

Handbook on
Budgeting and
Financial Oversight

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Dr. M. Ikhsan Modjo

FOREWORD

Secretary General of the House of Representatives of the Republic of Indonesia

The members of the House of Representatives of the Republic of Indonesia (DPR RI) of the 2009-2014 period are the people's representatives elected by the third general election after the Democratic Reform, the advent of democracy in Indonesia. Compared to previous post-Reform elections, we may say that the 2009 election has gone through a more mature democratization process.

The positive development of democracy in Indonesia intensifies the people's demand on their representatives in the DPR to improve their work performance and quality compared to previous periods. In truth the demand must also take account of the fact that the majority of the people's representatives of this period is new to the DPR. They would need relatively more time to study and comprehend their tasks and authorities in performing their functions as the people's representatives.

In addition, it is necessary to immediately familiarize DPR members of this current period with their role, function, tasks, and authorities, because the recently issued Law No. 27/2009 on the People's Consultative Assembly, House of Representatives, House of Regional Representatives, and Regional House of Representatives has changed several regulations on the system and procedures of representative institutions in Indonesia.

We understand that in order to improve work performance, DPR members need to increase their knowledge and understanding of their main tasks and functions according to new developments, including new adjustments to existing laws. To help increase such knowledge and understanding, the General Secretariat of DPR is cooperating with Parliamentary Support Programme of UNDP to compose eight handbooks for DPR members.

To optimally realize the hopes and intentions of this book, we have composed this book: (1) based on regulations according to Law No. 27/2009 on the People's Consultative Assembly, House of Representatives, House of Regional Representatives, and Regional House of Representatives, which is currently the main foundation for the system and procedures of representative institutions in Indonesia; (2) with the goal to fill practical needs; (3) complete with best practices in Indonesia or in other countries.

It is our hope this book will have significant positive impact on the work performance of the DPR.

Secretary General DPR RI,

Dra. Hj. Nining Indra Shaleh, M.Si.

PREFACE

UNDP Parliamentary Support Programme

On this occasion, the United Nations Development Programme (UNDP) would like to congratulate the new members of the House of Representatives (DPR) of the Republic of Indonesia, 2009-2014. We wish you success in your public endeavours. We would like to take this moment to express our gratitude to the Secretariat General of the DPR RI, the Australian Agency for International Development, and The Asia Foundation for their unwavering support in the development of these handbooks. Finally, we also would like to thank the authors themselves for generously sharing their expertise and experience.

Becoming a member of parliament is a great honor, but it also entails great responsibility. Certainly, the House Members are expected to not only listen to the people, but also represent them and respond to their needs in a timely and effective manner. The UNDP Parliamentary Support Programme gives its full support to the Secretariat of DPR RI and all the House Members in the representation of their constituents.

The Handbook on Budgeting and Financial Oversight is written to support the members of the House of Representatives, particularly in the budgeting and oversight process. This book illustrates the members' authority regarding the national budget process, including their revising and auditing roles. It also describes the oversight role of the members pertaining the government's implementation of the national budget. Moreover, the book also includes various best practices helpful to consider when creating a more democratic parliament, in regards to their legislation and budgetary process. The book also covers the the revision of the national budget and budget auditing process.

The success of parliamentary democracy in Indonesia depends much on the work of its members. For that reason, the public will have a great interest in overseeing the members' work in parliament. To support the effectiveness of the members' work, this handbook describes best practices from various democratic countries. The UNDP Parliamentary Support Programme is also continuously supporting the work of members with the necessary knowledge and technical assistance.

We hope that members will find this handbook useful, and will refer to it regularly as a source of information in carrying out their duties. We have compiled complicated and complex issues into a simple and easy-to-read format. We wish all the members the best of luck in all their future work.

