAT).
   b. Specifically for commercial PLN/export credit facilities, the allocation in RKA-KL is included a maximum of 85% of the contract value (contract agreement). Meanwhile, the remaining 15% is allocated as companion pure rupiah (RMP) as a down payment.

7. Including the procedures for the calculation of the amount of PHLN portion funded by lenders with reference to the guidelines for the procurement of goods and services (procurement guidelines) of each lender and tax provisions and applicable duties, among others:
   b. The Decree of the Minister of Finance Number 239/KMK.01/1996 dated April 1, 1996 concerning the Implementation of the Government Regulation Number 42 concerning Import Duty, Additional Import Duty, Value Added Tax and Sales Tax on Luxury Goods, and Income Tax in the Framework of Government Projects Implementation Funded by Foreign Grants or Loans, as last amended by the Decree of the Minister of Finance Number 486/KMK.01/2000 dated November 20, 2000;

General formula calculating the value of the contract are as follows:

\[
\text{Contract Value} = \text{Physical Value} + \text{VAT}
\]

Meanwhile, the method to calculate the amount of the contract value to be outlined in RKA-K/L uses the following methods:

1) The Non-VAT Method
   This method only calculates the amount of the project physical value without taking into account the tax because the VAT is not imposed and paid by the government. This method is used to finance PHLN projects with the financing percentage of 100%.
   Example:
   * The Contract Value for consultants : Rp.25,000,000,00
   * Category : Consulting Services
   * Percentage : 100%
   * The calculation and the outline in RKA-K/L:
     - \[ \text{PHLN} = \text{PHLN percentage} \times \text{the contract value} \]
     - \[ = 100\% \times \text{Rp25,000,000.00} \]
     - \[ = \text{Rp25,000,000.00} \]
     - RMP is not allocated in RKA-K/L because it is 100% financed by Lenders
     - VAT is not allocated in RKA-K/L because it is paid by the government.

2) The Net Method
   This method is used to calculate the amount of the allocation for procurement of goods and services that some of the funding comes from foreign loans and taxes that are not levied on the portion of the loan. Whereas for RMP is levied by the sharing value multiplied by the value of the tax. This method can be used for loans from the World Bank (IBRD) with the portion of ≥ 91%, ADB, JBIC, etc., unless specified otherwise by NPPHLN (loan agreement) concerned.
   Example:
   * ADB Loan : 1383-INO
   * Contract value of the goods : 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
     - Companion Portion : Rp40,000,000
* VAT Consists of:
  - PHLN VAT : Rp6,000,000 (not collected)
  - Companion Portion VAT : Rp4,000,000 (collected)
* The inclusion in RKA-K/L : Physical Value + levied VAT
  - PHLN : Rp60,000,000
  - RMP : Rp44,000,000
* The calculation:
  Physical Value : \(100/110 \times 110,000,000 = Rp100,000,000\,-\)
  - PHLN Portion = 60% \(\times 100,000,000 = Rp60,000,000\,-\)
  - Companion Portion = 40% \(\times 100,000,000 = Rp40,000,000\,-\)
* VAT : 10% \(\times 100,000,000 = Rp10,000,000\,-\)
  - PHLN Portion = 10% \(\times 60,000,000 = Rp6,000,000\,-\)
  - Companion Portion = 10% \(\times 40,000,000 = Rp4,000,000\,-\)

3) The Gross method
This method is used to calculate the amount of the allocation for procurement of goods and services that comes from foreign loans from the World Bank with the percentage/financing portion of under 90% and other loans in accordance with the provisions set forth in NPPHLN (loan agreement) concerned.
Example:
* IBRD Loan : 4075-IND
* Contract value of the goods : Rp110,000,000
* Category : Civil Work
* Percentage : 60%
* Contract Value : Rp110,000,000
* Physical Value : Rp100,000,000
* Consists of:
  - PHLN Portion : Rp66,000,000
  - Companion Portion : Rp34,000,000
* VAT Consists of:
  - PHLN VAT : Rp6,600,000 (not collected)
  - Companion Portion VAT : Rp34,000,000
* The inclusion in RKA-K/L : Physical Value + levied VAT
  - PHLN : Rp66,000,000
  - RMP : Rp37,400,000
* The calculation:
  Physical Value : \((100/110) \times 110,000,000 = Rp100,000,000\,-\)
  - PHLN Portion = 60% \(\times 110,000,000 = Rp66,000,000\,-\)
  - Companion Portion = (40% \(\times 110,000,000\)) – VAT = Rp34,000,000,-
* VAT : 10% \(\times 100,000,000 = Rp10,000,000\,-\)
  - PHLN Portion = 10% \(\times 66,000,000 = Rp6,600,000\,-\)
  - Companion Portion = 10% \(\times 34,000,000 = Rp3,400,000\,-\)

4) The Non-sharing Method
This method is used to calculate the amount of the allocation in the RKA-K/L for foreign loans that do not require a percentage but not directly determine the amount of the source of funds. The use of these methods directly write the amount of PHLN funds and its companion pure rupiah.

The budget allocation for activities with the source of funds derived from PHLN should also pay attention to the following matters:

1. Including the companion funds derived from outside the State Budget, among others from the Regional Revenues and Expenditures Budget, State Enterprises budget or the community contribution, supported by legal documents from companion funders, so after including the companion funds as referred to in RKA-K/L, then on KK of Work Units, it is given an "E" code so the amount of the companion fund does not increase the ceiling.

2. In the event of any activities that have not been resolved in the relevant fiscal year and continued in the following year, then the provision of PHLN funds and its companion becomes a priority in accordance with the Annual Work Plan signed by the donor/lender.

3. In terms of the utilization of foreign loans allocated in several fiscal years, then the provision of the foreign loans ceiling in each fiscal year and its companion funds become a priority.

4. To avoid rejection by lenders at the time of submission of funds withdrawal applications, then when allocating PHLN in RKA-K/L should pay attention to the closing date, fully paid/fully disbursement of the remaining loans ceiling, the category and the percentage/portion of financing for the activities funded by PHLN.

For example:
Loan: IP 535 Professional Human Resource Development Project III
Closing date: July 26, 2015
Category and Percentage:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loans 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. Training Incremental Cost (100%)</td>
<td>921</td>
</tr>
<tr>
<td>5. Contingencies</td>
<td>291</td>
</tr>
</tbody>
</table>

The following case example illustrates the implementation of point 4) above regarding the budget allocation of foreign scholarships in RKA-K/L:

a. Example of the correct allocation in RKA-K/L:
   1) Must use the category of Overseas Program;
   2) Must use the percentage/portion of 96%;
   3) Taking into account the closing date of the original loans or the loans that have been extended (extension loans);
   4) Pay attention to the category and the percentage/portion if changes have been made by lenders (loans amendment).

b. Example of the wrong allocation in RKA-K/L:
1) Using the category of Domestic Program
2) Using the percentage/portion of 96%;
3) The Closing date is exceeded.

5. Cost Standard
Output financing for activities with the source of funds derived from PHLN refers to the Cost Standard and the billing rate. In the event that it has not yet available in the cost standard, then the Absolute Responsibility Statement (Surat Pernyataan Tanggung Jawab Mutlak / SPTJM) can be used.

6. Monitoring Card of PHLN Ceiling Allocation
To avoid overdrawn/excessive withdrawal in one category, then the allocation of PHLN funds for each category should pay attention to the remaining ceiling per category based on the data in the monitoring card of PHLN or the remaining ceiling data per category from the lender/donor.

In addition, to further enhance the orderly administration of PHLN, the State Ministry/Agency and the Directorate General of Budget records every PHLN in the monitoring card of PHLN. The monitoring card of PHLN funds allocation becomes materials for the State Ministry/Agency and the Directorate General of Budget in monitoring the availability of funding/the implementation of PHLN mentioned.

The model/format for the monitoring card of PHLN funds allocation in question is like the example below.

<table>
<thead>
<tr>
<th>Loan Number</th>
<th>IP–535</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Project</td>
<td>Professional Human Resource Development Project III</td>
</tr>
<tr>
<td>Dated</td>
<td>March 29, 2006</td>
</tr>
<tr>
<td>Lender</td>
<td>JBIC</td>
</tr>
<tr>
<td>Executing Agency</td>
<td>The 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>The Amount of PHLN</td>
<td>JPY 9,717,000,000</td>
</tr>
<tr>
<td>Withdrawal Mechanism</td>
<td>Special Account</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category and Percentage</th>
<th>Total Ceiling</th>
<th>Ceiling of the Year . .</th>
<th>Realization of the Year . .</th>
<th>The Remnant (million Japanese Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Overseas Program (96%)</td>
<td></td>
<td>5,782</td>
<td>5,782</td>
<td></td>
</tr>
<tr>
<td>2) Domestic Program (58%)</td>
<td></td>
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<td></td>
</tr>
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<td></td>
</tr>
<tr>
<td>5) Contingencies</td>
<td></td>
<td>291</td>
<td>291</td>
<td></td>
</tr>
</tbody>
</table>

7. Understanding NPPHLN
To avoid the budget allocation that result in ineligible payment, it needs to understand the following things:
a. The content/material of NPPHLN;
b. The Staff Appraisal Report (SAR);
c. The Project Administration Memorandum (PAM);
4.7 The Budget Allocation with the Source of Funds Derived from Domestic Loans
(Pinjaman Dalam Negeri/PDN)

In order to allocate the activities with the source of funds derived from Domestic Loans refers to the Government Regulation Number 54 of 2008 concerning the Procedures for Procurement and Forwarding the Domestic Loans by the Government. The provisions of outline into RKA-K/L for activities originating from PDN used for certain activities of K/L are as follows:

1) Domestic Loans are made through the mechanism of the Regional Revenues and Expenditures Budget and allocated to fund activities in order to empower the domestic industry and the infrastructure development;
2) K/L prepares RKA-KL of an activity plan that can be funded from the PDN based on the priority list of activities that can be funded from the PDN;
3) The nomenclature of Programs/Activities which is used is the nomenclature resulting from the programs/activities restructuring;
4) Including the expenditures account in accordance with the provisions of BAS;
5) Including the source of funds in accordance with NPPDN, namely the source of funds in the form of domestic loans;
6) Including the PDN register code according to the register code issued by the Directorate General of Debt Management;
7) The complement documents of RKA-K/L are as follows:
   (1) The Agreement Text of Forwarding PDN, signed by the Minister or the authorized officer and the Recipient Forwarding PDN.
   (2) The Agreement Text of Forwarding PDN at least contains:
       a. The amount of loans;
       b. The Allotment of loans; and
       c. The Terms and conditions of loans.
   (3) The Agreement Text of Forwarding PDN also includes sanctions for the Recipient Forwarding PDN who do not meet the obligation for the payments of principal repayments, interest, and other obligations.

4.8 The Budget Allocation with the Source of Funds Derived from Domestic Grants (Hibah Dalam Negeri/HDN)

In order to allocate the activities with the source of funds derived from Domestic Grants, then the procedures of outline in RKA-K/L follow the provisions in the legislation concerning the applicable Domestic Grants. The provisions of outline into RKA-K/L are as follows:

1) Funds derived from Grants are used for:
   a. Supporting the national development programs; and/or
   b. Supporting the natural disaster relief and humanitarian assistance;
2) K/L prepares the Work Plan and the Grants Budget as part of RKA-K/L to be included in the documents of budget implementation;
3) Planning for the planned grants admission is prepared by the Minister of Planning through the Medium and Annual-Term Activity Plan sourced from grants based on RPJM. The Medium and Annual-Term Activity Plan includes the grants utilization plan (which contains the direction of appropriate policies and strategies of national development priorities), as well as the Grants Activity Plan List (Daftar Rencana Kegiatan Hibah/DRKH) used as the material for the preparation RKP and RKA-K/L;

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

5) The nomenclature of Programs/Activities which is used is the nomenclature resulting from the programs/activities restructuring;

6) For direct grants, the Minister/Head of Agency may receive direct grants from the grantor, responsible and consult on the acceptance plan of grants directly to the Minister of Finance, the Minister for Planning, and other Ministers/Head of Agencies prior to the signing of the Grant Agreement.

4.9 The Budget Allocation with the Source of Funds Derived from PNBP

The preparation of RKA-K/L for activities of which the budget allocation derived from PNBP (not BLU work units) is set as follows:

1. The nomenclature of activities of which the budget derived from PNBP uses the nomenclature of activities according to the reference tables in the Application of RKA-K/L;

2. The outline of activities and the amount of budget in RKA-K/L refers to:
   a. The Government regulations concerning the procedures for the use of PNBP derived from certain activities;
   b. The Decree of the Minister of Finance/The Minister of Finance Letter concerning the Approval to Use Some of the Funds derived from PNBP; and
   c. The Ceiling Figures of PNBP usage from the Directorate of PNBP.

3. The use of funds derived from PNBP is focused on activities in order to improve services to the community and/or in accordance with the provisions concerning the Approval to Use Some of the Funds derived from PNBP;

4. The honorarium payment for managing PNBP activities (the direct honoraria of the supervisor treasurer, treasurer and the member of secretariat) uses the expenditure account of operational goods, namely the honorarium related to the operation of work units (account of 521115), while the honorarium of non-operational activities derived from PNBP is included in the honorarium account related to the output of activities (account of 521213).

4.10 The preparation of RKA-K/L for Work Units of Public Services Agency (Badan Layanan Umum/BLU)

The preparation of RKA-K/L for activities carried out by the work units of BLU, refers to the Regulations governing the Business Plan and Budget (Rencana Bisnis dan Anggaran/RBA) and the Budget Implementation of BLU. The preparation of RKA-K/L for the work units of BLU is carried out with the following conditions:

1. The preparation of RBA
The preparation of RBA pays attention to the following matters:

a. The work units of BLU prepares the annual RBA referring to the BLU business strategic plan accompanied by the RBA prediction of the following year;

b. RBA BLU contains all programs, activities, revenues budget/income, expenditures budget/expenditures, the estimated initial balance of cash and the estimated final balance of BLU;

c. RBA is prepared based on:
   i. Performance base and the calculation of cost accounting according to the type of service;
   ii. The requirement and capabilities of income expected to be received from the services provided to the community, grants, results of collaboration with other parties and/or other business results, other legitimate revenues and the budget revenues from the State Budget; and
   iii. Accruals basis.

2. The preparation of RBA

   RBA is prepared by adopting a flexible budget pattern with a certain threshold percentage. This flexible budget pattern does not apply for the revenues received from the State Budget.

   The certain threshold percentage is calculated without taking into account the initial balance of cash. This percentage should be listed in RKA-K/L and DIPA BLU which can be in the form of information or records that provide the quantity of information.

3. The preparation of RBA Overview

   RBA overview is an RBA summary containing programs, activities and sources of income, and the type of expenditures and financing in accordance with the format of RKA-K/L and the format of BLU DIPA. This overview is used as materials to incorporate RBA into RKA-K/L.

   The ceiling fund in RBA overview with the source of funds derived from PNBP and Pure Rupiah (Rupiah Murni/RM) must be equal to the budget allocation in the budget ceiling.

4. Moving the cost budget allocation information in KK of Work Units using the application program of RKA-K/L.

   Some things should be considered in the preparation of RKA-K/L BLU:

   1. Programs and activities that are used in the preparation of RKA-K/L BLU is part of programs and activities resulting from the restructuring programs and activities of parent K/L;

   2. Output financed by PNBP/BLU is outlined into the corresponding output, which are compiled and listed in the application of RKA-K/L. PNBP/BLU is just the source of financing like RM or PHLN.

   3. The need for the inclusion of the initial balance and the determination of threshold in KK of Work Units for BLU.

4.11 Gender Responsive Budgeting

   The National Medium-Term Development Plan (Rencana Pembangunan Jangka Menengah Nasional/RPJMN) of 2010-2014, has determined three strategies for mainstreaming the national development, namely the Good Governance,
Sustainable Development and Gender Mainstreaming. The three pillars are the foundation of operational to implement all policies, programs and activities both at national level and provincial and regency(city) level.

Associated with the gender mainstreaming, the Presidential Instruction Number 9 of 2000 concerning the Gender Mainstreaming in the National Development, mandates the entire Ministries/Agencies to integrate gender at each stage of the development process ranging from planning, preparation, implementation, monitoring and evaluation in all areas of development.

One of the most frequently encountered problems related to the implementation of the gender mainstreaming is that the decision makers do not realize that the decisions/policies taken and/or the decision-making processes/policies are often neutral gender, which only concerns from the standpoint of duties and functions from the agency or merely national priority, regardless of the groups involved and the different benefits users (the target group). Therefore, efforts are needed to reduce the participation gap and utilization of the development between men and women, namely by implementing the Planning and the Gender Responsive Budgeting (Perencanaan dan Penganggaran Responsi Gender/PPRG).

The results expected from the gender mainstreaming in the mechanism of budgeting is the Gender Responsive Budgeting (Anggaran Responsive Gender/ARG). Through the implementation of ARG, the planning and budgeting are expected to:

a. Be more effective and efficient.
   In the situation analysis/gender analysis is carried out the mapping of the roles of men and women, the condition of men and women, the needs of men and women as well as the men and women's issues. Thus, the gender analysis will diagnose and give you a more precise answer to meet the needs of men and women in the determination programs/activities and budgets, establish what activities need to be done to overcome the gender gap and who should become the target of a program/activity, when and how the program/activity will be carried put.

b. Reduce the gap among recipients of development benefits.
   With a situation analysis/gender analysis will be able to identify any differences of problems and needs between women and men, so it can help planners and implementers to find the right solution to answer the problems and different needs.
   So by applying the situation analysis/gender analysis in the development planning and budgeting, the gender gap occurring at the level of recipients of development benefits can be minimized.

4.11.1 The Gender Concept and Definition
   Gender is the differences in the nature, role, function and status between men and women that are not based on biological differences, but based on socio-cultural relations influenced by the structure of the larger society. Thus, gender is a socio-cultural construction and may change according to the times, and vary between different ethnic groups, age, education and income level. Gender
determines what is expected, allowed and assessed from the roles of men and women in everyday life.

The term of gender is raised by social scientists to explain the differences between men and women that are innate or natural (God's creation) and which cultural formation is constructed, studied and socialized. These differences are important, because by knowing the gender differences as something that are not permanent allowing us to build a picture about the reality of the relationship between women and men obviously and in accordance with the reality that exists in the society. So, gender here does not always see the differences that exist between men and women per se, but how our interpretation about these differences, and then used as a basis for taking policies/proportional measures.

Gender equality is an equality of rights, responsibilities and opportunities for men and women, to contribute and participate in various activities such as politic, economy, socio-culture, education, defense and national security, as well as similarities in enjoying results with equal impacts. Gender equality does not mean that women and men should be equal, but rather ensures that although they are different, but the desirability, the needs and the priorities of men and women should be equally considered. Thus, gender issues are not solely women's issues, but men and women's issues. The equality issues are also often associated with human rights issues and are considered as pre-conditions and indicators for sustainable community-based development.

Based on the concept above, what define as ARG is the budget that gives/accommodates the 2 (two) following things:
1. Justice for women and men (taking into account the gender roles and relations) in gaining an access and benefits (of the development program), participating in the decision-making process and having control over resources;
2. Equality for women and men over opportunities/chances in choosing and enjoying the results of development.

