

## REGIONAL AUTONOMY AND EDUCATIONAL FINANCING: THE EFFECT TOWARD EDUCATIONAL PERFORMACE

*Faisal Musa*

State Islamic University of North Sumatra, Medan - Indonesia

---

e-mail: [moesa\\_123@yahoo.com](mailto:moesa_123@yahoo.com)

---

**Abstract:** Regional autonomy that matches the rights, authority and area is approved and managed by the house in accordance with the laws and regulations. Education management in Indonesia during the new order was approved before the enactment of Law number 22 of 1999 and Law number 20/2003 on Regional Autonomy, understood to be passive-active, not independent, and did not support freedom in discussing educational institutions. The implementation of regional autonomy provides great space and opportunities for local governments, communities, and the interests of education for their households in terms of education services. Increasing the role of local governments and communities in education, priorities in terms of education, is expected to improve education provided adequate empowerment space to achieve better national education goals. With regional autonomy and education will be able to improve education if done properly, in accordance with procedures and a good budget management system, which contains planning, organizing, implementing and reporting.

**Keyword:** Educational Financing, Educational Performance, Regional Autonomy

### INTRODUCTION

The centralized government policies that were implemented in the New Order era (the era before the reformation) had caused various problems for the Indonesian people. The dominance of power and authority of the central government that is too large makes the resulting policies do not always favor the interests of the region, resulting in disparities for social disparities between the center and the regions, even between one region and another.

The authoritarian new order regime gave birth to an education system that was unable to effectively empower the community, although quantitatively according to Suyatono and Djihad Hisham the new order regime was able to show quite good achievements in the field of education<sup>1</sup>, such as an increase in the gross enrollment rate of students at the elementary school level , junior high school, and senior high school and even universities, but the quality of our education lags far behind that of neighboring countries.

---

<sup>1</sup> Suyatno dan Djihad Hisyam, *Refleksi dan Reformasi Pendidikan di Indonesia Memasuki Milenium III*, (Yogyakarta, Adi Cita Karya Nusa, 2000), p. 5.

In this condition the community demanded a change in a more democratic and more just direction which during the new order the treatment of the government seemed to be unbalanced between the center and the regions. With the conditions as described above, various existing educational problems will have implications for the performance that will be generated by education in improving the quality, creativity, and professionalism of educators in carrying out tasks, such as education not being able to develop the creativity of students, who are independent, and creative .

The emergence of various problems faced by the community as mentioned above encourages the importance of bureaucratic and governance reforms, which culminated in 1998. One of the efforts made to overcome these problems is to enact Law Number 22 of 1999 which is updated with Law Number 32 of the Year 2004 as a foundation for the implementation of regional autonomy.

Through regional autonomy, local governments can directly provide services to the community, as well as independence to manage, as well as broader authority in exploring, allocating budgets, setting priorities, utilizing, controlling all potentials owned and holding its accountable to stakeholders.

Regional autonomy can also provide the widest opportunity for the community and local government to participate in regulating their regions according to their interests independently in various fields including education services.

In this connection, this paper will attempt to examine the implementation of regional autonomy and financing and their effects on improving educational performance.

## **METHOD**

The method used by researchers in this study is a qualitative research method with a literature review. Researchers use various sources as research material such as books, journals, websites, and related laws and financial reports.

## **FINDING & DISCUSSION**

### **Regional Autonomy**

Referring to Law Number 32 of 2004 concerning regional government, what is meant by regional autonomy is the right, authority and obligation of autonomous regions to regulate and manage their own government affairs and the interests of local communities in accordance with statutory regulations. While decentralization is the transfer of governmental authority by the government to autonomous regions to regulate and manage government affairs within the Unitary State of the Republic of Indonesia.

Meanwhile, Mariun argues that regional autonomy is an authority or freedom possessed by local governments to enable them to make their own initiatives to regulate and optimize the resources owned by their regions.<sup>2</sup>

The objectives of regional autonomy are, among others, to improve community services, develop democratic life, improve national justice, equalize regional areas, maintain relations between the central and regional governments, encourage community empowerment and grow the regional economy.