Yours sincerely,

UNDP Parliamentary Support Programme

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CHAPTER I

The Budget Cycle

Introduction

The State Revenue and Expenditure Budget (National Budget/*Anggaran Pendapatan dan Belanja Negara/APBN*) is the government's annual financial plan that requires the concurrence of the House of Representatives (*Dewan Perwakilan Rakyat/DPR*), following a series of consultation processes. The APBN also serves as the main indicator of the state's concern with improving the people's welfare.

Therefore, the content of the budget is very important. In this matter, the DPR is certainly more than a mere "rubber stamp", as the DPR can alter, add to, or even refuse to approve the government's plan.

Furthermore, the DPR now has a specifically defined function with regard to the budget. Article 20A of the First Amendment to the 1945 Constitution stipulates that the three functions of the DPR are legislation, budget, and oversight.

Specifically with regard to the budget function, the DPR has what is called the budget right. Pursuant to Article 23 section (2) of the Third Amendment to the 1945 Constitution, the government submits the draft National Budget to the DPR for deliberation. If it approves it, the DPR will ratify it as the National Budget Law.

The DPR's budget right is intended to ensure that the people's representatives can directly know about and clearly identify the allocations of funds in the government budget, with the hope that irregularities can be prevented.

This is no minor issue, as it relates to the fate of over 200 million citizens.

To ensure that sensitivity and concern for the citizens is maintained and plays a maximum role, a senior DPR figure in the budget sector, the late Abdullah Zainie, Deputy Chairman of the Supreme Audit Agency (BPK) for 2004-2009, gave some very wise advice:

1. The DPR needs to have a specific time to discuss the budget process. Study it carefully so that the process runs smoothly;



2. The DPR needs to master the entire structure and process of the budget. For this purpose, basic knowledge of economics and National Budgets needs to be mastered;
3. The DPR must not simply play a role of "approving or not" in the process of deliberating the budget. Far more than that, there must be an interactive process in the deliberations, so that the budget that is produced is fully in line with constitutional principles. The DPR also has to be able to study and analyze the budget in detail, based on its existing functions;
4. The budget should be used by the government and the DPR to act as partners with an interest in achieving the same goals. Bear in mind that the interests of the state must prevail over the interests of political parties.

The Budgeting Process

The budgeting process includes an entire series of activities, starting with formulation of policy, continuing through planning and implementation, and ending with accountability. In this series of activities, the Government, as the executive branch, is the party that starts with a plan, which is then discussed and approved by the DPR as the legislative branch. Only then is the budget implemented.

As the legal basis for the DPR's role in budget management policy, as well as referring to DPR Decision No. 08/DPR RI/2005-2006 on the DPR Standing Orders several laws are also relevant:

1. Law Number 17 of 2003 on State Finances;
2. Law Number 1 of 2004 on the State Treasury; and
3. Law Number 15 of 2004 Audits of Management and Accountability for State Finances.

One important note or principle in the formulation of the APBN is that the National Budget is formulated on the basis of performance. For this reason, the government has complemented it with Government Regulation Number 20 of 2004 on Government Work Plan (*Rencana Kerja Pemerintah/RKP*) and Government Regulation Number 21 of 2004 on Drafting of Work Plans and Budgets of Ministries and State Institutions (RKA-KL), as the implementing regulations to put into operation the performance-based budget policy.

Drafting, Deliberating and Promulgating the National Budget

Before the government submits the Draft National Budget (*Rancangan Anggaran Pendapatan dan Belanja Negara/R-APBN*), there is a preliminary process, typically taking place in May each year. The Government requests initial input from the DPR, which is then formulated into a draft that is resubmitted to the DPR. In the process of drafting, deliberating and promulgating the APBN, several entities and processes are involved:

The Budget Committee (*Badan Anggaran*)

This is a permanent standing committee established by the DPR. Its members are taken proportionally from all the parliamentary party groups. In executing its functions, this committee has a Secretariat and a Team of Experts.

The main duty of the Budget Committee is to deliberate the APBN. The forums used for this are usually working meetings with the government, hearings, and public hearings. Unfortunately, public hearings are very rarely held, though in fact these can provide a space for communication between the people's representatives and entities or groups of citizens they represent.