4.11.2 Logical Framework

ARG is not an approach that focuses on the budget classification. ARG greater emphasis on equality issues in budgeting. The equality is in the form of a process and budget allocation impact in a programs/activity aimed to reduce the gender gap level. ARG works by reviewing the impact of expenditure of an activity on women and men, and then analyzing whether the budget has answered the needs of women as well as the needs of men.

In its implementation, ARG is attributed to the structure of budget (programs, activities and output) that exist in RKA-K/L. ARG lies at the level of output. Output generated by an activity should have gone through the previous gender analysis. For output with gender issues, there is a difference in the documentation procedures. Nevertheless, despite the drafting process has gone through a gender analysis (among other using Gender Analysis Pathway or GAP), not all output have gender responsive because there is also gender-neutral output, one of the examples is the output of Office Services.

4.11.3 The Mechanism of ARG Allocation in RKA-K/L
ARG works by reviewing the impact of expenditure of an activity for women and men, and then analyze whether the budget allocation has answered the needs of women as well as the needs of men. Therefore, ARG is attributed to the structure of budget (programs, activities and output) that exist in RKA-K/L. Output generated by an activity will support the achievement of outcomes of a program. However, the content of the substance/output material resulted should be seen from the point of view [the perspective] of gender.

Furthermore, there are some things that need to be considered in the preparation of RKA-K/L with respect to gender responsive budgeting, namely:

1. The implementation of ARG in the budgeting system is put on the output. The relevance of the input component with the output generated should be clear.
2. K/L that is required to implement ARG is K/L that has got assistance for the Planning and Gender Responsive Budgeting (Perencanaan dan Penganggaran yang Responsif Gender/PPRG) by the Ministry of Women’s Empowerment and Child Protection (Kementrian Pemberdayaan Perempuan/KPP and Perlindungan Anak/PA).
3. The implementation of ARG is focused on the activities and the output of activities in the framework of:
   a. assignment of national development priorities;
   b. services to the community (service delivery), and/or
   c. institutionalization of gender mainstreaming (including the capacity building, gender advocacy, assessment, socialization, dissemination and/or the collection of selected data).
4. ARG is the preparation of budget to answer equitably the needs of all citizens, both men and women (gender justice and equality).
5. ARG does not focus on providing budget of a certain amount for gender mainstreaming, but, more broadly, how the overall budget can provide equitable benefits for men and women. The principle has the following meaning:
   a. ARG is not a separate budget for men and women;
   b. ARG functions as a budget pattern that would bridge the gap of status, roles, needs and responsibilities between men and women;
   c. ARG is not a "valid" basis to request additional budget allocations;
   d. It does not mean that the ARG allocation is only in a special program of women’s empowerment;
   e. ARG does not mean that there is allocation of funds of 50% for men - 50% for women for every activity;
   f. It is not necessary that all policies/output gain correction in order to be gender responsive, but there are also gender neutral.

Broadly speaking, the preparation techniques of gender responsive budgeting can be done through 2 (two) phases, namely: (1) gender analysis and (2) the preparation of GBS.
1. The Gender Analysis Phase
   In the process of planning and gender responsive budgeting, the first thing to do is to analyze the gender issues/gap in the output of activities. In this process, it requires the necessary tools/equipment to analyze gender, such as the model:
Harvard, Moser, SWOT, Proba, GAP and so forth. In conducting this gender analysis phase, the mentoring done by KPP and PA uses an analysis tool of Gender Analysis Pathway (GAP).

Having identified the gender issues/gap that exist at the level of output through a gender analysis, the information is then included in the document of GBS.

2. The Preparation of the Gender Budget Statement (GBS)
   At the time of submitting RKA-K/L to the Ministry of Finance qualitate qua the Directorate General of Budget, for gender responsive output, RKA-K/L submitted must be accompanied by GBS, namely the document that informs that the activity plan has been responsive to the existing gender issues, and funds have been allocated in the relevant activity to address the gender issues. GBS submitted to the Ministry of Finance is the result of assistance by the Ministry of Women’s Empowerment and Child Protection.

   In essence, GBS consists of the following components:
   a. Programs, Activities, Activity Performance Indicators (CCI) and Output; the formulation is in accordance with the restructuring programs/activities;
   b. Output of Activities objectives; is the formulation of output achievement;
   c. A situation analysis; contains a brief description that describes the issues that will be addressed/implemented by activities that generates output, in the form of insights opening data, the gap factor and the cause of gender gap issues, as well as explains that the output/sub-output activities that will be generated have an influence to a particular target group. This also explains the gender issues in sub/output/components that are part.stage in the achievement of output. Gender issues can be seen using 4 (four) aspects: access, participation, control and benefits at the level of sub-output/components;
   d. An action plan; explains the action plan that will be taken functions to minimize or eliminate the gender gap that has been identified in the situation analysis above. Not all the existing sub-output/input component is listed, but the sub-output/input component is only selected for the one that directly changes the conditions towards gender equality. If the output has sub-output, this section explains the sub-output with gender issues. However, if it does have not sub-output, then this section explains the components with gender issues;
   e. The amount of allocations for the output achievement;
   f. The impact/outcomes of output activities; are the impact/outcomes of the activity output achievement, associated with gender issues as well as improvements to the gender equality that have been identified in the situation analysis;
   g. GBS signatory is the persons in charge for activities.

   The GBS format and the procedures for filling are listed in Appendix 2.

4.12 Deconcentration Activities, Tasks and Joint Affairs
   The Budget allocation in RKA-K/L for the activities of K/L is implemented by Local Apparatus Work Units (Satker Perangkat Daerah/SKPD)
through a mechanisms of Deconcentration (Dekonsentrasi/DK) and Assistance (Tugas Pembantuan/TP), referring to PMK No. 248/PMK.07/2010 concerning the change in PMK No. 156/PMK.07/2008 concerning the Guidelines for the Management of Deconcentration and Assistance Funds. Besides referring to the PMK, the allocation plans and the budget for programs and activities that will be deconcentrated/assigned must consider the State’s financial ability, the regional funding balance and the regional development needs. In terms of the regional funding balance, K/L needs to consider the recommendation about the regional funding balance in the framework of the allocation planning for deconcentration and assistance funds issued by the Minister of Finance. As for the activities of K/L carried out together with SKPD are done through joint affairs (Urusan Bersama/UB) and refers to the Regulation of the Minister of Finance No. 168/PMK.07/2009 concerning the Guidelines for the Central and Regional Joint Affairs Funding for the Prevention of Poverty.

The provisions in the budget allocation through a mechanism of DK, TP, and UB as referred to the statement above are set as follows:

1. Basic Principles
   a. Government affairs that can be deconcentrated or assigned and funded from the State Budget are the central government’s affairs.
   b. The Deconcentration funding is allocated for non-physical activities, such as coordination, planning, facilitation, training, coaching, supervision and control. A small percentage of the funds can be used as supporting activities in the form of procurement of goods/services and other support.
   c. The Assistance funding is allocated for physical activities, such as infrastructure development activities, procurement of equipment and machinery, building and construction, network and other physical activities that generate output and add to the value of government assets. Some of the funds can be used as supporting expenditures for the procurement of goods/services and other support.
   d. The Central and Regional Joint Affairs are the government affairs excluded from the government affairs under the authority of the government entirely, organized jointly by the Government, Provincial Government and Regency/City Government.

2. The Budget allocation using the mechanisms of DK/TP needs to pay attention to the following matters:
   a. Funded programs and activities contained in RKA-K/L are the activities of echelon I and in accordance with the formulation of restructuring programs/activities and fully funded by the State Budget.
   b. Funded activities are the central government’s affairs;
   c. Performance Targets (type, volume and per unit of output) and the amount of budget allocation are the responsibility of each SPKD outlined clearly in RKA-K/L;
   d. K/L is not allowed to require companion funds;
   e. The Regional Revenues and Expenditures Budget imposition is only used to fund regional affairs synergized with programs and activities that will be deconcentrated and/or assigned;
f. DK funds are implemented after the transfer of authority of the Government through K/L to a Governor;

g. TP Funds are implemented after the assignment of authority of the Government through K/L to a Governor/Regent/Mayor;

h. To support the implementation of programs and activities, K/L also has to take into account the budget requirements:
   1) The cost for the preparation and delivery of reports by SKPD;
   2) The cost for operation and maintenance of the results of activities that have not been granted;
   3) Honorarium for officials managing the financial of deconcentration and/or the assistance funds; and
   4) Other costs in order to achieve the target of deconcentration and assistance activities implementation.

i. The allocation of TP and DK Funds should pay attention to the state’s financial capability, the regional funding balance (the amount of transfers to regions and the regional financial capability) and the need for development in regions;

j. The characteristics of DK
   The nature of non-physical activities is an activity that produces output that does not add to fixed assets. The non-physical activities include: the synchronization and coordination of planning, facilitation, technical assistance, training, counseling, supervision, research and surveys, guidance and monitoring and control.
   The outline of budget allocation for DK activities is organized as follows:
   1) Major Components; non-physical, include: the synchronization and coordination of planning, facilitation, technical assistance, training, counseling, supervision, research and surveys, guidance and monitoring, and control. The budget allocation uses an appropriate designation Goods expenditures account.
   2) Supporting Components; for administrative tasks implementation and/or procurement of input in the form of procurement of goods/services and other support, allocated using an appropriate designation Goods Expenditures account.
   3) In the event that the Supporting Components are used for the procurement of goods in the form of fixed assets, the budget allocation uses the Goods Expenditures Account to Support Deconcentration Activities for Submission to the Local Government (526211).

k. The characteristics of TP
   The nature of physical activities is an activity that produces output that adds to fixed assets. The physical activities include land acquisition, buildings, equipment and machinery, roads, irrigation and networks, and can be any other physical activities. Meanwhile the other physical activities include the procurement of consumable goods, such as medicines, vaccines, the procurement of seeds and fertilizers, or the like, including goods for social aids submitted to the community, as well as the community empowerment.
The outline of budget allocation for TP activities is organized as follows:

1) Major Components; physical, include: land acquisition, buildings, equipment and machinery, roads, irrigation and networks. The budget allocation uses an appropriate designation Capital Expenditures account.

2) Major Components; another physical, include: medicines, vaccines, the procurement of seeds and fertilizers about to be submitted to the community/local government. The budget allocation uses Other Physical Goods Expenditures accounts for submission to the Community/Local Government (526115).

3) Supporting Components; for the implementation administrative tasks and/or procurement of input in the form of procurement of goods/services and other support, allocated using an appropriate designation Goods Expenditures account.

4) In the event that the Supporting Components are used for the procurement of goods in the form of fixed assets, the budget allocation uses the Goods Expenditures Account to Support Assistance Activities for Submission to the Local Government (526212).

i. The Allocation of Supporting Fund

1) A small percentage of DK/TP funds can be allocated as supporting funds for the implementation of administrative tasks and/or procurement of input in the form of consumable goods and/or fixed assets;

2) Determination of the extent allocation of funding support should observe basic decency, fairness, economic, and efficiency and activities adapted to the characteristics of each K/L.

m. In order to setup the management of assets resulted from the implementation of DK/TP activities, then the completion is made which is focused on the use of account in the budget allocation. The completion mentioned aims to simplify the process of assets granting from the Central Government to the Local Government through SKPD.

Details of the use of expenditure types in the activities of DK/TP are arranged as follows:

1) Activities in the framework of DK

The budget allocation provided for the supporting cost components, when used for the procurement of goods resulting in fixed assets, then the allocation (so far using the type of Capital Expenditures) uses the type of Goods Expenditures (Goods Expenditures to Support Deconcentration Activities for Submission to the Local Government, with the code account of 526211).

2) Activities in the framework of TP

The budget allocation provided for the major components (physical components), when it is used for things that produce fixed assets, the allocation uses the Capital Expenditure type. When it is used for things that do not produce fixed assets or consumables (such as for the procurement of medicines, vaccines or seeds), the allocation uses the Goods Expenditures type (Other Physical Goods Expenditures for
Submission to the Community/Local government, with the account code of 526115).
Meanwhile, the budget allocation provided for the supporting cost components, when it is for the procurement of goods producing fixed assets, then the allocation uses the Goods Expenditures type, namely the Goods Expenditures to Support Assistance for Submission to the Local Government, with the account code of 526212.

n. Supporting documents that must be attached by SKPD should have been completed at the time of the review of RKA-K/L;

3. The Budget allocation using the mechanisms of Joint Affairs (UB), refers to the Regulation of the Minister of Finance Number 168/PMK.07/2009 concerning the Guidelines for the Central and Regional Joint Affairs Funding for the Prevention of Poverty, as follows:
a. Joint Affairs Funding for the Prevention of Poverty can be funded from the State Budget, the Regional Budget, and/or both the State and Local Budgets.
b. In the event that the Programs for the Prevention of Poverty is jointly funded, the funding derived from the State Budget is allocated through the BA of Ministry/Agency in the form of DUB and the funding derived from the Regional Budget is allocated through SKPD in the form of DDUB.
c. The funding is done after the agreement of both parties as outlined in the agreement between the Government and the Local Government.
d. The Central and Regional Joint Affairs Funding for the Prevention of Poverty is intended for the group of Programs for the Prevention of Poverty based on the community empowerment which consists of programs that aim to develop the potential and strengthen the capacity of poor people to engage in the development based on the principles of the community empowerment. The Programs for the Prevention of Poverty, are specified in the form of activities of which the direct aid components of the community is social aids expenditures.
e. The management of DUB and DDUB is carried out with the principle of orderly, obedient to the laws and regulations, efficient, economical, effective, transparent and accountable with regard to the sense of justice and propriety.
f. The Central and Regional Joint Affairs Funding for the Prevention of Poverty in the form of Joint Affairs Funds (Dana Usaha Bersama/DUB) and the Regional Funds for Joint Affairs (Dana Daerah untuk Urusan Bersama/DDUB) apply only to the program of Rural Independent PNPM and Urban Independent PNPM distributed in the form of Independent Direct Aids (Bantuan Langsung Mandiri/BLM) in the social aid expenditure type;
g. Programs/activities for the prevention of poverty that will be funded from the State Budget shall refer to RKP and be outlined in Renja-K/L;
h. Ministers/Head of Agencies and Regional Head sign the implementation agreement of the Central and Regional Joint Affairs for the Prevention of Poverty Programs no later than the first week of December or after the enactment of the Presidential Decree concerning the Details of the Central Government Expenditures Budget.
4.13 The Allocation of Self-Management Budget

The steps for the presentation of information related to the implementation of self-management activities are as follows:

1. Self-management

   What defined as self-management is the activities for the procurement of goods/services in which the work is planned, carried out and/or supervised by K/L as the responsible person of budget, other government agencies and/or community groups.

   The work that can be self-managed include:

   1. The work that aims to improve the ability and/or take advantage of the technical capabilities of human resources and is in accordance with the principal task of K/L;
   2. The work of which the operation and maintenance require direct participation of local communities;
   3. The work in terms of the amount, nature, location or financing is not enthused by the provider of goods/services;
   4. The work that in details cannot be calculated/determined in advance so that when executed by the provider of goods/services will cause great uncertainty and risk;
   5. The management of education and training, courses, refresher courses, seminars, workshops or counseling;
   6. The work for pilot projects and surveys that are specific for the development of technologies/work methods that cannot be carried out by the provider of goods/services;
   7. The work of surveys, data processing, formulation of government policies, laboratory testing and the development of specific systems;
   8. The work that is confidential for the relevant K/L;
   9. The work of industries that is creative, innovative and with domestic culture;
   10. The domestic research and development; and/or
   11. The Work of the development of defense industry, defense main equipment industry and domestic special material equipment industry.

The procedures for the Implementation of Self-management

1. Implemented by Individual Agencies.

   Is the work planned, carried out and supervised by K/L responsible for the budget. It uses its own officials, officials of K/L and/or experts. In the case of using experts, the experts in question should not exceed 50% of the total officials of K/L involved in the self-management activities. The budget allocation for the planned activities will be carried out in self-managed method, detailed by an appropriate type of expenditure.

   a. Budget allocation for non-physical activities that are using this type of shopping items. Examples of Technical Training activities of civil servants, the spending account details as follows:

      1) The honorarium for speakers/experts/practitioners is included in the Professional Services Expenditure Accounts (522151);
2) The honorarium for the Activity Management Technical Teams that directly support the achievement of output included in the Non-Operational Goods Expenditure Accounts (the account group of 5212), the honorarium expenditures associated with the output of activities (account of 521213);

3) The materials for the implementation of activities including Office Stationery (Alat Tulis Kantor/ATK), Consumption/Food Ingredients, Printed Materials, Banners and Copies are included in the Materials Expenditures Account (Account of 521211); and

4) The Official Travel for calling/repatriating education and training participants are included in the Ordinary Travel Expenditures Account (account of 524111).

b. The budget allocation for non-physical activities uses the type of Social Aids Expenditures and/or Goods Expenditures. Examples of School Operational Aid (Bantuan Operasional Sekolah/BOS) Activities, with the details of expenditures accounts, are as follows:

1) The honorarium for the Activity Management Technical that directly support the achievement of output included in the Non-Operational Goods Expenditure Accounts (the account group of 5212);

2) The materials for the implementation of activities including Office Stationery (Alat Tulis Kantor/ATK), Consumption/Food Ingredients, Printed Materials, Banners and Copies are included in the Materials Expenditures Account (Account of 521211); and

3) The Ordinary Official Travel in the framework of guidance and supervision is included into the Ordinary Travel Expenditures Account (Account of 524111); and

4) The provision of schools operational aids is included in the Social Assistance Expenditures Accounts for Social Security in the form Of Money (account of 572111). The budget allocation for physical activities is included in capital expenditures. In order to conform with the accounting norms, namely the principles for full disclosure for each type of Capital Expenditures is further detailed in accordance with its designation. For example, Land Capital Expenditures are divided into Land Capital Expenditures, Land Acquisition Capital Expenditures, Land Team Honorarium Payment Capital Expenditures, Land Certificate Creation Capital Expenditures, Land Hilling and Land Maturation Capital Expenditures, Land Measurements Capital Expenditures, Land Procurement Journey Capital Expenditures. The details are the same for all Capital Expenditures in accordance with the Standard Accounts Chart.

2. Implemented by Other Agencies

Is the work planned and supervised by K/L, while the execution of the work is carried out by other government agencies that are not in charge for the budget.

In the event that there is a component/output implemented by other
agencies, then the budget allocation can use 1 (one) expenditure account (other services expenditures (522191)).

3. Implemented by community groups

Is the work planned, carried out and supervised by community groups. Meanwhile, K/L in charge for the budget sets goals to be achieved. In this criterion, the main work is forbidden to be transferred to another party (subcontracted) from the work executing community groups.

In the event that there is a component/output implemented by community groups, the budget allocation can use 1 (one) account expenditure (other services expenditures (522191)).

2. The Allocation of Contract

In accordance with the mandate of The Presidential Regulation No. 54 of 2010 and the changes rules, in order to implement the principles of good governance and clean government, then K/L should apply the principles of accountability and management of human resources efficiently, impartially and ensure the social and economic interaction between the government and stakeholders and procurement of goods/services for the government requirement.