There are 16 (sixteen) fields or functions which according to Law Number 32 of 2004 are mandatory functions at the district / city scale and become the authority of regional governments, namely: a). Development planning and control; b). Spatial planning, utilization and supervision; c). Implementation of public order and public peace; d). Provision of public facilities and infrastructure; e). Management of the health sector; f). Providing education; g). Tackling social problems; h). Services in the field of manpower; i). Facilitating the development of cooperatives, small and medium businesses; j). Environmental control; k). Land Services; l) Population and civil registration services; m). Government general administration services; n). Investment administration services; o). Providing other basic services; and p). Other mandatory affairs mandated by statutory regulations.<sup>3</sup>

The aforementioned Law implies that in the case of the administration of education at the level of the education unit, namely schools can have autonomy in the form of authority in managing and making decisions independently that are not dependent on centralist bureaucracy, including services in education.

### **Educational Autonomy**

According to Law number 32/2004, there are several fields or functions which become the regions or areas of regional government affairs, one of which is the affairs of the education service sector. The management of education in Indonesia during the New Order, precisely before the enactment of Law Number 22 of 1999 concerning Regional Government, seemed passive-reactive, not independent, and did not have freedom in regulating educational institutions. Not only that, the centralization of education management also makes our education stagnant and educational institutions only become objects not subjects, which can actually kill the creativity, because their job is only to carry out instructions from superiors and do not have authority in managing existing educational

---

<sup>2</sup> <http://www.zonareferensi.com/pengertian-otonomi-daerah/> accessed on September 27<sup>th</sup> passed 16.21 WIB

<sup>3</sup> Law number 32 of 2004 Concerning Regional Government.

resources at the level of the education unit, even the data shows the quality of Indonesian education at that time was at an alarming level, because the quality was far from that of neighboring countries in ASIA.

One of the problems of national education according to Syaiful Sagala is the power and dominant power of the central government, which consequently will never be able to place let alone fight for the position and role of education on important priorities as the first priority of government policy.<sup>4</sup>

The birth of regional autonomy, especially in the field of education is in line with what was said by Fasli Djalal that there are 5 aspects projected by the World Bank to overcome the institutional weaknesses in the world of education, namely: (1) local empowerment, namely giving responsibility to the Head of the Second Level Regions to succeed the program compulsory education, (2) redefining responsibility for long-term planning, the second DATI as a management focal point is a long-term plan for decentralization, (3) development of institutional capability, (4) provides greater autonomy with responsible school management, (5 ) a funding system that guarantees equity and efficiency.<sup>5</sup> According to Dede Rosyada the issue of decentralization in the management of the education sector or also called education autonomy arises along with the idea of reforms that are carried out radically, kholistically, and comprehensively. The burden of providing such a large amount of education in Indonesia, given that the school-age population is still very high, is no longer possible to be borne by the central government as a whole. The strengthening of the idea of reform in the education sector, the flow of decentralization also strengthened, so that Law number 22 of 1999 which regulates the authority of local governments, including the education sector as an autonomous one.<sup>6</sup>

So herein lies the importance of reforms in the field of education, especially the reorientation of education management from centralization to decentralization so that educational institutions can be held accountable to national education stakeholders. So for this it is necessary to increase the role in education management, especially in terms of education funding, as well as the autonomy of budget management (financing) in education units, which in the end is expected to improve the performance of education

---

<sup>4</sup> Sagala, *Manajemen Berbasis Sekolah dan Masyarakat, Strategi Memenangkan Persaingan Mutu*, (Jakarta: Nimas Multima, Cet.Ketiga 2006), p. 8.

<sup>5</sup> Jalal, Fasli dan Supriadi, Dedi, *Reformasi Pendidikan dalam Konteks Otonomi Daerah*, (Yogyakarta: Adicita Karya Nusa, 2001), p. 159.

<sup>6</sup> Dede Rosyada, *Madrasah dan Profesionalisme Guru dalam Arus Dinamika Pendidikan Islam di Era Otonomi Daerah*, (Depok: Kencana, 2017), p. 4.

because it is given adequate empowerment space to achieve national education goals better one.

Djoko Suharto in the book *Autonomy of Higher Education - A Perspective*, explained that autonomy will be a good breeding ground and a foundation for the formation of student behavior whose impact will be seen if it is then transmitted to the people. Educational institutions that are nurtured through a centralized system tend to grow with a large degree of dependence on foster institutions and are blunted in their creativity.<sup>7</sup>

In the field of education services, local governments have facilitative duties and authority, while the creativity of developing programs and educational facilities become the authority of schools, which must be developed with their stakeholders.