At certain times, the Budget Committee may consult with the DPD or conduct comparative studies, with the approval of the DPR Leadership. The results are reported in Budget Committee Meetings to determine further action.

The Budget Committee can also establish Working Committees (*Panitia Kerja/Panja*). Typically there are three of these: the Working Committee on Macro Assumptions, Revenue and Deficit/Financing; the Working Committee on Central Government Ministry/Institution Expenditures; and the Working Committee on Local Government Expenditures.

These working committees have the duty of providing input to the Consultative Committee (*Badan Musyawarah*) on matters that are considered necessary to include in the DPR agenda. In performing its duties, the Budget Committee may prepare a draft budget in line with the needs, which is then forwarded to the DPR's Internal Affairs Committee (*Badan Urusan Rumah Tangga/BURT*).

As a comparison, consider the Congressional Budget Office (CBO) model that has been adopted by certain countries. This is an excellent idea, as an institution that helps to oversee the entire budgeting process.

This institution is non-partisan, independent, objective, and transparent. As an assistant to the legislature, its main duty is to provide accurate information and analysis to help achieve a National Budget that meets the public's aspirations, without bringing the executive and legislative branches into conflict.

The existence of a CBO would deepen the budget analysis performed by the legislature, and put it on the same level with the executive, as it is supported by independent persons with strong ability in forming budget policy.

Preliminary Discussion between the Government and the DPR

The Budget Year runs from 1 January through 31 December, but the budget drafting process starts in the preceding year. Pursuant to Article 14 section 1 of Law Number 17 of 2003 on State Finances, cabinet ministers/heads of state institutions, as the users of the budget/ users of goods, shall formulate their ministries'/institutions' work plans and budgets for the following year.

These work plans and budgets are prepared based on the work performance that is to be achieved. An estimated budget is then also prepared for the following year, that is, the period following the budget year being prepared.

These work plans, commonly known as state ministry/institution work plans, are compiled into the Government Work Plan. Pursuant to Article 24 section 1 of Law No. 25 of 2004 on the National Development Planning System, this consolidated work plan serves as the guideline for formulating the Draft National Budget.

The work plan that has been arranged by the government will, of course, require funding or financing. Therefore, a draft budget is prepared to accompany the work plan. The work plan and the financial plan are a single, indivisible document, called the Work Plan and Budget (*Rencana Kerja dan Anggaran/RKA*).

The preliminary planning documents from the ministers/heads of state institutions are forwarded to the Finance Department to be processed into a fiscal policy package to support economic development and stability. The results are discussed by the President and the ministers in a cabinet meeting that produces the RAPBN.

The cabinet meeting results are then further refined and synchronized in a forum to prevent program overlaps between government agencies. The participants include all ministerial offices and state institutions as well as local governments; this event is called

the national development planning conference (*Musyawarah Rencana Pembangunan Nasional/Musrenbangnas*).

The results of this deliberation, in the form of the basic elements of fiscal policy and the macroeconomic framework for the next year's RAPBN, are submitted to the DPR in May. Its contents include:

1. Basic macroeconomic assumptions (economic growth, inflation, three-month Bank Indonesia Certificate (SBI) interest rates, currency exchange rates, oil price, oil production (lifting);
2. Policy on state revenues;
3. Policy on state expenditures;
4. Policy on deficit and financing.

One month before this draft is submitted, a preliminary meeting is held between the DPR and the Finance Department's Fiscal Policy Agency. The purpose is to make it easier for the DPR to understand and discuss the material submitted by the government. On this occasion, the government issues its quarterly report on fiscal and economic conditions and its estimates for the future.

From this report, it is expected that the DPR will obtain an overview of current fiscal developments and the macroeconomic framework, as well as the future estimates. Also using this material, the government and the DPR discuss the general policy and priorities of the budget to serve as a reference for all state ministries/institutions in preparing their budget proposals.