The application of the principles, ethics and procedures in the procurement of goods/services of the Government should be guided by the Presidential Regulation No. 54 of 2010 and the changes rules. Meanwhile, the procedures for the inclusion in RKA-K/L should explain that the procurement of goods/services are carried out by means of contractual or self-management.

4.14. The Budget Allocation Related to Multi-Year Contracts

In Article 52 paragraph (2) of the Presidential Regulation Number 54 of 2010 concerning the procurement of goods/services of the Government and the changes rules, a multi-year contract is a contract of which the job execution for a period of more than 1 (one) Fiscal Year over an expense of budget, which is done after getting an approval:

a. The relevant Minister/Head of Agency for activities with a contract value up to Rp10,000,000,000.00 (ten billions rupiah) for the activities: seeds/seedlings planting, greening, sea/air pioneering services, food and medicines in hospitals, food for convicts in prison, procurement of excise stamps, waste disposal services and procurement of cleaning services.

b. The Minister of Finance for activities with the values above Rp10,000,000,000.00 (ten billions rupiah) and activities with the values up to Rp10,000,000,000.00 (ten billions rupiah) for activities that are not included as referred to in paragraph a.

Procedures for the submission/approval of multi-year contracts for procurement of goods/services of the Government are based on the Regulation of the Minister of Finance concerning the Procedures for Approval of Multi-Year Contracts in the procurement of goods and services of the government. The submission of proposals for approval of multi-year contracts by K/L is delivered in conjunction with the delivery of K/L to the Ministry of Finance.
In the preparation process of RKA-K/L, the budget allocation of work included in multi-year categories, is arranged as follows:

1. In the first year of allocation is done through the mechanism of new initiatives and its budget allocation is done by including the requirement of funds to finance the package/activities to be carried out in the first year along with the advanced prediction.

2. The allocation in the second year and thereafter is done through the mechanisms of basic figures (baseline) correction to the advanced prediction included in the previous year. The correction includes the correction of volume of output and components. The basic figures correction is limited by the budget allocation that has been determined.

5. New things and/or Things to be Completed

5.1 Programs Architecture Structuring (Logic Model) in the Performance Evaluation of RKA-K/L

In connection with the dynamics of the development of social, economic and the national, regional and global politic lately as well as the increasing demand of the society for more transparency and accountability of program implementation, the policy-making in the field of absolute state budget requires comprehensive and valid information so it is no longer enough to be supplied only by as usual information that focuses on the budget absorption rate alone, but it is more oriented towards outcomes so that various important information needed in the field of budgetary policy-making can be provided in full, but this time RKA-K/L as a form of document of programs planning and budgeting that will be implemented by each unit of responsible program at the ministry/agency cannot describe logical information for program performance to be measured and evaluated as a form of accountability to society.

This lack of information also makes constraints for the person in charge of programs or the analyst to evaluate the performance of the implementation of RKA-K/L as mandated by PMK No. 249/2011, which includes 3 (three) aspects:

a. the implementation aspect, namely the evaluation in order to generate information of the achievement of the performance of activities to generate output of a program;

b. the benefit aspect, namely the evaluation in order to generate changes in the information occured in the society and/or the stakeholders as the beneficiaries of results of a program; and

c. the context aspect, namely the evaluation in order to generate information about the relevance of programs implemented by the social and economic dynamics, because RKA-K/L has not been able to present information about the relevance of programs with problems/situation faced by the community, outcomes and output measured, as well as the relevance between output and outcomes, then to assist the process of planning, budgeting and evaluation, it requires the architecture structuring and performance information (Arsitektur dan Informasi Kerja/ADIK) of programs (logic model) and the accuracy of the selection of performance indicators that will be outlined in RKA-K/L in order to facilitate the measurement, both qualitatively and quantitatively.
ADIK of Programs (Logic Model) is a concise overview of a program as a response to a situation/problem/need of stakeholders to show the logical relationship between resources (input) used, activities undertaken, output resulted and benefits or changes desired or resulted (outcome) by the program. The ADIK of Programs (Logic Model) structuring does not make a new document type, or add various documents of planning, budgeting and evaluation of the existing ones, ADIK of programs aims to sharpen the contents of RKA-K/L to produce a concise perspective over a program in order to be seen as an intact perspective, so that its relevance is clear, and is easily understood by all stakeholders. The ADIK of Programs (Logic Model) Structuring has been started in the preparation of RKA-K/L and the making of the Terms of Reference (TOR) for the new initiatives in fiscal year 2014, for that, as the guidance it has been provided in the web-based budget e-money application that can be accessed by all units of the person in charge of programs from each Ministry/Agency.

5.2 The Implementation of Imput Cost Standard and Output Cost Standard

Cost Standard is cost units determined by the Minister of Finance as a chief financial officer as a reference for the calculation of budget requirement in the preparation of RKA-K/L. The cost standard form consists of the input cost standard (Standar Biaya Masukan/SBM) and the output cost standard (Standar Biaya Keluaran/SBK). SBM is an input cost unit set to compose the output component cost (output). Meanwhile, SBK is a specified amount of cost to produce output. As one of the instruments in the preparation of RKA-K/L, cost standard should be well understood for further applied in the calculation of the reasonable, rational and accountable budget requirement.

A. Input Cost Standard (SBM)

1. The scope of SBM

Based on the scope, SBM consists of:

a. SBM applicable to some/all over the state ministries/agencies.

b. SBM applicable to one state ministry/agency.

SBM applicable to some/all over the state ministries/agencies is cost units used in the preparation of RKA-K/L by all/some state ministries/agencies defined in the Regulation of the Minister of Finance. Examples of this type of SBM are cost units listed in PMK SBM set every year.

Meanwhile, SBM applicable to one state ministry/agency is cost units used by a specific state ministry/agency in the preparation of RKA-K/L set through the Regulation of the Minister of Finance or the Approval of the Minister of Finance.

This type of SBM is set/approved by the Minister of Finance because the cost units are not listed in PMK SBM set every year. Therefore, to the cost units, ministries/agencies may propose the relevant cost units to the Minister of Finance set as SBM. Meanwhile, the cost units proposed to be set as SBM must meet the following criteria:

a. the demands of a particular public service quality improvement;

b. the specificity of cost units owned by the state ministries/agencies;
c. the implementation of activities carried out in remote areas, border areas and outer islands; and/or
d. the implementation of activities as the representative of the Republic of Indonesia abroad.

2. SBM function in the Preparation of RKA-K/L
In the preparation of RKA-K/L, SBM functions as:

a. the highest limit of which the amount cannot be exceeded over the relevant cost units;
b. the review baseline tool, meaning the cost standard used to calculate the amount of cost allocation requirements of output components as the material for the preparation of indicative ceiling.

Example:
The cost unit of per diem for domestic official travel per day in Jakarta province is Rp0,- (ten rupiah), then the cost unit included in RKA-K/L and is used in the budget implementation is Rp0,- (ten rupiah).

In addition to functioning in the preparation of RKA-K/L, SBM in the budget implementation serves as the highest limit for SBM grouped in Appendix I, which mostly consists of honoraria, per diem and those associated with other additional income of officials/civil servants. As for the SBM grouped in Appendix II which consists of the price of goods and services in the market serves as a meaningful estimation in the budget implementation that the amount may be exceeded with the provisions, as follows:

a. in accordance with the market price;
b. the procurement process is in accordance with the legislation;
c. the budget allocation is available; and
d. consider the principles of economic, efficiency and effectiveness.

Example:
In the Regulation of the Minister of Finance concerning the Input Cost Standard, the amount of the cost standard for the procurement of employee uniforms is Rp10,- (ten rupiah). At the time of the budget implementation, it turns out that the most economical market price is Rp11,- (eleven rupiah), then the procurement process of uniforms allowed is at the of price Rp11,- (eleven rupiah) as long as it has met all the principles of economic, efficiency and effectiveness, the availability of budget allocation and the procurement process are done in accordance with the legislation. Conversely, if the market price is Rp9,- (nine rupiah), then the procurement is implemented with the price of Rp9,- (nine rupiah) as the effort of the state ministries/agencies to implement the budget efficiency.

3. The use of Cost Units Excluded from SBM in the preparation of RKA-K/L
In the preparation of RKA-K/L, the state ministries/agencies can use other input cost units that are not listed in PMK SBM based amongst others on:

a. the market price of the relevant cost unit;
b. the price unit is set by the minister/head of agency/authorized technical agency.

To the use of this other SBM, the state ministries/agencies are responsible for the formal appropriateness and correctness as well as materials over the other
input cost units and no longer need to attach absolute liability letter (Surat Pertanggungjawaban Mutlak/SPTJM) for the use of the other input cost units in question.

Nevertheless, the use of the other input unit costs are not applicable to the cost units that increase revenues and/or facilities to state officials, civil servants and non-civil servants employed in order to carry out regular tasks of state ministries/agencies. The use of other input unit costs that increases revenues and/or facilities to state officials, civil servants and non-civil servants employed in order to carry out regular tasks of state ministries/agencies must be approved by the Minister of Finance.

4. The Implementation of Input Cost Standard on Work Units of BLU in the preparation of RKA-K/L

In the framework of the preparation of business plan and budget (Rencana Bisnis dan Anggaran/RBA) as one preparation document of RKA-K/L, the head of work units of a public service agency can determine the Input Cost Standard. The determination of the Input Cost Standard by the head of work units of a public service agency as referred to in paragraph (1) shall meet the following criteria:

a. the Input Cost Standard is used for activities of which the funds derived from non-tax revenues of public service agencies;

b. the Input Cost Standard is a cost component of service rates; and

c. considering the market price from the relevant cost units.

The cost units for work units of public service agencies are in the form of:

a. cost units that increase revenues and/or facilities excluded from the remuneration components for the board of trustees, management officers and employees of work units of public service agencies; and

b. cost units of domestic and foreign official travel, referring to the provisions governing the applicable cost standard.

The Input Cost Standard for activities of which the funds are not derived from non-tax revenues of public service agencies refers to the provisions of the guidelines for applicable Input Cost Standard (current PMK Number 71/PMK.02/2013).

5. Other Things to Notice In the preparation of RKA-K/L related to SBM

One policy that ensures the implementation of a more efficient financial management is the single remuneration system policy. Accordingly, the regulation for implementation of the honorarium cost units granting must be stressed, including the granting because of additional duties and/or mandated by the legislation done selectively.

In connection with the honorarium of the activities executive team, the formation of the activities executive team that can be given honorarium, must meet all the following criteria:

a. has clear and measurable output;

b. coordinative in nature which requires it to include other echelon I;

c. temporary in nature of which the implementation needs to be prioritized;

d. is gminating function or specific task for state officials/civil servants in addition to the daily task-function; and
is done selectively, effectively and efficiently. In the event that a team has been formed for 3 (three) consecutive years, the state ministries/agencies evaluate the urgency and effectiveness of the team to be considered as the task and function of an organizational unit.

In implementing single remuneration system policies, the participation of state officials/civil servants in the activities executive team/secretariat team is not restricted but the honorarium granting is set with the following conditions:

a. Each month, Echelon I/II officials are only allowed to receive honorarium for the team sourced from the Budget Implementation Check List (Daftar Isian Pelaksanaan Anggaran/DIPA) of the relevant state ministries/agencies maximum for 2 (two) activities executive teams;
b. Each month, Echelon III/IV officials, and the functional officials as well as the executive officials are only allowed to receive honorarium for the team sourced from the Budget Implementation Check List (DIPA) of the relevant state ministries/agencies maximum for 3 (three) activities executive teams.

In addition, in implementing the provisions of Input Cost Standard, the state ministries/agencies shall do the budget efficiency measures, as follows:

a. Restrictions and control of official travel expenses
   In the preparation of RKA-K/L, the state ministries/agencies should undertake official travel management so that the allocated official travel is absolutely required in order to achieve output and done selectively and efficiently.

b. Restrictions and control of meeting expenses outside the office
   In line with the government’s move to make budget savings, state ministries/agencies must limit and control meetings organization outside the office either inside the town or outside the town. Meetings organization outside the office is only done for a very important activity and requires coordination with other parties/agencies (at least other echelon I).

c. The implementation of operational rental vehicles as an alternative provision of operational vehicles
   In order that the state ministries/agencies can focus on the tasks and functions, gradually the mechanisms of operational rental vehicles as an alternative procurement of vehicles will be implemented. However, the implementation of the rental vehicles will be made after the provisions governing it are determined by the Minister of Finance.

B. Output Cost Standard (SBK)

To realize the performance-based budgeting (PBK), the budgeting system is implemented through the Work Plan and the Budget of the State Ministries/Agencies (RKA-K/L) consisting of programs, activities and output. Performance contract of each state ministry/agency is measured at the level of output of activities. PBK approach is applied by altering the pattern of input-based budgeting to output-based and outcome-based budgeting. Accordingly, SBK policy functioned as the backbone of the implementation of PBK also undergoes some changes, among others, as follows:
The budget allocation based on the achievement plan of output/sub-output of activities that has a link to the implementation of tasks-functions of work units attached to the organizational structure of state ministries/agencies (money follow function);

The flexibility in selecting resources to achieve efficiency while maintaining accountability (let the manager manage);

The orientation on the achievement of output in accordance with the desired outcome (output and outcome oriented); and

Focus on maximizing the outcome on the use of funds.

1. The Shape and Level in the Preparation of SBK
   The shape of SBK is divided into 2, namely:
   a. Output cost index is SBK to produce a volume of output.
   b. The total cost of output is SBK to produce a total volume of output.

The Preparation of SBK is performed at the level of output or sub-output that become the tasks and functions of state ministries/agencies. In preparing SBK, state ministries/agencies are required to use applicable SBM and responsible for the formal appropriateness and correctness as well as materials to the use of the relevant SBM.

2. SBK functions in the Preparation of RKA-K/L
   In the preparation of RKA-K/L, SBK function as:
   a. the highest limit of which the amount cannot be exceeded over the relevant output/sub-output
   b. a reference for the preparation of advanced prediction
   c. materials for the calculation of indicative ceiling of state ministries/agencies; and/or
   d. a reference for the preparation of SBK for similar output at different state ministries/agencies.

In the budget implementation, SBK serves as an estimation of the amount of cost that can be exceeded, partly because of changes in the component of phases and/or the use of cost units influenced by the market price.

To the output/sub-output with predefined SBK should be used in the preparation of RKA-K/L maximum at output/sub-output cost in PMK SBK in question. The predefined SBK will become a reference in the implementation of RKA-K/L so that when preparing the output cost, state ministries/agencies simply take the cost from the reference of SBK which also contains details of output cost in question.

3. The implementation of SBK in Work Units of BLU in the Preparation of RKA-K/L
   In the framework of the preparation of business plan and budget (RBA) as one preparation document of RKA-K/L, the head of work units of a public service agency can prepare SBK for the budget allocation sourced from the non-tax revenues and propose it to the minister/head of agency.

The proposed SBK of Work Units of BLU is submitted to the Directorate General of Treasury, the Ministry of Finance for a review and set as SBK. At the time of the preparation of RKA-K/L, the established SBK of Work Units of BLU is set as the basis for the preparation of output/sub-output of the relevant state ministry/agency.
C. Cost Structure Standard

Cost Structure Standard is one of the tools to support the efficiency of costs allocation in the preparation of RKA-K/L through an assessment of reasonableness of a particular cost composition of specific output/activities/programs in the form of restrictions of certain amount or percentage.

Cost Structure Standard is applied for certain type of output of which the limits are adjusted to the characteristics of each output/sub-output. With the implementation of the Cost Structure Standard, it is expected that the proportionality of cost composition of similar/allied output can be more guaranteed, which is expected to simplify the review process of RKA-K/L. The implementation of Cost Structure Standard in the preparation of RKA-K/L will be done after there are provisions governing the type and amount of the relevant Cost Structure Standard.

1. The Form of Cost Structure Standard

The Form of Cost Structure Standard includes the limits of the amount or percentage of:

a. the total supporting costs to the total costs in specific output/activities/programs;
b. certain cost elements to the total supporting cost in specific output/activities/programs; and
c. certain cost elements to the total cost of specific output/activities/programs.

2. The Function of Cost Structure Standard in the Preparation of RKA-K/L

The Cost Structure Standard is used as a reference for state ministries/agencies in preparing the financing composition of specific output/activities/programs in the preparation of RKA-K/L and as one evaluation tool to review the fairness of the financing of similar/allied output/activities/programs. In the budget implementation phase, the Cost Structure Standard remains valid as a reference.

3. The Implementation of Cost Structure Standard in the Preparation of RKA-K/L

At the beginning phase, the implementation of Cost Structure Standard will be made at the level of output. The determination of the amount of Cost Structure Standard refers to the type of output in RKA-K/L, which is classified as follows:

a. Output of Goods, which consists of:

1) Output of infrastructure items, i.e. the output of activities that constitute tangible goods and/or in the form of networks necessary to guarantee the public sector economy so that the economy functions properly.

Example: road, rail, water, airports, canals, dams, dikes and so on.

2) Output of non-infrastructure items, i.e the output of activities that constitute both tangible and intangible goods that are not in the form of networks that are not infrastructure items.
Example: vehicles, software applications and so on.

b. Output of services, which consist of:

1) Output of regulation/bureaucracy services, namely the output resulted from an activity in order to make regulations or supporting administrative bureaucracy. The form of the output can be norms, standard and so on.

Examples: legislations, ministerial regulations and so on.

2) Output of services is output of an activity which is a service from a government agency. Example: SP2D, BOS services and so on.

Examples of the implementation of the Cost structure Standard refers to the limits of cost composition set according to the type and characteristics of specific output are as follows:

a) Setting limits allowable percentage of the cost of supporting

In preparing the budget, the cost of components can be divided into two (2) types of groups, namely:

✓ Major costs are cost components directly related to the policy for the achievement of specific output.

✓ Supporting costs are cost components supporting the achievement of specific output.

In financing output, the majority of costs incurred are major costs. The value of supporting costs should be limited not to exceed the major costs. The costs preparation of certain output is required accuracy in categorizing certain major costs or supporting costs.

b) The setting of the percentage limit for official travel expenses/FGD

Official Travels/FGD must consider the level of the necessity in the achievement of relevant output.

c) The setting of the percentage limit for allowable honorarium

In line with the concept of a single remuneration system, the amount of remuneration has accounted for all output to be generated. Consequently, the honorarium allocation to finance output should not be needed anymore.

The restriction of honorarium allocation is a first step to support the conception in question, namely by limiting the honorarium in accordance with the characteristics of output.

A sample of matrix settings for the Cost Structure Standard is as follows:

<table>
<thead>
<tr>
<th>Output of Restriction Type</th>
<th>Type</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructure Items</td>
<td>Non-Infrastructure Items</td>
<td>Regulations Services</td>
<td>Services</td>
</tr>
<tr>
<td>% of allowable official travel expenses</td>
<td>a%</td>
<td>d%</td>
<td>g%</td>
<td>j%</td>
</tr>
<tr>
<td>% of allowable honorarium</td>
<td>b%</td>
<td>e%</td>
<td>h%</td>
<td>k%</td>
</tr>
<tr>
<td>% of allowable supporting costs</td>
<td>c%</td>
<td>f%</td>
<td>i%</td>
<td>l%</td>
</tr>
</tbody>
</table>

If in the budget implementation is required the changes in the composition of cost structure, state ministries/agencies may make changes according to the authority with a reference to the Regulation of the Minister of Finance concerning the revised budget with the following conditions:

a. the changes in question are absolutely necessary to ensure the performance achievement of the relevant state ministries/agencies;
b. taking into account the efficiency and effectiveness aspects.