Basically, autonomy in the field of education services is not necessarily eliminating the role of government. Because according to the mandate of the 1945 Constitution, one of the goals of the state is to educate the life of the nation. This means that the government must not let go of its hands, but must encourage the achievement of better education management. Education is not only a matter of the central government, but requires togetherness, hard work, and mutual awareness. Regional autonomy in education has principles including: a). Management does not have to be uniform but adapted to local conditions and conditions (local based); b). Prioritizing efficiency and effectiveness; c). Responsibility (accountability) is directed at the government and society; d). Utilization of facilities and infrastructure optimally; e). Using funds and resources more flexibly / flexibly.<sup>8</sup>

If the autonomy of education is implemented in an educational institution, all relevant parties ranging from the government, community, teachers or teaching staff, children / students or students, managers to employees must share responsibility for the success of the educational mission, according to their respective roles.

### **Education Funding**

A study conducted by David Clark, et al with the Asian Development Bank (ADB) in 1995-1996 precisely before the implementation of regional autonomy stated that education funding is one of the serious problems faced in the education system in Indonesia, David Clark, et al explained " *public financing of the education system in Indonesia is very complex, and there has been no regular mechanism for putting together*

---

<sup>7</sup> Sulistiyowati Irianto ed., *Otonomi Perguruan Tinggi-Suatu Keniscayaan*, (Jakarta: Yayasan Pustaka Obor Indonesia), p. 17.

<sup>8</sup> Sulistiyowati Irianto ed., *Otonomi...*, p. 230.

*costs for different levels and types of education.*"<sup>9</sup> In the conclusion of his research, David Clark stated that education funding, especially basic education is still very low, even is the lowest education budget among countries in ASIA, and the education budget must be increased if it is to be aligned with countries in Asia, as stated: "*... primary education is a low-unit-cost investment that has a major impact on the country in both development and equity terms. Primary schooling is the educational investment which will have the largest return on money spent. At present, funding for primary education is relatively low, consisting of small per-student allocations from families, and almost no support from local governments and communities* "

Basically no financing is a very vital thing in human life. It is almost certain that none of the activities in our lives are spared from financing, including educational institutions held in schools / madrasas. It is not possible for educational institutions to run well without the availability of funds to carry out their activities in conducting the education process.

According to Elchanan Cohn as quoted by Uhar Suharsaputra in the book Education Administration explains that the issue of education funding / funding is one of the main issues discussed in the education economy.<sup>10</sup> In this case education is seen as a rare item where its acquisition requires sacrifice, both in the form of funds and labor.

In simple terms, education funding can be interpreted as a study of how education is funded or funded. Or rather, education funding is a study of money / funds related to their acquisition and use in an educational process (school). One important aspect in efforts to improve the quality of education is the issue of education funding. From the system and mechanism of education funding, it involves elements from the central and regional governments as the main players in determining the education budget, the community, and all parties with an interest in education. According to Tilaar, as quoted by Syaiful Sagala, the cost is the entire fund and the effort given by the community to get an education.

Cost is an important factor for the implementation of the education process, not only related to the amount, but also about determining the program of educational activities which are considered the most significant to boost the performance or quality of education.

---

<sup>9</sup> David Clark, et.all, *Financing of Education in Indonesia*, (Manila: Asian Development Bank ,1998), p. 25.

<sup>10</sup> Uhar Suharsaputra, *Administrasi Pendidikan*, (Bandung : Refika Aditama, 2013), p. 287.

The results of Heyman and Loxley's study, quoted by Mintarsih Danumiharja, state that teacher factors, study time, school management, physical facilities, and education costs, make a significant contribution to student achievement.<sup>11</sup>

The role of government is indeed still important in financing education. The reason is to increase the effectiveness and efficiency of the economy and strengthen justice in the distribution of educational services to the people. Countries that give great priority to education funding are countries that realize that education is an investment that will produce results in the form of economic growth later, both individuals and national economic capabilities.

Educational funding according to Government Regulation number 48 of 2008 consists of: a). Unit costs of education; consisting of investment costs (educational land and other than educational land); operating costs (personnel and non personnel); tuition assistance assistance; scholarship). b). Costs for organizing and / or managing education; includes investment costs (educational land and other than educational land); operating costs (personnel and non personnel), c). Student's personal costs..