The policies related to the cost standard, either the input cost standard, the output cost standard and the cost structure standard refer to the applicable Regulation of the Minister of Finance.

6. Glossary

a. The State Budget Revenues and Expenditures, hereinafter referred to as the State Budget is an annual financial plan of the state government approved by the House of Representatives.
b. The List of Review Results on Work Plan and Budget of Ministries/Agencies, hereinafter referred to as DHP RKA-K/L (Daftar Hasil Penelahaan Rencana kerja dan Anggaran Kementrian/Lembaga) is a document that contains a summary of RKA-K/L per program in one K/L that has been established from the review process.
c. Outcome is anything that reflects the functioning of output of activities in one program.
d. Output is goods or services produced by an activity that is carried out to support the achievement of goals and objectives of programs and policies.
e. A State Ministry hereinafter referred to as the Ministry is the Government apparatus in charge of certain affairs in the government.
f. Performance is the work achievement in the form of output of an activity or outcomes of a program with quality and measurable quality.
g. An agency is a non-State Ministry organization and other budget users agencies established to perform specific tasks based on the 1945 Constitution of the Republic of Indonesia or other legislation.
h. Indicative Ceiling is approximate budget ceiling given to Ministries/Agencies as a guide in the preparation of Renja-K/L.
i. Budget Ceiling of Ministries/Agencies, hereinafter referred to as Budget Ceiling of K/L, is the highest limit of budget allocated to Ministries/Agencies in the framework of the preparation of RKA-K/L.
j. The Budget Allocation of Ministries/Agencies, hereinafter referred to as the Budget Allocation of K/L, is the highest limit of expenditures budget allocated to Ministries/Agencies based on the discussions results of the State Budget Draft as outlined in the minutes of discussion of the State Budget Draft between the Government and the Parliament.
k. The Work Plan and Budget of Ministries/Agencies, hereinafter called RKA-K/L, is a document of annual financial plan of Ministries/Agencies prepared by the Budget Section of Ministries/Agencies.
HEAD OF GENERAL BUREAU

On behalf of

HEAD OF ADMINISTRATIVE OF THE MINISTRY

GIARTO
NIP 195904201984021001

REPUBLIC OF INDONESIA,

Signed

MUHAMMAD CHATIB BASRI
RKA-K/L is a document of annual financial plan of Ministries/Agencies prepared by the Budget Section of Ministries/Agencies. As a planning and budgeting document, the document of RKA-K/L contains programs and activities of K/L which is the description of Renja-K/L along with the budget required to implement the year planned.

Based on the budget ceiling, K/L prepares RKA-K/L. In the preparation, the Government Regulation Number 90 of 2010 concerning the Preparation of RKA-K/L sets the following:

1. Ministers/Head of Agencies as Budget Users (Pengguna Anggaran/PA) shall prepare RKA-K/L over BA under their control;
2. The preparation of RKA- K/L should use the approach of:
   a. medium-term expenditure framework;
   b. integrated budgeting; and
   c. performance-based budgeting.
3. RKA-K/L is prepared in a structured method and detailed by budget classification, including: the classification of organizations, functions and types of expenditure;
4. The preparation of RKA- K/L uses instruments: Performance indicators, costs standard and performance evaluation. K/L sets the performance indicators after coordination with the Ministry of Finance and the Ministry of Planning. While the provisions of the budget classification and the costs standard is arranged by the Regulation of the Minister of Finance after coordination with K/L;
5. RKA-K/L is prepared based on Renja-K/L, RKP and the Budget Ceiling of K/L.

1. The Preparation of RKA-K/L
   Before preparing RKA-K/L, things that need to be understood and prepared in advanced are:

1.1 New Things in the Preparation of RKA-K/L
   In the preparation of RKA-K/L, there are some new things that must be considered, namely:
   1. Work Units shall prepare documents of RKA Satker to include performance targets of activities and budget allocation at component level;
   2. In terms of budget allocation, K/L submits RKA-K/L which has been examined by the Internal Control Apparatus of the State Ministry/Agency [Aparat Pengawasan Intern Kementrian Negara/Lembaga (API K/L)] and the General Secretary/First Secretary qualitate qua the Planning Bureau/Planning Units of K/L to the Ministry of Finance through the Directorate General of Budget.
   3. In terms of budget allocation, K/L submits RKA-K/L which has been examined by the Internal Control Apparatus of the State Ministry/Agency (API K/L) and
the General Secretary/First Secretary qualitate qua the Planning Bureau/Planning Units of K/L and has been discussed and approved by the House of Representatives to the Ministry of Finance qualitate qua the Directorate General of Budget.

1.2 Parties Involved in the Preparation of RKA-K/L and its Tasks–Roles

The preparation of RKA-K/L is divided into three levels, namely K/L, Echelon I Unit and the Work Units. The division of level is based on of the division of tasks and roles in the budgeting planning. The preparation steps are done with the following stages:

1. Echelon I does the following:
   a. Examining and ensuring that the budget ceiling per program per type of expenditure is based on the Budget Ceiling of K/L;
   b. Establishing performance targets for each work unit referring to the documents of RKP and Renja-K/L in the current year:
      1) the output volume of activity within the framework of Basic Figures; and
      2) the output volume of activity within the framework of New Initiatives.
   c. Establishing the budget allocation for each work unit:
      1) the budget allocation within the framework of Basic Figures; and
      2) the budget allocation within the framework of New Initiatives.
   d. Preparing the List of Ceiling Detailed per Work Unit which serves as the highest limit of ceiling of work units.
   e. Preparing the supporting documents:
      Echelon I Unit, in the framework of the preparation of RKA-K/L, prepares supporting documents, particularly Terms of Reference or TOR, RAB and GBS. The details of explanation associated with the supporting documents, as follows:
      1) TOR (Terms of Reference) for each output of activity.
         The preparation refers to the format as set forth at the end of appendix 2. There are several things that must be considered in the preparation of TOR:
         • There are two types of TOR designation, namely the output of activity within the framework of basic figures and the output within the framework of new initiatives.
         • In terms of the type of new initiatives is in the form of the addition to the volume of output, TOR is still required with any additional volume of output. The stages in achieving the output in question, are the same as the output that constitute the basic figures.
         • Each budget allocation of output of activity should be based on TOR because this TOR as a reference determines the amount of budget for output. It means a component as a stage in the achievement of output of activities should reflect the reference in question.
         • TOR within the framework of basic figures is prepared and submitted to the Ministry of Finance qualitate qua the Directorate General of Budget only once, at the time of the preparation of new model TOR as set forth at the end of Appendix 2, not every fiscal year planned.
• TOR within the framework of new initiatives is prepared and submitted as the basis for the budget allocation of output of new initiatives activities. This TOR is already adapted to the approval of budget from the Ministry of National Development Planning/Bappenas and the Ministry of Finance qualitate qua the Directorate General of Budget.
• What submitted to the Ministry of Finance qualitate qua the Directorate General of Budget for the year planned is just TOR of output of new initiatives activities, if there have been documents archives of TOR within the framework of basic figures.
• The important substance in TOR is the consistency between the output produced by the series of achievement stages (components).

2) The details of Budget/RAB (for output of new initiatives category).
The preparation of RAB refers to the format as set forth at the end of appendix 2. There are several things that must be considered in the preparation of this RAB:
• Documents of RAB are the supporting documents of TOR.
• These documents describe the amount of the total cost of each component which constitute the achievement stage of output of activities. The cost of each component is not specified up to the cost units and the type of expenditures because these details have been included in KK.

3) The Gender Budget Statement (GBS) at the output level when relates to ARG.
The preparation of GBS refers to the format as set forth at the end of appendix 2. GBS that has been prepared is submitted to the Directorate General of Budget, the Ministry of Finance and the Development Financing Deputy of the Ministry of PPN/Bappenas.

f. Especially for technical documents prepared by Work Units, Echelon I units are in charge of collecting and bringing together the supporting documents from work units including: the Business Plan and Budget of BLU, the Calculation of cost requirement for construction/renovation of state buildings or similar and other technical supporting data.

2. The Work Units do the following:
a. Preparing documents both as a reference and as a basis for the inclusion of performance targets of budget locations fund activities on the level of output of activities in RKA Satker:
   1) Information regarding the performance targets (up to the level of output) and the budget allocation for each activity (including the source of funds) is in accordance with the policy of Echelon I Unit. The performance information is divided into the budget allocation for Basic Figures and/or New Initiatives type;
   2) The legislation regarding the organizational structure of K/L and the tasks-functions;
3) Documents of Renja-K/L and RKP in the relevant year;
4) Instructions for the preparation of RKA-K/L;
5) The cost standard of the relevant year.

b. Examining and ensuring the compliance with the policy of echelon I unit in terms of:
   1) The amount of budget allocation of Work Units;
   2) The amount of Basic Figures and/or New Initiatives.

c. Preparing KK of Work Units and RKA Satker as well as storing data in its Computer Data Archive (ADK);

d. Preparing the supporting documents, especially the Business Plan and Budget of BLU (RBA BLU) from the Work Units of BLU;

e. Delivering the technical supporting documents, in the form of:
   1) The calculation of cost requirement for construction/renovation of state buildings or similar from the Ministry of Public Works or the local Department of Public Works for construction/renovation work of state building located within the country and renovation work of state buildings located overseas (representative offices) that change the structure of the buildings; or
   2) The calculation of cost requirement for renovation of state buildings or similar from local planning consultant for the renovation work of state buildings located overseas (representative offices) that does not change the structure of the buildings. The information about changing or not the structure of the buildings is described in the document.
   3) Technical supporting data in a particular case including: the legislation/decision of the head of K/L underlying the activity/output, a letter of approval from the State Minister of Administrative Reforms and Bureaucratic Reforms for funds allocation of new work units; and the like;
   4) Other related technical supporting data in connection with the allocation of output.

Figure 2.1 The Illustration in the Preparation of TOR and RAB

Echelon I unit sets performance targets and objectives of programs and activities along with the amount of the budget, including the volume of output of activities. It is therefore natural that the document of TOR is prepared by Echelon I (the Planning Section). This is in line with the top-down framework, namely the central agencies which are represented by echelon I units establishing the performance targets and operational units (work units) as the executive achievement of the performance targets in question.

The information of work units in TOR is just information about how many work units that participate to produce output of activities. The substance in TOR is not focused primarily on how the output of activities work in a particular work unit but how the output of activities work as a whole in the process of achieving targets and programs performance.
The following table is an illustration about the comparison as well as the description about the number of TOR prepared by two (2) echelon I units in the Ministry of Finance. Both are the Directorate General of Budget and the Directorate General of Treasury that have different characteristics from the aspect of organizational structure and performance.

<table>
<thead>
<tr>
<th>No.</th>
<th>Characteristics</th>
<th>The Directorate General of Budget</th>
<th>The Directorate General of Treasury</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Type of Organization</td>
<td>Echelon I unit, as well as work units. There is only one work unit, the DG of Budget.</td>
<td>Echelon I unit, which has 211 work units, consists of: • 4 central agencies • 27 Regional Offices • 180 KPPN</td>
</tr>
<tr>
<td>2</td>
<td>The Formulation of Performance</td>
<td>Consists of: Program 1, Activity 7 and Output 22 (including 1 output of office services). Note: Each activity and the output resulted are not the same.</td>
<td>Consists of: Program 1, Activity 10 and output 52 (including 4 Output of office services). Note: Details of output after sorted and grouped consist of output that is implemented by various work units (excluded from Output of Office Services) are: • 10 output (central agencies) • 16 output (Regional Offices) • 22 output (KPPN)</td>
</tr>
<tr>
<td>3</td>
<td>Type of output</td>
<td>Basic figure: 12 output New initiative: 10 output</td>
<td>Basic figure: 34 output New initiative: 18 output</td>
</tr>
<tr>
<td>4</td>
<td>The obligation to prepare supporting documents in the form of TOR and RAB</td>
<td>Echelon I unit prepare 10 documents of TOR along with its RAB.</td>
<td>• Echelon I unit prepares 18 documents of TOR along with its RAB. • Work Units prepare supporting documents in the form of Business Plan and Budget of BLU, and deliver the calculation of cost requirement for construction/renovation of state buildings or similar and other technical supporting documents.</td>
</tr>
</tbody>
</table>

1.3 Things that must be considered in the preparation of RKA-K/L
In order to prepare KK of Work Units and RKA Satker, the things that must be considered are as follows:
1. The budget ceiling of Work Units based on the List of Details Ceiling per Work Unit which serves as the highest limit of the ceiling of work units;
2. Activities to be carried along with the output of activities resulted (according to the characteristics of Work Units);
3. For the State Ministry/Agency that has earned the determination letter as K/L of which the employees are services uniformed of the Minister of Administrative Reforms and Bureaucratic Reforms does not need to submit a determination each year.
4. Details of the cost in order to achieve output of activities that are restricted in terms of public service advertisements, except for:
   a. Advertisements that ask/encourage participation of the community to take part actively in the implementation and monitoring of programs/policies of the Government.
      The examples include advertisements regarding: infectious disease prevention method, support the success of nine-year education programs, an invitation to pay taxes; and
   b. Keeping in mind that social and economic benefits produced are larger than the costs incurred.
5. Programs and activities implemented by K/L are entirely in terms of the implementation: tasks-functions of K/L, national development priorities or areas priorities. Hence, the designation of the budget allocation must consider the order of importance (priority) of the budget allocation as follows:
   a. Budget requirements for organizational operating costs that are fundamental, such as the allocation for salaries, honoraria and allowances, as well as the operation and maintenance of office;
   b. Programs and activities that support the achievement of national development priorities, areas development priorities and/or regional development priorities (territorial dimension) that are listed in the document of RKP;
   c. The companion funds requirements for activities of which the budget derived from domestic/foreign loans and/or grants;
   d. The budget requirements for multi-year follow-up activities;
   e. The provision of funds to support the implementation of Presidential Instructions related to the acceleration of post-conflict and post-disaster recovery in various regions;
   f. The provision of funds to support the implementation of programs/activities in accordance with the laws and regulations.
6. Details of costs in order to achieve the output of activities that are restricted and not allowed are as follows:
   a. Details of restricted costs:
      1) The organization of meetings, department meetings, seminars, conferences, workshops, offices/projects opening and the like is limited to very important things and done as simple as possible.
      2) The Installation of a new phone, except for the work units that do not have it yet.
3) The construction of new buildings that indirectly support the implementation of the tasks and functions of work units (such as: living quarters, guesthouses, home offices, conference halls), except for public services buildings (such as hospitals, jails, checkpoints) and buildings/special buildings (among others: laboratories, warehouses).

4) The procurement of motor vehicles, except:
   a) Functional vehicles such as:
      - Ambulance for hospitals;
      - Cell wagon for prisons; and
      - Two-wheeled vehicles for field personnel;
   b) The procurement of motor vehicles for new Work Units that hold the determination letter of the Minister of Administrative Reforms and Bureaucratic Reforms and is done in stages according to the available funds;
   c) The replacement of totally damaged operational vehicles that technically cannot be used again;
   d) The replacement of totally damaged vehicles that are economically require large maintenance costs for further being eliminated from the inventory list and are not allowed to be allocated for their maintenance cost (supported by the minutes of the elimination/auction); and
   e) 4-wheeled and/or 6-wheeled vehicles for the purposes of employees’ shuttle can be allocated very selectively. The proposed procurement of motor vehicles should consider the principles of efficiency and fairness.

Description: The procured vehicles and eliminated replacing vehicles should be the same both the type and the function as those of the eliminated vehicles.

b. Details of costs that cannot be accommodated (forbidden) include:
   1) Celebration or commemoration day, holiday and birthday of State Ministries/Agencies;
   2) Expressing congratulations, giving gifts/souvenirs, wreath and so on for various events except for the work unit of K/L in order to carry out the tasks-functions;
   3) A feast for various events and POR/Pekan Olahraga (Sports Week) in State Ministries/Agencies except for the State Ministries/Agencies that carry out the tasks-functions;
   4) Miscellaneous expenses for activities/similar/identical purposes to those mentioned in point 1), 2) and 3) above;
   5) Activities that require a legal basis in the form of Government Regulations/Presidential Regulations, but at the time of review, RKA-K/L has not been established with the Government Regulations/Presidential Regulations; and
   6) Activities that require an establishment of the Government/the President/the Minister of Finance (with the Government Regulations/Presidential Regulations or the Regulations/Decree of the Minister of Finance) cannot be done before the Government Regulations/Presidential Regulations/KMK/PMK in question are
established, unless for activities that previously have been carried out based on the establishment of the Regulations/Decree of the Minister of Finance. The Increased tariffs on allowances that raise their income cannot be allocated before stipulated by the Regulations/Decree of the Minister of Finance.

7. The Authorized Budget Users (Kuasa Pengguna Anggaran/KPA) take full responsibility over the formal and substantive costs units used in the preparation of RKA-K/L, either listed or not listed in PMK concerning the Cost Standard.

2. The Preparation Mechanism of RKA-K/L

In the preparation process of RKA-K/L by K/L (Work Units, Echelon I unit and K/L) is done with an application of RKA-K/L DIPA. During the process of filling the data, there is no repetition of filling between existing levels.

At the level of Work Units, planners include everything needed for the preparation of KK of Work Units and RKA Satker (performance information, details of expenditures, income target and matters related to the requirements of KPJM). At the level of echelon I unit, restore data from ADK submitted by work units and fill the data required at echelon I level. At the level of K/L, also restore data from ADK submitted by echelon I unit and fill the data required at K/L level. The results of the filling are KK of work units and RKA Satker at work units level, RKA-K/L of echelon I unit at echelon I unit and RKA-K/L.

2.1 The Preparation Mechanism of RKA-K/L Based on Budget Ceiling of K/L

2.1.1 The Preparation Mechanism of RKA-K/L Echelon I Unit

2.1.1.1 The Preparation Mechanism of KK of Work Units

The preparation of expenditures budget details for planned activities on Work Units is outlined in the documents of KK of Work Units using an application of RKA-K/L DIPA. The information outlined in KK of Work Units is information about expenditures budget details for output until its level of cost details. The preparation of KK of Work Units is done through the following steps:

a. Work Units log in the application of RKA-K/L DIPA;

b. In filling data, it follows the filling instructions described in the manual book of the application of RKA-K/L DIPA;

c. The preparation of expenditures budget details for output is made by distinguishing the following two ways:

1) Outlining the Budget Allocation of Basic Figures

   Work Units outline the expenditure plan with the type of budget allocation of Basic Figures in an activity until its cost details. The data used is basic figures listed in the document of RKA-K/L in previous fiscal year or basic figures resulted from the review of basic figures (if it changes).

2) Outlining the Budget Allocation of New Initiatives
a) With regard to budget allocation of New Initiatives, work units outline budget allocation of work units in detail until its cost details;
b) The outline of the budget allocation of New Initiatives refers to the Proposal of New Initiatives which has been approved for the year planned.
d. After believing the correctness all of the data, then the relevant KK of Work Units is printed;
e. Completing the supporting data required, for submission later along with KK of Work Units signed by KPA to Echelon I Unit as a material for the preparation of RKA-K/L.

2.1.1.2 The Preparation Mechanism of RKA Satker

RKA Satker is an explanation about performance plans of work units, details of work units’ expenditures up to its component level, income targets of work units as well as the advanced prediction of expenditure plans and revenue targets. The creation of RKA Satker is done using the application RKS-K/L DIPA, with the following steps:

a. Work Units log in the application of RKA-K/L DIPA;
b. In the filling process, it is carried out in accordance with the filling instructions in the manual book of the application of RKA-K/L DIPA, when filling in order to prepare KK of Work Units; it will be used in the preparation of RKA Satker as well;
c. To print RKA Satker, select the print menu of RKA Satker (Sections A, B, C and D) in the application of RKA-K/L DIPA;
d. Delivering RKA Satker (Sections A, B, C and D), which has been signed by KPA along with KK of Work Units which has been signed by KPA and related supporting data to Echelon I Unit.

2.1.2 The Preparation Mechanism of RKA-K/L

1. Echelon I Unit

a. Collecting/compiling KK of Work Units and RKA Satker within the scope of relevant Echelon I unit;
b. Restoring ADK submitted by Work Units in the application of RKA-K/L DIPA;
c. Validating the performance and the budget of programs that is the responsibility of Echelon I Unit in respect of:
   1) The total budget ceiling;
   2) The source of funds, which consists of Pure Rupiah, Foreign Loans, Companion Pure Rupiah, PNBP, domestic loans, BLU, Domestic Grants, Foreign Grants, Direct Foreign Exchange Grant, Direct Foreign Grants and State Sharia Securities (the source of funds derived from the existing SBSN in the preparation of RKA-K/L in fiscal year 2013 with PBS code); and
   3) The performance targets (the type of goods/services as well as the volume and unit of output).
d. Examining and filtering the relevance of components with the output of activities in each KK of Work Units;

e. If there is a discrepancy over: programs as referred to point 1.c and relevance of components-output as referred to point 1.d, Echelon I Unit coordinates with the Work Units to correct KK of Work Units and RKA Satker;

f. Filling out the information on Part L, Form 2 of RKA- K/L, concerning Outcomes Achievement Strategy. The contents outline the steps taken to achieve the Target Outcomes (at program level), among others:
   1) Strategies and policies related to strategic targets (refer to Strategic Plan of Echelon I Unit);
   2) A description of each activity;
   3) The number of Work Units implementing activities;
   4) A description of the changes in programs allocation between the running and the proposed one.

g. In addition to filling out Form 2 of RKA-K/L, Echelon I unit also fills out Part I, Form 3 of RKA-K/L, concerning Operationalization of Activities which contain among others:
   1) Identification of supporting factors (personnel, facilities and infrastructure factors) and inhibitors (environment/work culture factor);
   2) Identification of Work Units implementing activities;
   3) A description of the changes in budget allocation between the running and the proposed one.

h. After believing the correctness, print RKA-K/L of Echelon I Unit (Form 2 and 3) by selecting the print menu of RKA-K/L on the application of RKA-K/L DIPA;

i. RKA-K/L of Echelon I Unit is signed by officials of Echelon I or equal to Echelon I, as KPA in charge of the program;

j. Delivering RKA-K/L of Echelon I Unit and supporting data related to K/L.

2. K/L

a. Collecting/compiling RKA-K/L of Echelon I Unit within the scope of K/L;

b. Preparing RKA-K/L in their entirety for the scope of K/L based on RKA-K/L of Echelon I Unit;

c. Validating the budget allocation of K/L including:
   1) The total budget ceiling ;
   2) Sources of funds;
   3) Target performance.

d. If there is a discrepancy over the budget allocation of K/L as referred to point 2.c, K/L coordinates with Echelon I Unit to correct RKA-K/L of the relevant Echelon I Unit;

e. Filling out the information in Part J, Form 1 of RKA-K/L, concerning the Achievement Strategy of Strategic targets. The contents outline the steps taken to achieve the Strategic targets, among others:
1) Strategies and policies related to strategic targets (refer to Strategic Plan of Echelon I Unit);
2) A description of each program and Responsible Organizational Units.

f. RKA-K/L (which has been prepared) is re-examined for the compliance with the Budget Ceiling of K/L so as not to result in:
   1) The shift in budget between programs (the total allocation of funds for each program must be in accordance with that stated in the Budget Ceiling of K/L);
   2) The reduction in expenditures at the Component 001 and 002;
   3) The changes in the ceiling of the sources of funding (the sources of funding/sources of financing to produce output that is not allowed to change/shift).

4) Ensuring that RKA-K/L along with supporting documents shall contain the following:
   a. the consistency in the inclusion of performance targets including the volume of output and Output Performance Indicators in RKA-K/L with the Renja-K/L and RKP;
   b. the suitability of the total ceiling of RKA-K/L with the Budget Ceiling of K/L set by the Minister of Finance;
   c. the suitability of the source of funds in RKA-K/L with the source of funds specified in the Budget Ceiling of K/L;
   d. the budget feasibility and the compliance in the implementation of budgeting rules, among others, the implementation of input costs standard (SBM) and the output costs standard (SBK), the suitability of the expenditures type, things that are restricted or prohibited, the budget allocation for activities funded by Non-Tax Revenues, Foreign Loans/Grants (PHLN), Domestic Loans/Grant (PHDN), State Sharia Securities (SBSN), Public Service Agencies (BLU), multi-year contracts and the budget allocation to be submitted into State Equity Participation (Penyertaan Modal Negara/PMN) in state Enterprises;
   e. the compliance in the inclusion of the State Budget thematic.
   g. Delivering RKA- K/L, RKA Satker along with the supporting data related to the Secretary General/Main Secretariat/Secretariat qualitate qua Planning Bureau of K/L and the Internal Control Apparatus of State Ministries/Agencies (API K/L) to be examined in RKA-K/L.

2.2 The Adjustment Mechanism of RKA-K/L Based on the Budget Allocation of K/L

Based on the Agreement Result of Discussion with the House of Representatives and the Budget Allocation, K/L adjusts RKA-K/L. The adjustments are:
1. The adjustments of basic figures if there is a change in economic parameters (inflation index for the year planned) and/or non-economic parameters adjustments if there are policy changes that affect the amount of budget allocation of K/L;
2. Programs/activities/new output as an agreement result of discussion with the House of Representatives.

In the framework of the preparation of RKA-K/L based on the Budget Allocation Ceiling of K/L, there are several possibilities:

1. If there is no change in economic parameters, the non-economic parameters, and the proposed program/activity/new output, then RKA-K/L based on the Budget Ceiling of K/L is directly specified in DHP RKA-K/L;

2. If there is a change in the parameters of both economic and non-economic, then the outline in KK of Work Units is done through adjustments to the economic and non-economic parameters at the level of component. The adjustment at the supporting components is done by multiplying the economic parameters. While the main components adjustment can be done by multiplying the economic parameters or in accordance with the policy set;

3. If there is a program/activity/new output as an agreement result of discussion with the House of Representatives, then K/L adjusts RKA-K/L by:
   a. Proposing the formulation of programs/activities/output as an agreement result of discussion with the House of Representatives to the Ministry of Finance and the Ministry of Planning in advance in accordance with their respective authorities. The proposed programs and activities (Non-Output) are submitted to the Ministry of Planning. Meanwhile, the Output is submitted to the Ministry of Finance. The proposal will then be determined as a reference to the application program of RKA-K/L;
   b. The cost entry data on each component referring to the prevailing cost standards in the year planned or price units excluded from SBM;
   c. Re-examining the amount of the budget allocation whether it is in accordance with the amount of budget allocation as an agreement result of discussion with the House of Representatives;
   d. The outline results of the budget allocation as an agreement result of discussion with the House of Representatives are contained in Form B, KK of Work Units.

2.2.1 The Adjustment Mechanism of RKA-K/L of Echelon I

2.2.1.1 The Adjustment Mechanism of KK of Work Units

Based on the agreement result of discussion with the House of Representatives and the Budget Allocation, Work Units adjust KK of Work Units with the following steps:

a. Logging in the application of RKA-K/L to perform further adjustments required;

b. Identifying and examining the changes in expenditures in accordance with the budget allocation of K/L;

c. Adjusting the budget allocation of basic figures up to its detail level and outline the budget allocation of new initiatives referring to the approved proposals into budgets;

d. Completing the changes in supporting data over the adjustment to the budget allocation;
e. Delivering KK of Work Units the adjustment results that have been signed by KPA and the supporting data to the Echelon I Unit.

2.2.1.2 The Adjustment Mechanism of RKA of Work Units

Based on the adjusted KK of Work Units, Work Units also adjust RKA Satker with the following steps:

1. Logging in the application of RKA-K/L to perform further adjustments required;
2. Identifying and examining the changes in the information of performance plan, revenue targets and matters related to KPJM, in accordance with the budget allocation of K/L;
3. Re-examining the appropriateness of expenditure details of Work Units listed on RKA Satker with the adjusted KK of Work Units.
4. After believing the correctness, print the adjusted RKA Satker;
5. Delivering RKA Satker (Part A, B, C and D) that has been adjusted and signed by KPA along with the adjusted KK of Work Units and the supporting data related to Echelon I Unit.

2.2.2 The Adjustment Mechanism of RKA-K/L

1. Echelon Unit
   a. Collecting/compiling the adjusted KK of Work Units and RKA Satker within the scope of relevant Echelon I unit;
   b. Adjusting RKA-K/L of Echelon I Unit (Form 2 and 3) based on KK of Work Units and RKA Satker facilitated by the application of RKA-K/L DIPA;
   c. Validating the performance and the budget of programs that is the responsibility of Echelon I Unit in respect of:
      1) The total budget ceiling;
      2) The source of funds, which consists of Pure Rupiah, Foreign Loans, Companion Pure Rupiah, PNBP, domestic loans, BLU, Domestic Grants, Foreign Grants, Direct Foreign Exchange Grant, Direct Foreign Grants and State Sharia Securities (the source of funds derived from the existing SBSN in the preparation of RKA-K/L in fiscal year 2013 with PBS code); and
      3) The performance targets (the type of goods/services as well as the volume and unit of output).
   d. Examining and filtering the relevance of components with the output of activities in each KK of Work Units;
   e. If there is a discrepancy over: programs as referred to point 1.c and relevance of components-output as referred to point 1.d, Echelon I Unit coordinates with the Work Units to correct KK of Work Units and RKA Satker;
   f. RKA-K/L of Echelon I Unit is signed by Officials of Echelon I or equal to Echelon I, as KPA in charge of programs.
   g. Delivering the adjusted RKA-K/L of Echelon I Unit and the supporting data to K/L.

2. K/L
a. Collecting/compiling the adjusted RKA-K/L of Echelon I Unit within the scope of K/L;
b. Preparing RKA-K/L in their entirety for the scope of K/L based on RKA-K/L of Echelon I Unit;
c. Validating the budget allocation of K/L including:
   1) The total budget allocation of K/L;
   2) Sources of funds;
   3) Target performance.
d. If there is a discrepancy over the budget allocation of K/L as referred to point 2.c, K/L coordinates with Echelon I Unit to correct RKA-K/L of the relevant Echelon I Unit;
e. RKA-K/L (which has been adjusted) is re-examined for the compliance with the Budget Ceiling of K/L so as not to result in:
   1) The shift in budget between programs (the total allocation of funds for each program must be in accordance with that of stated in the Budget Ceiling of K/L);
   2) The reduction in expenditures at the Component 001 and 002;
   3) The changes in the ceiling of the sources of funding/sources of financing (the sources of funding/sources of financing to produce output that is not allowed to change/shift).
f. Ensuring that RKA-K/L along with supporting documents shall contain the following:
   a. the consistency in the inclusion of performance targets including the volume of output and Output Performance Indicators in RKA-K/L with the Renja-K/L and RKP;
   b. the suitability of the total ceiling of RKA-K/L with the Budget Ceiling of K/L set by the Minister of Finance;
   c. the suitability of the source of funds in RKA-K/L with the source of funds specified in the Budget Ceiling of K/L;
   d. the budget feasibility and the compliance in the implementation of budgeting rules, among others, the implementation of input costs standard (SBM) and the output costs standard (SBK), the suitability of the expenditures type, things that are restricted or prohibited, the budget allocation for activities funded by Non-Tax Revenues, Foreign Loans/Grants (PHLN), Domestic Loans/Grant (PHDN), State Sharia Securities (SBSN), Public Service Agencies (BLU), multi-year contracts and the budget allocation to be submitted into State Equity Participation (Penyertaan Modal Negara/PMN) in state Enterprises;
   e. the compliance in the inclusion of the State Budget thematic.
g. Delivering RKA-K/L, RKA Satker along with the supporting data related to the Secretary General/Main Secretariat/Secretariat qualitate qua Planning Bureau of K/L and the Internal Control Apparatus of State Ministries/Agencies (API K/L) to be examined in RKA-K/L.

3. The Follow-up of the Preparation Result of RKA-K/L
3.1 The Follow-up of the Preparation Result of RKA-K/L Based on the Budget Ceiling K/L
1. The Internal Control Apparatus of State Ministries/Agencies (API K/L) carry out examination on RKA-K/L and supporting data along with the echelon I unit as the compiler of RKA-K/L and the Secretariat General/Main Secretariat/Secretariat qualitate qua the Planning Bureau of K/L in order to ensure the completeness and the correctness;
2. K/L collects RKA-K/L, KK of Work Units and RKA Satker along with the relevant supporting data that has been examined for an adjustment to the results of examination conducted by API K/L (if any);
3. K/L submits RKA-K/L along with the documents review that have been adjusted to the Ministry of Finance qualitate qua the Directorate General of Budget;

3.2 The Follow-up of the Preparation Result of RKA-K/L Based on the Budget allocation of K/L
1. The Internal Control Apparatus of State Ministries/Agencies (API K/L) carry out an examination on RKA-K/L and the supporting data along with the echelon I units as the compiler of RKA-K/L and the Secretariat General/Main Secretariat/Secretariat of Planning Bureau qualitate qua K/L to ensure that the document that has been prepared is in accordance with the results of the discussion with the House Appropriations and Budget;
2. K/L collects RKA-K/L, KK of Work Units and RKA Satker along with relevant supporting data that has been examined by API K/L to be adjusted (if any);
3. K/L submits RKA-K/L and RKA Satker along with the supporting data related to the Ministry of Finance qualitate qua the Directorate General of Budget and the Ministry of Planning to be the material for a review.

4. Format
### Appendix II-1

**Work and Plan Budget of State Ministries/Agencies**

**FORM 1:**
THE ACHIEVEMENT PLAN OF STRATEGIC TARGETS OF STATE MINISTRIES/AGENCIES
FOR FISCAL YEAR 20XX

<table>
<thead>
<tr>
<th>A. THE STATE MINISTRY/AGENCY</th>
<th>............... (Containing the name of K/L along with the code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. VISION</td>
<td>............... (Containing the description of Vision from K/L in accordance with the Strategic Plan of K/L)</td>
</tr>
<tr>
<td>C. MISSION</td>
<td>............... (Containing the description of Mission from K/L in accordance with the Strategic Plan of K/L)</td>
</tr>
<tr>
<td>D. STRATEGIC TARGETS</td>
<td>1. ............... 2. ............... etc. (Containing Strategic Targets of K/L)</td>
</tr>
<tr>
<td>E. FUNCTION</td>
<td>1. ............... 2. ............... etc. (Containing Functions of K/L)</td>
</tr>
<tr>
<td>F. NATIONAL PRIORITY</td>
<td>1. ............... 2. ............... etc. (Containing Strategic Targets of K/L)</td>
</tr>
</tbody>
</table>

**G. DETAILS OF STRATEGIC PLAN**

<table>
<thead>
<tr>
<th>CODE</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 20XX-1</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic Target 1..... (Containing the Description of Strategic Target 1 in accordance with the Strategic Plan of K/L)</td>
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</tr>
<tr>
<td>The Amount of Basic Figures</td>
<td>9,999,999</td>
</tr>
<tr>
<td>The Amount of New Initiatives</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Program .... (Containing the Description of the Name of the Program)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Echelon 1</td>
<td>9,999,999</td>
</tr>
<tr>
<td>..........(Containing the Description of the Name of the Echelon I)</td>
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</tr>
<tr>
<td>Outcome</td>
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</tr>
<tr>
<td>..........(Containing the Description of Outcome)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Key Performance Indicator of Programs</td>
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</tr>
<tr>
<td>1. .......... 2. .......... etc. (Containing Program IKU)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>The Amount of Basic Figures</td>
<td>9,999,999</td>
</tr>
<tr>
<td>The Amount of New Initiatives</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>
**MINISTER OF FINANCE**  
**OF THE REPUBLIC OF INDONESIA**  
- 17 -

Etc.  
9,999,999  
9,999,999

<table>
<thead>
<tr>
<th>Strategic Target 2 …. (Containing the Description of Strategic Target 2 in accordance with the Strategic Plan of K/L)</th>
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<th>9,999,999</th>
<th>9,999,999</th>
<th>9,999,999</th>
<th>9,999,999</th>
</tr>
</thead>
</table>
| The Amount of Basic Figures  
The Amount of New Initiatives | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| Program …. (Containing the Description of the Name of the Program)  
Echelon 1 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| …………………(Containing the Description of the Name of the Echelon I)  
Outcome | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| …………………(Containing the Description of Outcome)  
Key Performance Indicator of Programs | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| 1. ………  
2. ….…. etc. | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| The Amount of Basic Figures  
The Amount of New Initiatives | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
| Etc. | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |

**H. BUDGET ALLOCATION OF FUNCTION**

<table>
<thead>
<tr>
<th>CODE</th>
<th>FUNCTION/PROGRAM</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>FY 20XX-1</td>
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<td>(3)</td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Function 1….. (Containing the Description of Function 1 which is the responsibility of K/L)</td>
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</tr>
<tr>
<td></td>
<td>Program…. (Containing the Description of Program supporting the Function 1)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Etc.</td>
<td>Allocation of program ceiling for Function 1</td>
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</table>
## I. BUDGET ALLOCATION OF NATIONAL PRIORITY

<table>
<thead>
<tr>
<th>CODE</th>
<th>NATIONAL PRIORITY/PROGRAM</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FY 20XX-1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td></td>
<td>National Priority 1….. (Containing the Description of National Priority 1 which is the responsibility of K/L)</td>
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</tr>
<tr>
<td></td>
<td>Program…. (Containing the Description of Program supporting the National Priority 1)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>National Priority 2….. (Containing the Description of National Priority 2 which is the responsibility of K/L)</td>
<td>9,999,999</td>
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<tr>
<td></td>
<td>Program…. (Containing the Description of Program supporting the National Priority 2)</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Etc.</td>
<td></td>
</tr>
</tbody>
</table>