One of the implications of regional autonomy in matters relating to education funding can be seen in article 48 of Law number 20 of 2003 explaining that: a). Management of education funds based on the principles of justice, efficiency, transparency, and public accountability. b). Provisions regarding the management of education funds as referred to in paragraph 1 shall be further regulated by government regulations.

Furthermore, article 49 of Law number 20 of 2003 concerning the national education system states that: a). Education funds other than educators' salaries and official education costs are allocated a minimum of 20% of the State Budget (APBN) in the education sector and a minimum of 20% of the Regional Budget (APBD). b). Teacher and lecturer salaries appointed by the Government are allocated in the State Budget (APBN). c). Education funds from the Government and Regional Governments for education units are given in the form of grants in accordance with applicable laws and regulations.<sup>12</sup>

From the explanation of the above law it is clear that after the enactment of education autonomy with the enactment of Law number 20 of 2003 the government's attention to education, namely by setting a sizable budget allocation of 20% of the APBN and 20% of the APBD to finance national education, whose management fully given to each educational institution, in accordance with the urgency and needs of each educational unit.

---

<sup>11</sup> Mintarsih, et all, *Manajemen Keuangan Sekolah*, (Jakarta: Uhamda Press, 2004), p. 6.

<sup>12</sup> *Law Number 20 of 2003 concerning the National Education System*

With such a large pattern of education funding, there are actually no more Indonesian children who are not in school because they do not have fees for school, at least 9 years of compulsory education. In addition to the budget sourced from the government, in matters relating to improving the quality and quality of learning in each administrative base of education bases, the government also provides opportunities and obligations to the community both representing students' parents, committees, and other parties with an interest in education to contribute to education funding.

The problem now is how each educational institution is able to manage school finances, how much funding is needed, where, and how school finances are accounted for, moreover funds sourced from the community need to be managed by implementing a good management system or principles, because if financial management is run well, it will lead to various benefits as stated Mintarsih as follows: a). Enabling the implementation of education effectively and efficiently; b). Enabling the achievement of the survival of educational institutions as one of the objectives of the establishment of these institutions (especially for private educational institutions); c). Can prevent mistakes, leaks, or deviations in funds from the original plan; d). Irregularities will be able to be controlled if management goes well as expected; if this leakage occurs, it will adversely affect both the financial management of the direct supervisor and treasurer as well as the educational institution itself.<sup>13</sup>

From the explanation above, financial management of schools or educational institutions must pay attention to aspects of good financial management starting from planning, organizing, implementing, to supervision to realize the goals of educational education.

### **Educational Performance**

In general, performance can be interpreted with quantitative and qualitative measures that describe the level of achievement of a goal or goal that has been set by taking into account the input, process, and output indicators. Performance assessment includes educational performance to obtain an explanation of the implementation of educational programs in accordance with the stated objectives.

In the journey and practice of implementing regional autonomy which also has implications for the autonomy of the education sector, it certainly faces various obstacles, such as the unpreparedness of some regions to respond to regulations regarding funding or education funding. From the results of research conducted by Rossy Lambelanova in

---

<sup>13</sup> Mintarsih, et all, *Manajemen...*, p. 34



West Bandung Regency, the implementation of regional autonomy in the field of education shows that there are still many problems encountered in the field, including the unequal access to education, the high number of dropouts, and policies in the regions that are still required with interest (interest affected).

In general, post-regional autonomy education performance has indeed improved, especially in matters relating to curriculum development, infrastructure management, and empowerment of local communities. With the division of tasks and authority in the management of regional education no longer fixated on central government policy, on the contrary proactive in solving various problems or challenges faced by the region, especially in the field of education services.

The 2018 Ministry of Education and Culture's Performance Report shows that of the fifteen strategic objectives with 45 performance indicators to be achieved, at least there has been an increase in educational performance that is evident from the results of regional autonomy, especially from 2015-2018 namely in the form of: a). Increasing the integrity index for the implementation of national examinations both at the junior high school / equivalent level and at the senior high school / equivalent level, b). Increased equal distribution of opportunities for education, especially at the age level of primary and secondary education, c). Increasing the quality of cultural governance to realize and encourage sustainable development. d). Increasing the quality and relevance of education personnel, e). Increased education facilities and infrastructure. f). Increasing the professionalism of teachers in the teaching staff, g). Increasing the welfare of teachers or education personnel. h). Increased participation of parents and stakeholders involved in education, i). Increasing the quality of services and graduates of primary and secondary education. k). Increased responsiveness and responsibility of local governments in improving the quality and quality of education.<sup>14</sup>

In general, Indonesia's education has increased in terms of expanding access, but in matters relating to the quality of education, as reported by the World Bank the quality of Indonesian education is still low, even though education reform has been announced during the past 16 years. Indonesian education is still below the position of our neighboring countries such as Malaysia and Singapore, even though the budget for education is equivalent to 20% of the total state budget (APBN).