## J. THE ACHIEVEMENT STRATEGY OF STRATEGIC TARGETS

Described the steps taken to achieve the strategic targets, starting from:
1. Strategies and policies related to the strategic targets (derived from the Strategic Plan of K/L);
2. The Description of each program and the responsible Organizational Unit.
K. DETAILS OF REVENUES PLAN

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM</th>
<th>DETAILS OF REVENUES</th>
<th>(THOUSAND RUPIAH)</th>
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<tbody>
<tr>
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<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Etc.</td>
<td>Taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PNBP</td>
<td>9,999,999</td>
</tr>
<tr>
<td>TOTAL</td>
<td>a. Taxation</td>
<td></td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>b. PNBP</td>
<td></td>
<td>9,999,999</td>
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</table>

EXPLANATION:
Filled with the changes in targets for FY 20xx compared to the targets for 20xx-1

Location, Date
The Budget User

The Name of Minister/Head of Agency
<table>
<thead>
<tr>
<th>FOCUS II. OUTPUT (VOL-UNIT)/ACTIVITY PERFORMANCE INDICATOR/NEW INITIATIVE</th>
<th>FY 20XX-1</th>
<th>FY 20XX</th>
<th>FY 20XX+1</th>
<th>FY 20XX+2</th>
<th>FY 20XX+3</th>
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</thead>
<tbody>
<tr>
<td>(1)</td>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Echelon II/Work Units</td>
<td><em>(Containing the Description of the Name of Echelon II)</em></td>
<td><em>(Containing the Description of the Function)</em></td>
<td><em>(Containing the Description of the Sub-Function)</em></td>
<td><em>(Containing the Description of the Priority)</em></td>
</tr>
<tr>
<td></td>
<td>Function</td>
<td><em>(Volume of Output Unit)</em></td>
<td><em>(Volume of Output Unit)</em></td>
<td><em>(Volume of Output Unit)</em></td>
<td><em>(Volume of Output Unit)</em></td>
</tr>
<tr>
<td></td>
<td>National Priority</td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
</tr>
<tr>
<td></td>
<td>Priority Focus</td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
</tr>
<tr>
<td></td>
<td>Output 1…. <em>(Containing the Description of Output 1)</em></td>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td><em>(Volume of Output Unit)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
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<tr>
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<td>9,999,999</td>
<td>9,999,999</td>
<td>9,999,999</td>
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<tr>
<td></td>
<td><em>(Volume of Output Unit)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
<td><em>(99 Units)</em></td>
</tr>
<tr>
<td></td>
<td>Etc. Activity Performance Indicator</td>
<td><em>(Containing Activity Performance Indicators)</em></td>
<td><em>(Containing Activity Performance Indicators)</em></td>
<td><em>(Containing Activity Performance Indicators)</em></td>
<td><em>(Containing Activity Performance Indicators)</em></td>
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<tr>
<td>Basic Figures</td>
<td>New Initiatives</td>
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<tr>
<td></td>
<td>Etc.</td>
<td>9,999,999</td>
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<tr>
<td>TOTAL</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>

I. BUDGET ALLOCATION OF FUNCTION

| CODE | FUNCTION/SUB-FUNCTION | BUDGET ALLOCATION (THOUSAND RUPIAH) |
|---|---|---|---|---|---|
| | FY 20XX-1 | FY 20XX | FY 20XX+1 | FY 20XX+2 | FY 20XX+3 |
| | | | | | |
### J. Budget Allocation of Priority National

<table>
<thead>
<tr>
<th>Code</th>
<th>Function/Sub-Function</th>
<th>Budget Allocation (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>FY 20XX-1</td>
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<tr>
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<td>Priority National 1..... (Containing the Description of Priority National 1)</td>
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<tr>
<td></td>
<td>Priority Focus 1 ..... (Containing the Description of Priority Focus 1)</td>
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<tr>
<td></td>
<td>Priority Focus 2 ..... (Containing the Description of Priority Focus 2)</td>
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<td></td>
<td>Etc.</td>
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### K. Program Cost

<table>
<thead>
<tr>
<th>The Cost According to the Cost Group, The Expenditure Type and The Source of Funds</th>
<th>(THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 20XX-1</td>
</tr>
<tr>
<td>1. Cost Group</td>
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<tr>
<td>b. Non-Operational</td>
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<tr>
<td>2. Type of Expenditures</td>
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</tr>
<tr>
<td>a. Personnel Expenditures</td>
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<tr>
<td>b. Goods Expenditures</td>
<td>9,999,999</td>
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<tr>
<td>c. Capital Expenditures</td>
<td>9,999,999</td>
</tr>
<tr>
<td>d. Loans Obligation Payment Expenditures</td>
<td>9,999,999</td>
</tr>
<tr>
<td>e. Subsidy</td>
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</tr>
<tr>
<td>f. Grants Expenditures</td>
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<tr>
<td>g. Social Aids Expenditures</td>
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</tr>
<tr>
<td>h. Other Expenditures</td>
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</tbody>
</table>
2. Source of Funds
   a. Pure Rupiah (RM)
   b. Companion Pure Rupiah (RMP)
   c. Non-Tax Revenues (PNBP)
   d. Public Service Agency (BLU)
   e. Foreign Loans (PLN)
   f. Foreign Grants (HLN)
   g. Domestic Loans (PDN)
   h. Domestic Grants (HDN)

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM</th>
<th>DETAILS OF REVENUES (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>FY 20XX-1</td>
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<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity 1</td>
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<td>b. PNBP</td>
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<tr>
<td>Etc...</td>
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</tr>
<tr>
<td></td>
<td>b. PNBP</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>a. Taxation</td>
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</tr>
<tr>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

EXPLANATION:
Filled with the explanation of changes in targets for FY 20xx compared to the targets for 20xx-1

Location, Date
Echelon I/The Responsible Person
Name
NIP.

Work and Plan Budget of State Ministries/Agencies

FORM 3:
THE DETAILS OF OUTCOME ACHIEVEMENT COST OF ORGANIZATIONAL UNITS
FOR FISCAL YEAR 20XX

A. THE STATE MINISTRY/AGENCY : .................. (Containing the name of K/L along with the code)
B. THE ORGANIZATIONAL UNIT : .................. (Containing the description of Echelon I Unit along with the code)
C. THE MISSION OF ORGANIZATIONAL UNIT : .................. (Containing the description of Mission of Echelon I Unit)
D. STRATEGIC TARGETS: ........................ (Containing the description of supported Strategic Targets)

E. PROGRAM: ............................. (Containing the description of the Name of the Program along with the code)

F. OUTCOME: ............................. (Containing the description of the Outcome of Echelon I)

G. KEY PERFORMANCE INDICATOR OF PROGRAM: 1. .........................., 2. ........................., etc. (Containing Program IKU of Echelon I Unit)

H. DETAILED COST OF PROGRAM

<table>
<thead>
<tr>
<th>CODE</th>
<th>ACTIVITY/OUTPUT</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>TA 20XX-1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>UNIT VOLUME</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>Activity...... (Containing the Description of the Name of the Activity)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Output 1.....(Containing the description of Output 1)</td>
<td>99 units</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Output 2.....(Containing the description of Output 2)</td>
<td>99 units</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Output 3.....(Containing the description of Output 3)</td>
<td>99 units</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

DETAILED COST ACCORDING TO:

1. COST GROUP
   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 Expenditures
   a. Personnel Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   b. Goods Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   c. Capital Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   d. Loans Obligation Payment Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   e. Subsidy | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   f. Grants Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   g. Social Aids Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   h. Other Expenditures | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |

2. Source of Funds
   a. Pure Rupiah (RM) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   b. Companion Pure Rupiah (RMP) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   c. Non-Tax Revenues (PNBP) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   d. Public Service Agency (BLU) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   e. Foreign Loans (PLN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   f. Foreign Grants (HLN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   g. Domestic Loans (PDN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |
   h. Domestic Grants (HDN) | 9,999,999 | 9,999,999 | 9,999,999 | 9,999,999 |

Etc...
I. ACTIVITY OPERATION (PROGRAM IMPLEMENTATION)

Described the steps taken to implement a program through activity operation, starting from:
(1) Identifying supporting factors (employees and work infrastructure factors) and inhibitors (environment/work culture)
(2) Identifying Work Units implementing Activities.
(3) Formulating the activity formulation strategy.
(4) The explanation concerning the changes in the allocation of program from the running to the proposed one.

J. DETAILS OF REVENUES PLAN

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM</th>
<th>DETAILS OF REVENUES</th>
<th>(THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FY 20XX-1</td>
<td>FY 20XX</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>0000</td>
<td>Activity 1</td>
<td>a. Taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
<tr>
<td>0000</td>
<td>Activity 2</td>
<td>a. Taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Etc....</td>
<td>a. Taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>a. Taxation</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. PNBP</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

Location, Date

<table>
<thead>
<tr>
<th>THE STATE MINISTRY/AGENCY</th>
<th>THE COMMISSION OF THE HOUSE OF REPRESENTATIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE ECHELON I OFFICIAL</td>
<td>THE HEAD</td>
</tr>
<tr>
<td>(...filled with the Name/Title): (...Signature)</td>
<td>(...filled with the Name/Title): (...Signature)</td>
</tr>
<tr>
<td>(...filled with the Name/Title): (...Signature)</td>
<td>(...filled with the Name/Title): (...Signature)</td>
</tr>
<tr>
<td>.....etc.</td>
<td></td>
</tr>
</tbody>
</table>
## APPENDIX II-2

### WORK PLAN AND BUDGET OF WORK UNITS

**PERFORMANCE PLAN OF WORK UNITS**

**FOR FISCAL YEAR 20XX**

### PART A

**WORK PLAN AND BUDGET OF WORK UNITS**

**PERFORMANCE PLAN OF WORK UNITS**

**FOR FISCAL YEAR 20XX**

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM/KEY PERFORMANCE INDICATORS OF PROGRAMS/OUTCOME/ACTIVITY/ACTIVITY PERFORMANCE INDICATORS/OUTPUT</th>
<th>BUDGET ALLOCATION (THOUSAND RUPIAH)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>UNIT VOLUME</strong></td>
</tr>
<tr>
<td>(1)</td>
<td></td>
<td>(3)</td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Program…<em>(Containing the name of the Program)</em></td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Key Performance Indicators of the Program</td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>1.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>xxxx</td>
<td>Outcome</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outcome…<em>(Containing the description of the Program Outcome)</em></td>
<td></td>
</tr>
<tr>
<td>xxxxx</td>
<td>Activity 1…<em>(Containing the description of the name of activity)</em></td>
<td>9,999,999</td>
</tr>
<tr>
<td></td>
<td>Activity Performance Indicators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>xxxx</td>
<td>Output 1…<em>(Containing the description of the Output of Activity)</em></td>
<td>99 units</td>
</tr>
<tr>
<td></td>
<td>Output 2…<em>(Containing the description of the Output of Activity)</em></td>
<td>99 units</td>
</tr>
<tr>
<td></td>
<td>Output 3…<em>(Containing the description of the Output of Activity)</em></td>
<td>99 units</td>
</tr>
<tr>
<td></td>
<td>Etc…</td>
<td></td>
</tr>
<tr>
<td>xxxxx</td>
<td>Activity 2…<em>(Containing the description of the name of activity)</em></td>
<td>9,999,999</td>
</tr>
</tbody>
</table>
## Activity Performance Indicators

1. Output 1… (Containing the description of the Output of Activity)  
   - 99 units  9,999,999  9,999,999  9,999,999
2. Output 2… (Containing the description of the Output of Activity)  
   - 99 units  9,999,999  9,999,999  9,999,999
3. Output 3… (Containing the description of the Output of Activity)  
   - 99 units  9,999,999  9,999,999  9,999,999

Etc…

---

### PART B

**WORK PLAN AND BUDGET OF WORK UNITS**

**DETAILED EXPENDITURES OF WORK UNITS**

**FOR FISCAL YEAR 20XX**

<table>
<thead>
<tr>
<th>CODE</th>
<th>Program… (Containing the description of the name of the Program)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Key Performance Indicators of the Program</td>
</tr>
<tr>
<td></td>
<td>1.</td>
</tr>
<tr>
<td></td>
<td>2.</td>
</tr>
<tr>
<td></td>
<td>Activity 1… (Containing the description of the name of Activity)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM/ACTIVITY/OUTPUT/SUB-OUTPUT/COMPONENT</th>
<th>BUDGET ALLOCATION OF FY 20XX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UNIT VOLUME</td>
<td>BASIC FIGURE</td>
</tr>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>xxx.x.xx</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxxx</td>
<td>Key Performance Indicators of the Program</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>
### Activity Performance Indicators

<table>
<thead>
<tr>
<th>xxxx.xx</th>
<th>Activity Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>xxx</td>
<td>Output 1... (Containing the description of the Activity Component)</td>
</tr>
<tr>
<td></td>
<td>Sub-output 1... (Containing the description of Sub-output)</td>
</tr>
<tr>
<td>xxx</td>
<td>Component 1... (Containing the description of Component)</td>
</tr>
<tr>
<td></td>
<td>... (Major/Supporting)</td>
</tr>
<tr>
<td>xxx</td>
<td>Component 2... (Containing the description of Component)</td>
</tr>
<tr>
<td>xxx</td>
<td>Sub-output 2... (Containing the description of Sub-output)</td>
</tr>
<tr>
<td>xxx</td>
<td>Output 2... (Containing the description of the Output of Activity)</td>
</tr>
<tr>
<td>xxx</td>
<td>Sub-output 1... (Containing the description of Sub-output)</td>
</tr>
<tr>
<td>xxx</td>
<td>Activity 2... (Containing the description of the name of Activity)</td>
</tr>
<tr>
<td>Etc...</td>
<td>9,999,999 9,999,999 9,999,999</td>
</tr>
</tbody>
</table>

### WORK PLAN AND BUDGET OF WORK UNITS

#### REVENUES TARGET OF WORK UNITS FOR FISCAL YEAR 20XX

<table>
<thead>
<tr>
<th>Code</th>
<th>Program/Activity/Source of Revenues/Revenues Account</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>20XX-1</td>
</tr>
<tr>
<td></td>
<td>Program... (Containing the description of the name of the Program)</td>
<td>9,999,999</td>
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</tbody>
</table>

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**CEILING**

<table>
<thead>
<tr>
<th>FY 20XX</th>
<th>Basic Figure</th>
<th>New Initiative</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BLU</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLN</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HLN</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PDN</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HLN</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PBS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**PART C**

**A. THE STATE MINISTRIES/AGENCIES**

: (XXX) (Containing the Name of K/L along with the code)

**B. THE ORGANIZATIONAL UNIT**

: (XX) (Containing the Name of Echelon I Unit along with the code)

**C. THE WORK UNIT**

: (XXXXX) (Containing the Name of the Work Unit along with the code)

**D. PROVINCE**

: (XX) (Containing the Name of the Province along with the code)

**E. REGENCY/CITY**

: (XX) (Containing the Location of the Work Unit along with the code)
<table>
<thead>
<tr>
<th>Activity 1...(Containing the description of the name of Activity)</th>
<th>9,999,999</th>
<th>9,999,999</th>
</tr>
</thead>
<tbody>
<tr>
<td>TAXATION</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>The description of revenues account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>The description of revenues account</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>PNBP</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>1. Public</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>2. Functional</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Activity 1...(Containing the description of the name of Activity)</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
<tr>
<td>Etc...</td>
<td>9,999,999</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

TOTAL TARGET OF TY 20XX-1

<table>
<thead>
<tr>
<th>TAXATION</th>
<th>TARGET OF TY 20XX-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>PNBP</td>
<td></td>
</tr>
<tr>
<td>1. Public</td>
<td></td>
</tr>
<tr>
<td>2. Functional</td>
<td></td>
</tr>
</tbody>
</table>

WORK PLAN AND BUDGET OF WORK UNITS
ADVANCED PREDICTION OF EXPENDITURES AND REVENUES TARGET OF WORK UNITS
FOR FISCAL YEAR 20XX+1, 20XX+2, 20XX+3

A. THE STATE MINISTRIES/AGENCIES : (XXX)  (Containing the Name of K/L along with the code)
B. THE ORGANIZATIONAL UNIT : (XX )  (Containing the Name of Echelon I Unit along with the code )
C. THE WORK UNIT : (XXXXXX)  (Containing the Name of the Work Unit along with the code)
D. PROVINCE : (XX )  (Containing the Province of the Work Unit along with the code)
E. REGENCY/CITY : (XX )  (Containing the Location of the Work Unit along with the code)

I. ADVANCED PREDICTION OF EXPENDITURES

<table>
<thead>
<tr>
<th>PROGRAM/ACTIVITY/OUTPUT/SUB-OUTPUT/COMPONENT</th>
<th>FY 20XX+1</th>
<th>FY 20XX+2</th>
<th>FY 20XX+3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
</tbody>
</table>

Page
II. ADVANCED PREDICTION OF REVENUES TARGET

<table>
<thead>
<tr>
<th>CODE (1)</th>
<th>PROGRAM/ACTIVITY/SOURCE OF REVENUES</th>
<th>FY 20XX-1</th>
<th>FY 20XX</th>
<th>FY 20XX+1</th>
<th>FY 20XX+2</th>
<th>FY 20XX+3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2)</td>
<td></td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
</tr>
<tr>
<td></td>
<td>Program... (Containing the description of the name of the 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>Activity 1... (Containing the description of the 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>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>
</tr>
<tr>
<td></td>
<td>1. Public</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>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></td>
<td>Activity 2... (Containing the description of the 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>
</tbody>
</table>

THE CEILING OF WORK UNITS EXPENDITURE REVENUES TARGET

<table>
<thead>
<tr>
<th>FY 20XX</th>
<th>FY 20XX+1</th>
<th>FY 20XX+2</th>
<th>FY 20XX+3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
WORK SHEET OF WORK UNITS
DETAILED EXPENDITURES OF WORK UNITS
FOR FISCAL YEAR 20XX

A. THE STATE MINISTRIES/AGENCIES: (XXX) .............. (Containing the Name of K/L along with the code)
B. THE ORGANIZATIONAL UNIT: (XX) .............. (Containing the Name of Echelon I Unit along with the code)
C. THE WORK UNIT: (XXXXXX) .............. (Containing the Name of the Work Unit along with the code)
D. PROVINCE: (XX) .............. (Containing the Province of the Work Unit along with the code)
E. REGENCY/CITY: (XX) .............. (Containing the Location of the Work Unit along with the code)

<table>
<thead>
<tr>
<th>CODE</th>
<th>PROGRAM/ACTIVITY/OUTPUT/SUB-OUTPUT/COMPONENT/SUB-COMPONENT/EXPENDITURES ACCOUNT/DETAILED EXPENDITURES</th>
<th>BUDGET ALLOCATION OF FY 20XX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>UNIT VOLUME</td>
</tr>
<tr>
<td>xxx.xx.xx</td>
<td>Program... (Containing the description of the name of the Program)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxxx</td>
<td>Activity 1... (Containing the description of the name of Activity)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Output 1... (Containing the description of the Activity Component)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Sub-output 1... (Containing the description of the Sub-output)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Component 1... (Containing the description of the Component)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xx</td>
<td>The Number of Component... (Major/Supporting)</td>
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</tr>
<tr>
<td>xxxxx</td>
<td>The description of expenditure account</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxxxx</td>
<td>The description of expenditure account</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xx</td>
<td>Sub-component 2... (Containing the description of the Sub-component)</td>
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</tr>
<tr>
<td>xxxxx</td>
<td>The description of expenditure account</td>
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</tr>
<tr>
<td>xxx</td>
<td>Component 2... (Containing the description of the Component)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Sub-output 2... (Containing the description of the Sub-output)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxxxx</td>
<td>Output 2... (Containing the description of the Activity Output)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Sub-output 1... (Containing the description of the Sub-output)</td>
<td>9,999,999</td>
</tr>
<tr>
<td>xxx</td>
<td>Activity 2... (Containing the description of the Activity)</td>
<td>9,999,999</td>
</tr>
</tbody>
</table>

CEILING FY 20XX

<table>
<thead>
<tr>
<th>Basic Figure</th>
<th>New Initiative</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMP</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Location, date
KPA

Name
NIP.
| PNBP |   |
| BLU  |   |
| PLN  |   |
| HLN  |   |
| PON  |   |
| HLN  |   |
| PBS  |   |
| TOTAL|   |
TERM OF REFERENCE
OF OUTPUT OF ACTIVITY FOR FY 20XX

The State Ministry/Agency : ......................................................... (1)
The Echelon I/II Unit : ................................................................. (2)
Program : ................................................................. (3)
Outcome : ................................................................. (4)
Activity : ................................................................. (5)
Activity Performance Indicator : ...................................................... (6)
Type of Output : ................................................................. (7)
Volume of Output : ................................................................. (8)
Output Measurement Unit : ...................................................... (9)

A. Background
   1. Basis of Law (10)
   2. Overview (11)

B. Beneficiaries (12)

C. Output Achievement Strategy
   1. Implementation Method (13)
   2. Implementation and Implementation Time (14)

D. Duration of Output Achievement (15)

E. Costs Required (16)

Responsible Planning Unit
.................................................... (17)
NIP................................. (18)
### FILLING INSTRUCTION FOR THE TOR

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Filled with the name of the State Ministry/Agency.</td>
</tr>
<tr>
<td>(2)</td>
<td>Filled with the name of Echelon I Unit as the responsible Program.</td>
</tr>
<tr>
<td>(3)</td>
<td>Filled with the name of the Program in accordance with the document of Renja-K/L.</td>
</tr>
<tr>
<td>(4)</td>
<td>Filled with the outcome to be achieved in the Program.</td>
</tr>
<tr>
<td>(5)</td>
<td>Filled with the name of activity in accordance with the document of Renja-K/L.</td>
</tr>
<tr>
<td>(6)</td>
<td>Filled with the activity performance indicator.</td>
</tr>
<tr>
<td>(7)</td>
<td>Filled with the name/the specific output nomenclature.</td>
</tr>
<tr>
<td>(8)</td>
<td>Filled with the amount/the quantity of resulted output.</td>
</tr>
<tr>
<td>(9)</td>
<td>Filled with the description about the measurement unit used in order to measure the quantity of output in accordance with the characteristics.</td>
</tr>
<tr>
<td>(10)</td>
<td>Filled with the basis of law of tasks-functions and/or the provisions related directly to the output of activity to be implemented.</td>
</tr>
<tr>
<td>(11)</td>
<td>Filled with the overview about the output of activity and the volume to be implemented and achieved.</td>
</tr>
<tr>
<td>(12)</td>
<td>Filled with the beneficiaries both internal and/or external of the State Ministry/Agency.</td>
</tr>
<tr>
<td>(13)</td>
<td>Filled with the implementation method in the form of contractual and self-management.</td>
</tr>
<tr>
<td>(14)</td>
<td>Filled with the components/stages used in the activity output achievement, including the time table of the implementation and the description of the components/stages characteristics, such as the major cost and the supporting cost.</td>
</tr>
<tr>
<td>(15)</td>
<td>Filled with the duration for the implementation achievement.</td>
</tr>
<tr>
<td>(16)</td>
<td>Filled with the total budget used in the output achievement and the explanation that the detail of cost is in accordance with the attached RAB.</td>
</tr>
<tr>
<td>(17)</td>
<td>Filled with the name of the responsible planning unit.</td>
</tr>
<tr>
<td>(18)</td>
<td>Filled with the NIP of the responsible planning unit.</td>
</tr>
</tbody>
</table>
# DETAILED EXPENDITURES BUDGET
OF OUTPUT OF ACTIVITY FOR FY 20XX

<table>
<thead>
<tr>
<th>Code</th>
<th>Description of Sub-output/Component/Sub-component/Detail</th>
<th>Volume of Output</th>
<th>Type of Component (Major/Supporting)</th>
<th>Detailed Calculation</th>
<th>Unit Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>xxx Sub-output 1</td>
<td>99</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>xxx Component</td>
<td></td>
<td>Major</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Sub-component A</td>
<td>-</td>
<td>-</td>
<td>99 un.x 99 un. x....</td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Detailed expenditures 1</td>
<td>-</td>
<td>-</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Detailed expenditures 2</td>
<td>-</td>
<td>-</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- etc.</td>
<td></td>
<td></td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Sub-component B</td>
<td>-</td>
<td>-</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- etc.</td>
<td></td>
<td></td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td>xxx</td>
<td>xxx Sub-output 2</td>
<td>99</td>
<td>-</td>
<td>-</td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Sub-component A</td>
<td>-</td>
<td>Major</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Detailed expenditures 1</td>
<td>-</td>
<td>-</td>
<td>99 un.x 99 un. x....</td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Detailed expenditures 2</td>
<td>-</td>
<td>-</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- etc.</td>
<td></td>
<td></td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Sub-component B</td>
<td>-</td>
<td>-</td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- etc.</td>
<td></td>
<td></td>
<td></td>
<td>999,999</td>
<td></td>
</tr>
</tbody>
</table>

The Responsible Planning Unit

........... (8) NIP..............(9)

Note:
The amount of budget allocation of Output is the total amount of budget allocation of output implemented by all Work Units, for the same output.
FILLING INSTRUCTION FOR THE DETAILED BUDGET

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Filled with the name of the State Ministry/Agency.</td>
</tr>
<tr>
<td>(2)</td>
<td>Filled with the name of Echelon II Unit as the responsible unit/activity executor.</td>
</tr>
<tr>
<td>(3)</td>
<td>Filled with the name of the Activity in accordance with the document of Renja-K/L.</td>
</tr>
<tr>
<td>(4)</td>
<td>Filled with the name/description of identity of each output specifically.</td>
</tr>
<tr>
<td>(5)</td>
<td>Filled with the amount/quantity of resulted output.</td>
</tr>
<tr>
<td>(6)</td>
<td>Filled with the description about the measurement unit used in order to measure the quantity of output in accordance with the characteristics.</td>
</tr>
<tr>
<td>(7)</td>
<td>Filled with the total budget required to achieve output.</td>
</tr>
<tr>
<td>(8)</td>
<td>Filled with the name of the responsible planning unit.</td>
</tr>
<tr>
<td>(9)</td>
<td>Filled with the NIP of the responsible planning unit.</td>
</tr>
</tbody>
</table>

### Data in the Table

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Code</th>
<th>Filled with the code of Sub-output, Component, Sub-component.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Column 2</td>
<td>Description Sub-output/Component/Sub-component/detail</td>
<td>Filled with the description of Sub-output, Component, Sub-component and detailed expenditures. <strong>Explanation:</strong> Sub-output and sub-component are optional.</td>
</tr>
<tr>
<td>Column 3</td>
<td>Volumen of Sub-output</td>
<td>Filled with the amount/quantity of resulted Sub-output. Filled in line with the description of Sub-output. <strong>Explanation:</strong> The total volume of Sub-output must be the same as the amount of volume of Output.</td>
</tr>
<tr>
<td>Column 4</td>
<td>Type of Component (Major/Supporting)</td>
<td>Filled with the major or supporting component. Filled in line with the description of the Component, stating that the Component is either a major or supporting component.</td>
</tr>
<tr>
<td>Column 5</td>
<td>Detailed Calculation</td>
<td>Filled with the calculation formula of funding units. Filled in line with the description of detailed expenditures. Example: 2 pers x 2 days x 2 freq The amount of calculation is filled in the Sub-column 5 (amount) amounted to 8</td>
</tr>
<tr>
<td>Column 6</td>
<td>Unit Price</td>
<td>Filled with the nominal of unit price based on SBM. <strong>Explanation:</strong> In the event that the measurement unit cost is not in SBM, other supporting data can be used.</td>
</tr>
<tr>
<td>Column 7</td>
<td>Amount</td>
<td>Filled with the nominal of calculation results at the level of detailed expenditures, Sub-component, Component, Sub-output. <strong>Explanation:</strong> The total amount of budget allocation of Sub-output must be the same as the total amount of Output budget.</td>
</tr>
</tbody>
</table>
GENDER BUDGET STATEMENT

The Name of K/L : (The name of the Ministry/Agency)
The Organizational Unit : (The name of Echelon I Unit as KPA)
The Echelon II Unit/Work Unit : (The name of Echelon II Unit at Head Office that is not the Work Unit/the Name of the Work Unit at Head or Regional Office)

<table>
<thead>
<tr>
<th>Program</th>
<th>The name of the Program resulted from restructuring.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>The name of the Activity resulted from restructuring.</td>
</tr>
<tr>
<td>Activity Performance Indicator</td>
<td>The name of the Activity Performance Indicator resulted from restructuring.</td>
</tr>
<tr>
<td>Output of Activity</td>
<td>Type, Volume and unit of output of activity resulted from restructuring.</td>
</tr>
</tbody>
</table>

**Situation Analysis**
- A brief description showing the issues to be handled/implemented. The description includes insight opening data, gap factors and the cause of gender gap issues.
- In the event that the insight opening data (in the form of sorted data) for a target group, either men or women, is not available (quantitative data), then qualitative data can be used.
- Output/Sub-output of activity to be generated has influences to a certain target group.

Gender issues in the component . . .
- (The gender issues/gap in the input components).
- (Only the component in the gender issues/gap)

**Action Plan:**
(If selected only for Components that directly change the condition towards gender equality. Not all components are included).

<table>
<thead>
<tr>
<th>The Component</th>
<th>The stage in Output. This component must be relevant with the Output of Activity generated. And it is expected that the component can handle/decrease the gender gap issues that have been identified in the situation analysis.</th>
</tr>
</thead>
</table>

**Budget Allocation for Output of Activity**
(The amount of budget (Rp) allocated to achieve the Output of Activity)

**Impacts/Results of Output of Activity**
Impacts/Results broadly from the Output of Activity generated and related to the gender issues and the improvement toward gender equality that has been identified in the situation analysis.

The Responsible Planning Unit

.................................
NIP/NRP. .................................
### APPENDIX II-7

#### THE MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA
#### THE DIRECTORATE GENERAL OF BUDGET

**LIST OF BUDGET CEILING PER WORK UNIT**  
**FOR FISCAL YEAR 20xx**

The budget allocation is detailed according to the location, as follows:

<table>
<thead>
<tr>
<th>(Thousand Rupiah)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Work Unit</strong></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>7</td>
</tr>
<tr>
<td>8</td>
</tr>
<tr>
<td>9</td>
</tr>
<tr>
<td>10</td>
</tr>
</tbody>
</table>

(Echelon I of K/L)

..........................................

NIP/NRP. ..................................

........................................
I, the undersigned below:

Name: .......................... (8)
NIP/NRP: .......................... (9)
Title: .......................... (10)

Hereby declares and take full responsibility for the following matters:

1. The Work Plan and Budget of the State Ministry/Agency (RKA-K/L) ................... (11) have been prepared in accordance with the provisions stipulated in the Regulation of the Minister of Finance concerning the Guidelines for preparation and Review of RKA-K/L.

2. RKA-K/L along with the required documents have been prepared completely and correctly, examined by the Internal Control Apparatus of the State Ministry/Agency (API K/L), saved by the Work Unit and the Echelon I Unit, and is ready to be audited at any time.

3. If in the future this statement proves to be untrue and causes losses to the state, I am willing to deposit the state losses to the State Treasury.

In witness whereof the statement was made with actual condition, conscious and not under pressure from whosoever.

.......................... (12)
.......................... (13)

Stamp Duty
Rp6,000

.......................... (14)
NIP/NRP: ..........................
(2) Filled with the description of the name of the Ministry/Agency.
(3) Filled with the description of the name of Echelon I Unit.
(4) Filled with the description of the name of Echelon I Unit.
(5) Filled with the address of the Echelon I.
(6) Filled with the name of the General Secretary/First Secretary/the Secretary of K/L as the responsible RKA-K/L.
(7) Filled with the number of the Statement Letter.
(8) Filled with the signatory official’s name of the Statement Letter.
(9) Filled with NIP/NRP.
(10) Filled with the description of the signatory of the Statement Letter.
(11) Filled with the name of the Ministry and Echelon I.
(12) Filled with the Place and Date.
(13) Filled with the title of the signatory of the Statement Letter (an Official of Echelon I or other official who has budget allocation (portfolio) and as the responsible program.
(14) Filled with the signatory’s name of the Statement Letter.
LOGO (1) THE STATE MINISTRY/AGENCY ............... (2)
THE ECHELON I UNIT ............................. (3)
THE WORK UNIT ............................... (4)
Address ........................................ (5)

HEAD of the State 
Ministry/Agency

Number : S- / /20XX (date-month) 20XX
Characteristic : Immediate
Attachment : One File
Subject : The Proposed Work Plan and Budget of the State Ministry/Agency

The Director General of Budget 
in 
Jakarta

Dear Sir,

In relation to the stipulation of the Decree of the Minister of Finance No. ....../KMK.02/2013 concerning the Budget Ceiling of the State Ministry/Agency, hereby submitted the Work Plan and Budget of the State Ministry/Agency (RKA-K/L) of the Ministry of ............ (6)

As for the complete document, hereby attached documents of review in the form of:

a. The Work Plan and Budget of Work Unit.
b. ADK RKA-K/L DIPA.
c. The Statement Letter of Echelon I.
d. The List of Details of the Budget Ceiling per Work Unit/Echelon I.

Thank you for your cooperation. 

Yours Faithfully

Minister/Head of Agency or 
The Appointed Official

…………………………… (7)

NIP/NRP. ………………..
Description:

(1) Filled with the logo of the Ministry/Agency.
(2) The nomenclature of the Ministry/Agency.
(3) Filled with the Echelon I Unit proposing RKA-K/L.
(4) Filled with the Work Unit proposing RKA-K/L.
(5) Filled with the address of the Ministry/Agency.
(6) Filled with the nomenclature of the Ministry/Agency.
(7) Filled with the name and NIP/NRP of the Minister/Head of Agency or the Appointed Official.

Copy as the original
HEAD OF GENERAL BEREAU
On behalf of
HEAD OF ADMINISTRATIVE OF THE MINISTRY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,
Signed.

GIARTO
NIP 195904201984021001

MUHAMMAD CHATIB BASRI
The review of the document of RKA-K/L which is the document of planning and budgeting that contains programs and activities of a State Ministry Agency (K/L) is performed in accordance with the mandate of the Government Regulation No. 90 of 2010 concerning the Preparation of RKA-K/L. In Article 10 of the Government Regulation No. 90 of 2010 is stipulated that RKA-K/L functions as the material for the preparation of the Bill concerning the State Budget after previously reviewed in the review forum between K/L and the Ministry of Finance and the Ministry of Planning. The review of the document of RKA-K/L is intended to ensure that:

a. The performance plan as outlined in RKA-K/L is consistent with that of in the Government Work Plan;

b. To achieve such performance, it is allocated efficient funds at the level of planning;

c. In its allocation, it has complied with the provisions of the implementation of integrated budgeting, performance-based budgeting and medium-term expenditure framework.

Thus, the performance plan contained in RKA-K/L is the performance plan of K/L to fulfill its tasks and functions according to the government policy, and in the planning, it is allocated efficiently.

The review of the document of RKA-K/L is done with 2 (two) methods, as follows:

a. A Face to Face Review

A face to face review is a review conducted jointly by parties that carry out a review (the Ministry of Finance, K/L and the Ministry of Planning) in the Ministry of Finance qualitate qua the Directorate General of Budget.

b. Online Review

Online review is an electronic review using the internet, in which the parties conducting the review (the Ministry of Finance, K/L and the Ministry of Planning) are in their respective tasks.

1. The Preparation of the Review of RKA-K/L

Before reviewing RKA-K/L, the things that need to be prepared and understood in advance are:

1.1 New Things in the review of RKA-K/L

In the review of RKA-K/L, there are some new things that must be considered, namely:

1. ADK RKA-K/L submitted in advance is validated by the Directorate General of Budget.

2. The documents for the review include:

a. The cover letter signed by the Minister/Head of Agency or the appointed official;

b. The Statement Letter of Echelon 1 official or other official who has budget allocation (portfolio) and as the responsible program;

c. RKA-K/L that has been examined;

d. The List of Details of Budget Ceiling per Work Unit/Echelon I;
e. RKA Satker; and
f. Computer Data Archive (ADK) of RKA-K/L.

3. The Ministry of Finance qualitate qua the Directorate General of Budget conduct a review that focuses on:
   a. the suitability of the data in RKA-K/L with the Budget Ceiling of K/L established by the Minister of Finance;
   b. the suitability between activities, Output and budget; and
   c. the relevance Components/Stages with Output;

4. The Ministry of National Development Planning/Bappenas conducts a review that focuses on the consistency of performance targets in RKP with RKA-K/L, and (if any) examines the quality of GBS;

5. The Ministry of Finance qualitate qua the Directorate General of Budget no longer conduct a review up to the level of detail or expense items, the review is focused on the performance to be achieved by K/L;

6. There is no longer blocking over the budget allocation.

1.2 Parties Involved in the Review of RKA-K/L and its Tasks–Roles

1. The Ministry of Finance
   The Ministry of Finance qualitate qua the Directorate General of Budget as the coordinators in the review process has the tasks, as follows:
   a. Scheduling the review and sending invitations for the review to the Ministry of Planning and K/L.
   b. Uploading ADK RKA-K/L to validate (by system).
   c. In the review process, the Directorate General of Budget examines:
      1) the completeness of the review documents;
      2) the suitability of the data in RKA-K/L with the Budget Ceiling of K/L established by the Minister of Finance;
      3) the suitability between activities, Output and budget;
      4) the relevance Components/Stages with Output; and
      5) the advanced prediction forward for the next three years.

2. The Ministry of Planning
   In the framework of the review, the tasks of the Ministry of Planning are:
   a. Preparing the documents required in the review.
   b. Maintaining the consistency of performance targets of K/L including the volume of Output and Activity Performance Indicators of RKA-K/L with RKP.
   c. Examining the quality of GBS (if any).

3. The State Ministry/Agency
   In the framework of the review, the tasks of State Ministry/Agency are:
   a. Following the schedule of the preparation and review prepared by the Directorate General of Budget.
   b. Preparing the documents required in the review process.
   c. Ensuring the reviewers that will participate in the review.