---

<sup>14</sup> See the Ministry of Education and Culture Report 2018, Jakarta: Ministry of Education and Culture, p. 9-98.

The performance of education after the stipulation of regional autonomy is very diverse, this is because educational performance is largely determined by the vision, mission and programs of each autonomous region, also influenced by the policies of each local government. But certainly, regional autonomy provides enormous opportunities and space for regions and education units to provide the best for improving the quality and quality of education in the regions or institutions they lead.

## **CONCLUSION**

The implementation of regional autonomy provides great space and opportunities for regional governments and communities to improve services in the field of education and develop various educational potentials in the regions, especially in education funding.

Law number 20 of 2009 and Law number 32 of 2003 and Government Regulation number 48 of 2008 concerning regional financial balance has mandated the education budget allocation of at least 20% of the state budget (APBN) and 20% of the Regional Revenue and Expenditure Budget which, if this mandate is carried out will be able to improve the quality and service of education nationally.

The education process cannot run without the support of cost and quality teaching staff. It is almost certain that there are no efforts or activities in the field of education that do not require funds, both direct and indirect costs. In financial management, good and correct financial management is needed so that education funding can be effective and efficient.

Regional autonomy and education funding will only be able to improve education performance if implemented properly, in accordance with procedures and a good budget management system as well as increasing public participation in education financing in various forms.

In general, the autonomy of education has increased the expansion of access to opportunities for education, but is still constrained by the quality and quality of education as expected.

## **SUGGESTIONS**

The implementation of education autonomy and education funding need to be increased at the regional and education unit levels. The central government must continue to synergize with local governments, especially in the areas of funding, guidance and supervision.

In addition, the role of the community in management and financing needs to be increased in various forms by not handing over education funding only to the regional government, so that the implementation of autonomy in the field of education can run as expected, which can improve the quality and performance of national education in general.

## REFERENCES

- Clark, D, et.al. (1998). *Financing of Education in Indonesia*, Manila: Asian Development Bank.
- Harefa, A. (2001). *Pembelajaran di Era Serba Otonomi*, Jakarta: Buku Kompas.
- <http://www.zonareferensi.com/pengertian-otonomi-daerah/>. (2019). Accessed on September 27<sup>th</sup> passed 16.21 WIB
- Irianto,S, ed. (2012). *Otonomi Perguruan Tinggi-Suatu Keniscayaan*, Jakarta: Yayasan Pustaka Obor Indonesia.
- Ministry of Education and Culture's annual performance report. (2018), Jakarta, Kemendikbud.
- Mintarsih. (2004). *Manajemen Keuangan Sekolah*, Jakarta: Uhamda Press.
- Roni. (2015). Jurnal Mimbar, Vol. 31, No 1 Pusat Penerbitan Universitas, Bandung: LPPM Unisba (June)
- Rosyada, D. (2017). *Madrasah dan Profesionalisme Guru dalam Arus Dinamika Pendidikan Islam di Era Otonomi Daerah*, Depok: Kencana
- Sagala, S. (2006). *Manajemen Berbasis Sekolah dan Masyarakat*, Strategi Memenangkan Persaingan Mutu, Jakarta: Nimas Multima, Cet.Ketiga.
- Suharsaputra, U. (2013). *Administrasi Pendidikan*, Bandung: Refika Aditama.
- Suyatno & Hisyam, D. (2000). *Refleksi dan Reformasi Pendidikan di Indonesia Memasuki Milenium III*, Yogyakarta: Adi Cita Karya Nusa.
- The Law of Indonesia Number 20. (2003). National Education System.
- The Law of Indonesia Number 22. (1999). Local Government.
- The Law of Indonesia Number 32. (2003). Local Government.