1.3 Documents to be Prepared in the Review of RKA-K/L

1. The Ministry of Finance
The Ministry of Finance as a reviewer has to prepare the review instrument that will be the reference when examining the documents of RKA-K/L. Things that should be prepared are as follows:

a. The Decree of the Minister of Finance concerning the Budget Ceiling of K/L;

b. The Regulation of the Minister of Finance concerning the Guidelines for Preparation and Review of RKA-K/L;

c. RKA-K/L delivered by K/L;

d. Results of the review of basic figures;

e. The regulations concerning the budget allocation;

f. Renja-K/L and RKP for the year planned;

g. Results of the agreement of Trilateral Meeting.

2. The Ministry of Planning

a. Renja-K/L and RKP for the year planned;

b. Results of the agreement of Trilateral Meeting with respect to the activities of national priorities and the areas priorities informing the performance targets to be achieved;

c. The results of the discussion of the New Initiative budget proposal approved (if any);

d. GBS (if any).

3. The Ministry/Agency K/L in order to examine RKA-K/L with the Ministry of Finance prepares:

a. The Letter of Assignment for the review;

b. RKA-K/L which has been examined by API K/L and the Bureau of Planning of K/L;

c. RKA Satker;

d. List of Details of Budget Ceiling per Work Unit/Echelon I;

e. The target and ceiling of PNBP (if any);

f. GBS (if any); and

g. Computer Data Archive (ADK) of RKA-K/L.

1.4 Things that Must be Considered in the Review of RKA-K/L

1. The completeness of the review documents

The completeness and the truth in the review documents are the responsibility of Echelon I of K/L and the Work Unit.

2. The validation of ADK RKA-K/L

The Directorate General of Budget validates ADK RKA-K/L submitted by K/L to ensure the suitability with the rules and regulations of SPAN. In the event that the validation results are not in accordance with the rules and regulations of SPAN, then ADK will be returned for repair, and no later than two (2) days after being returned should be re-submitted to the Directorate General of Budget.

2. The review mechanism of RKA-K/L

2.1 The review mechanism of RKA-K/L Based on the Budget Ceiling.

2.1.1 The Steps for the review
a. The reviewing official and officer of the Ministry of Finance qualitate qua the Directorate General of Budget and the Ministry of National Development Planning/Bappenas carry out a review of RKA-K/L with the reviewing official from the Bureau/Section of Planning and/or other reviewing officer authorized on the related K/L.

b. The review process of RKA-K/L is begun by examining the administrative completeness, namely:
   1) The legality of documents received from K/L;
   2) The Cover Letter of delivery of RKA-K/L signed by the Secretary General/First Secretary/Secretary of K/L;
   3) The Letter of Assignment as a reviewing officer of K/L;
   4) The use of standard format for RKA-K/L and RKA Satker;
   5) The Computer Data Archive (ADK).

c. The Ministry of Finance qualitate qua the Directorate General of Budget examines the substantive criteria in the form of the suitability of the budget with the performance targets planned, namely:
   1) Examining the Form of RKA-K/L including:
      a) Checking the legality of RKA-K/L and/or the results of the discussion/agreement with the House of Representatives.
      b) Reviewing the suitability of RKA-K/L with the amount of Budget Ceiling of K/L including:
         • Examining the suitability of fund ceiling allocation per program;
         • Examining the suitability of the fund allocation based on the source of funding.
   c) Related to the basic figure that changes in the level of stage/component:
      • Examining the suitability of the Basic Figure ceiling of an Organizational Unit in RKA-K/L with the Budget Ceiling of RKA-K/L established by the Minister of Finance.
      • Examining the suitability of the Basic Figure ceiling of Programs in RKA-K/L with the Budget Ceiling of K/L established by the Minister of Finance.
   d) Related to the New Initiatives:
      • Examining the suitability of the new initiatives of an Organizational Unit in RKA-K/L with the ceiling in KMK concerning the Budget Ceiling.
      • Examining the suitability of the new initiatives of Programs in RKA-K/L with the ceiling in KMK concerning the Budget Ceiling.
   e) Checking the Inclusion of the advanced prediction for the next three years.
   f) Checking ADK RKA-K/L.

2) Checking RKA Satker including:
   a) Examining the budget allocation of Work Units with the List of the Ceiling allocation of each Echelon I unit detailed based on the Programs, Work Units and Sources of Funding.
b) Examining the budget allocation included in the type of Basic Figures and/or new initiatives.

c) Examining the budget allocation of Basic Figures type that changes in the level of stages/components including:

- Ensuring the relevance Sub-output (if any) with the Output.
- Ensuring the relevance Components/stages with the Output.
- Ensuring the Advanced Prediction figures, including:
  - The continued/stopped Output with the consequences:
    - If it is stopped Output, the calculation result in the Output should be nil (Output is deleted).
    - If it is continued Output, then there should be any advanced prediction figures (the volume of Output and the budget allocation).
  - The continued/stopped Component with the consequences:
    - If it is a stopped Component, the calculation result of the Component should be nil (Component is deleted).
    - If it is a continued Component, then there should be any figures (the budget allocation).
  - The Components as the Major Costs or Supporting Costs.
    - If the Component is a major cost, then it needs to be examined: whether it is a fixed price or the price can be adjusted based on the policy (there are documents in the form of government decisions/the decree of minister or head of agency)
    - If the Component is a supporting cost, then the advanced prediction figures of supporting components are derived from the multiplication with the economic parameter (in this case, in the form of cumulative inflation index). The economic parameter used is the assumption of inflation rate in the State Budget for the year planned.

d) Examining the budget allocation of new initiatives type including:

- Examining the relevance Sub-output (if any) with the Output.
- Examining the relevance Components/stages with the Output.
- Examining the suitability of the source of funds in RKA-K/L with the ceiling in KMK concerning the Budget ceiling of K/L.
- Examining the Advanced Prediction figures of Output as referred to the description on Basic figures.

d. The Ministry of Planning primarily examines the substantive criteria in the form of the consistency of performance targets of K/L with Renja-K/L and RKP, namely:

1) Examining the program, Key Performance Indicators (IKU) and Outcome of K/L.
2) Examining the categories of activities, including the activities of national priorities, areas priorities or K/L priorities.
3) Examining the consistency of Output formulation in the document of RKA-K/L with Output in the document of Renja-K/L and RKP.
4) Examining the consistency of the Volume of Output in the document of RKA-K/L with the document of Renja-K/L and RKP for the year planned.
5) Examining the consistency of Output with the activity performance indicators (in the document of RKA-K/L with Renja-K/L and RKP).

2.1.2 The Specific Conditions of the review of Satker BLU and ARG
1. The Review of BLU
   The review of RKA Satker BLU is prioritized on the following matters:
   a. Examining the programs and activities undertaken by Satker BLU. The Programs and activities used in the preparation of RKA Satker BLU are part of programs and restructuring activities and activities of master K/L.
   b. Examining the suitability of the ceiling in RKA Satker BLU with the ceiling of RKA-KL Activity, particularly with respect to the source of funds PNBP and Pure Rupiah) as outlined in the Overview of Business Plan and Budget (RBA).
   c. Examining the suitability of the Minimum Service Standard established by the Minister/Head of Agency in the framework of public service activities with the Overview of RBA.
   d. Output outlined in RKA Satker BLU refers to the reference table of the application program of RKA-K/L.
   e. Examining the budget allocation of basic figures, as in the case of Satker non-BLU.
   f. In the review process of RBA, the Directorate General of Budget can involve the General Directorate of Treasury.
2. The Review of ARG
   The review of RKA-K/L in the framework of the Gender Responsive Budget (ARG) either for the budget allocation of Basic Figures or New Initiative is prioritized for the following matters:
   a. Ensuring that the budget allocation at the level of Output of activities is categorized as ARG equipped with the document of the Gender Budget Statement (GBS).
   b. The reviewing official of Bappenas examines the quality of the document of GBS.
   c. Based on the document of GBS, the reviewing official of the Directorate General of Budget ensures that the third item on the theme of Output (the increase of gender equality and empowerment of women/the Gender Responsive Budget) in the application to prepare RKA-K/L is checked (in the form of a ✓) which indicate that the output of activity has been gender responsive (theme: PUG).

2.2 The Review Mechanism of RKA-K/L Based on the Budget Allocation of K/L
The review based on the Budget Allocation of K/L in the Ministry of Finance is implemented after the internal K/L conducts an examination by API K/L and the Bureau of Planning. This review aims to check the suitability of the data
in RKA-K/L with the Budget allocation of K/L. The review process after the Budget Allocation is as follows:

1. The review process is begun by checking the completeness of the document of RKA-K/L as in the case of the review on the Budget Ceiling of K/L added by the Agreement of the House of Representatives Commission.

2. In the event that the amount of the budget allocation of K/L does not change (as in the case of the Budget Ceiling of K/L), then K/L submits RKA-K/L and the supporting documents along with the Archive Data Computer (ADK) of RKA-K/L as the basis of the review. The review results of RKA-K/L in question serve as the basis of DHP establishment by the Budget Director I/II/III on behalf of the Minister of Finance and as the material for the preparation of the Presidential Decree concerning the Details of the Expenditures Budget of the Central Government (Rencana Anggaran Belanja Pemerintah Pusat/RABPP) along with the attachments.

3. In the event that the amount of the budget allocation of K/L changes either added or reduced, then K/L submits RKA-K/L and the review documents along with the Archive Data Computer (ADK) of RKA-K/L to do the review again in order to adjust RKA-K/L to the Budget Allocation Ceiling of K/L.

4. With respect to the amount of the Budget Allocation of K/L in question is greater than the Budget Ceiling of K/L, then the review is done by examining the suitability of RKA Satker with the additional ceiling that is focused on:
   a. The addition of Output, so the type and volume increases;
   b. The addition of relevant Components to generate Output.

5. With respect to the amount of the Budget Allocation of K/L is smaller than the Budget Ceiling of K/L, then the review is done by examining RKA Satker with the suitability of ceiling reduction that is focused on:
   a. The reduction of Output other than the Output in the framework of assignment, so the type and volume decreases;
   b. The Reduction of Components to generate the existing Output other than the Salary Components and Office Operation Components.

3. The Follow-up of The Review Results of RKA-K/L

3.1 The Follow-up of The Review Results of RKA-K/L Based on the Budget Ceiling of K/L.

2. The Directorate General of Budget collects and compiles all RKA-K/L resulted from the review to be used as:
   a. The material for the preparation of the Financial Note, the State Budget Draft and the Bill concerning the State Budget; and
   b. The supporting Documents for the discussion of the State Budget Draft.

3. The Financial Note, the State Budget Draft and the State Budget Bill are discussed in a cabinet meeting. The results of the cabinet meeting are delivered by the Government to the House of Representatives in August.

4. The government resolves the discussion about the State Budget Draft and the State Budget Bill by the House of Representatives no later than the end of October.
5. In the case of the discussion about the State Budget Draft and the State Budget Bill results in the optimization of the budget ceiling, the optimization of the budget ceiling is used by the Government in accordance with the Policy Direction which has been established by the President.

6. The results of the discussion about the State Budget Draft and the State Budget Bill are outlined in the minutes resulted from the agreement of the discussion about the State Budget Draft and the State Budget Bill and are final.

7. The minutes resulted from the agreement of the discussion is delivered by the Minister of Finance to the Ministry/Agency.

3.2 The Follow-Up of the Review Results of RKA-K/L Based on the Budget Allocation of K/L

1. The review results based on the Budget Allocation are outlined in the Note of the Review Results and RKA-K/L is used as the material for the preparation of the List of the Review Results (Daftar Hasil Penelaahan/DHP) of RKA-K/L.

2. The budget allocation is set by the Presidential Decree concerning the Details of the Expenditures Budget of the Central Government no later than November 30.

3. The Minister/Head of Agency prepares the document of the budget implementation by referring to the budget allocation set forth in the Presidential Decree.

4. Specific Matters In The review of RKA-K/L

4.1 Changes Due To The review

In the event that the review results of RKA-K/L based on the Budget Ceiling of K/L or the Budget Allocation Ceiling of K/L result in the changes in the performance formulation, the changes in question can be done with the following criteria:

1. Changes related to the formulation of Output (Type and Unit), in principle, can be done as long as:
   a. Agreed in the review process;
   b. Does not change the Output that is a National Priority Activity Output;
   c. Relevant to the specified Activity and Activity Performance Indicators;
   d. There is a change in the tasks and functions of the relevant unit;
   e. There is an additional assignment.

2. Changes related to the formulation excluded from Output (Programs, Program Key Performance Indicators, Outcome/Results, Activities and Performance Indicators), when required, it can be done as long as it is agreed in the review process and is the result of:
   a. A reorganization that results in a change of tasks and functions as well as an organizational structure;
   b. The reorganization has already had a definite legal basis (a Presidential Decree, an Approval of the Minister for Administrative Reforms and
Bureaucratic Reforms, a relevant Decision of the Minister/Head of Agency);
c. The proposed changes have been agreed upon in the Trilateral Meeting;
d. An approval from the related Commission in the House of Representatives.

4.2 Output/Reserve Output

Based on the review results, when there is a budget allocation that has not obtained the approval of the House of Representatives or has not been set for the usage (derived from the efficiency and/or components that are not relevant to Output), then the budget allocation is included in the Output/Reserve Output on activities/the same type expenditures. The Output/Reserve Output is used to hold the following matters:

a. The budget that has not been approved by the House of Representatives;
b. The budget for new Work Units. The activities hold the budget allocation for operational costs of new Work Units that have not been approved by the Minister of Administrative Reform and Bureaucracy Reform;
c. The budget allocation that has no legal basis at the time of the preparation of RKA-K/L, but has already planned to be provided;
d. The remaining fund that has not been been set for the usage derived from the review results based on the budget allocation; and/or
e. There is no suitability between the activity performance indicators with the Output generated, or lack of relevance between the Output and the Sub-output/Components.

When the things above happen, what should be considered by a reviewing officer from the Ministry of Finance qualitate qua the Directorate General of Budget are:

a. For the things that have not been approved by the House of Representatives:
   1) Details of budget allocation for operational costs that are not blocked;
   2) Details of budget allocation for non-operational costs that have been set in the budget ceiling; and the allocation does not change and is not blocked; and
   3) The adjustment of the budget allocation in the form of additional ceiling used for things other than point 1) and point 2) can be outlined in the reserve output and/or given a note about the details of allocation that cannot be implemented before the approval of the House of Representatives, and the allocation is not blocked.

b. For the things caused by matters other than the unavailability of approval of the House of Representatives:
   Transferring the budget allocation on Output/Sub-output/Components that is not appropriate to the "Output/Proposed Output", and the fund allocation is not blocked.

The budget allocation in the Output/reserve Output can only be implemented after being revised by referring to the provisions concerning the procedures for budget revision.
5. Format

### REVIEWING NOTES

THE WORK PLAN AND BUDGET OF THE STATE MINISTRY/AGENCY
FOR FISCAL YEAR 2014

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### SPECIFIC AND/OR PENDING MATTERS


### OFFICIAL’S APPRAISAL/OPINION


### BUDGET BLOCKING


### REVIEWING OFFICIAL/OFFICER

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Form of RKA-K/L Compilation

### APPENDIX III-2

#### DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE SECTION OF BUDGET, ORGANIZATIONAL UNIT, PROGRAM, ACTIVITY AND TYPE OF EXPENDITURE
(IN THOUSAND RUPIAH)

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#### Form II of RKA-K/L Compilation

DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE FUNCTION, SUB-FUNCTION AND TYPE OF EXPENDITURE
(IN THOUSAND RUPIAH)

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#### Form III of RKA-K/L Compilation

DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE FUNCTION, SUB-FUNCTION, BUDGET SECTION AND TYPE OF EXPENDITURE
(IN THOUSAND RUPIAH)

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#### Form IV of RKA-K/L Compilation

DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE BUDGET SECTION, FUNCTION, SUB-FUNCTION AND TYPE OF EXPENDITURE
(IN THOUSAND RUPIAH)

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#### Form V of RKA-K/L Compilation

DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE BUDGET SECTION, ORGANIZATION UNIT, PROGRAM, ACTIVITY, OUTPUT AND SOURCE OF FUNDS
(IN THOUSAND RUPIAH)

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### Form VI of RKA-K/L Compilation

DETAILS OF CENTRAL GOVERNMENT BUDGET EXPENDITURES FOR FISCAL YEAR 20XX
ACCORDING TO THE BUDGET SECTION, ORGANIZATION UNIT, PROGRAM, ACTIVITY AND KPJM
(IN THOUSAND RUPIAH)

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THE MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA
THE DIRECTORATE GENERAL OF BUDGET

LIST OF REVIEW RESULTS
THE WORK PLAN AND BUDGET OF THE STATE MINISTRY/AGENCY (DHP RKA-K/L)
FOR FISCAL YEAR 20XX
NUMBER: DHP-xxx.xx.xx-0/AG/20XX

Based on the review results of RKA-K/L for FY 20XX according to the Budget Allocation for FY 20XX, then in the framework of the preparation of the Presidential Decree concerning the Details of the Central Government Budget Expenditures for FY 20XX, hereby stipulated DHP RKA-K/L for:

THE STATE MINISTRY/AGENCY :
THE ORGANIZATIONAL UNIT :
THE ORGANIZATIONAL UNIT CEILING :

The organizational unit ceiling, detailed according to the Program is as follows:

<table>
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<tr>
<th>CODE</th>
<th>ORGANIZATIONAL UNIT</th>
<th>THE AMOUNT OF WORK UNIT</th>
<th>THE AMOUNT OF CEILING BLOCKED FUND</th>
<th>REVENUES TARGET</th>
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AMOUNT
DETAILS OF SOURCE OF FUND
RM
PNBP/BLU
PHLN/PDN

The details of the budget allocation for each Organizational unit in RKA-K/L for FY 20XX as included in the appendix that is an integral part of the Presidential Decree concerning the Details of the Central Government Budget Expenditures for FY 20XX becomes the basis for the preparation as well as the validation of DIPA for FY 20XX.

The budget implementation established in DHP RKA-K/L for FY 20XX is totally the responsibility of Budget Users/Authorized Budget Users.

Jakarta, November , 20XX
On Behalf of the MINISTER OF FINANCE
The DIRECTOR OF BUDGET . . .
THE MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA
THE DIRECTORATE GENERAL OF BUDGET

THE DETAILS OF BUDGET ALLOCATION PER ORGANIZATIONAL UNIT
FOR FISCAL YEAR 20XX

THE STATE MINISTRY/AGENCY : 
THE ORGANIZATIONAL UNIT : 
THE CEILING : 

The budget allocation, detailed according to the Location is as follows:

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<th>PROVINCE</th>
<th>THE AMOUNT OF WORK UNIT</th>
<th>THE AMOUNT OF CEILING</th>
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TOTAL

Copy as the original
HEAD OF GENERAL BEREAU
On behalf of
HEAD OF ADMINISTRATIVE OF THE MINISTRY

GIARTO
NIP 195904201984021001

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Signed.

MUHAMMAD CHATIB BASRI