The results of this preliminary discussion are binding on the government. The input from the DPR is only notes written for the government's attention. However, if this input is ignored or not included in the official RAPBN, this could lead to heated discussions in the official deliberation when the RAPBN is officially proposed in August.

Submission, Deliberation and Promulgation of the National Budget

The preliminary process is not over yet. Normally in May and June, there are further discussions between the government and the DPR, which is represented by the Budget Committee. At this stage, the team from the government comprises the Minister of the Finance, the State Minister for National Development Planning/Head of Bappenas, and the Governor of Bank Indonesia (BI).

All input from these preliminary meetings serves as the basis for preparation of the Bill (*Rancangan Undang-Undang/RUU*) on the APBN and the Financial Note. This Financial Note contains the government's description of global and domestic economic conditions, the fundamental macroeconomic assumptions, fiscal risk, and the main points of future budget and expenditure policies.

In early July, the government presents its first-semester report on fiscal and macroeconomic developments and its projections to the DPR. This report is an update to the quarterly reported presented to the DPR in early April.

Finally, on 16 August, the President arrives to make a speech to introduce the Budget Bill and the Financial Note during a plenary session of the DPR. The DPR responds with the general views of the Party groups on the Bill and the Financial Note. The Government then presents its response to the general views.

In September and October, the government and the Budget Committee discuss the proposed budget in greater detail (Level I Discussion). Then, in late October, the Level II Discussions are held and a decision is made on the Budget Bill and the Financial Note. These discussions cover:

1. The Budget Committee's Report on the Level I Discussions;
2. Final opinions of the party groups on the Budget Bill;
3. Final opinion of the Government on the Budget Bill;
4. Decision making on the Budget Bill.

That is the process whereby the State Revenue and Expenditure Budget and the Financial Note are created – a lengthy process involving protracted dialogue and planning, ending with the passage of the Budget Law.

Implementation and Submission of the Revised National Budget

After the APBN is promulgated, the budget implementation period begins on 1 January. The Minister of Finance instructs all ministers/heads of state institutions to submit the budget implementation documents of their respective ministries/institutions.

After the budget implementation documents are ratified by the Minister of Finance, these documents are submitted to the ministers/heads of institutions, the state treasury authority, and the Supreme Audit Agency (*Badan Pemeriksa Keuangan/BPK*). The legal basis for this can be seen in Law Number 17 of 2003 on State Finances, Article 14, sections 1-5.

These documents serve as the basis for government activities. For the purposes of these activities, budget users/budget managers have the authority to enter into commitments/agreements with other parties within the budget limits that have been set. This provision is contained in Law Number 1 of 2004 on the State Treasury, Articles 1-2.

Though it seems quite rigid, the APBN is not a “holy scripture” that can not be altered. However, there are several indicators that may prompt the emergence of revisions:

1. macroeconomic developments that are not in line with the assumptions used in the APBN, for example, sudden sharp increases in crude oil prices;
2. changes in the basic elements of fiscal policy;
3. circumstances that necessitate shifting budget between organizational units, between activities, or between types of expenditure;
4. circumstances that require the remaining budget from the previous year to be used to finance the budget of the current year. (Article 27 section (3), Law No. 17 of 2003).

Furthermore, in an emergency, the government may make expenditures for which the budget is not yet available. Proposals can go through the revision of the APBN or reported through the Budget Realization Report mechanism.

The process for the revision of the National Budget, usually referred to as the Revised National Budget (*APBN Perubahan*), is basically the same as for the original budget. The only minor difference is that it does not go through the stage of general views of the DPR party groups and the government's response to those views. Yet in principle, it is the same: it starts as a bill and is then passed by the DPR as a Law.

This provision is set forth in Law Number 17 of 2003 on General Provisions. For Local Government Revenue and Expenditure Budgets (*Anggaran Pendapatan dan Belanja Daerah/APBD*), the regulation explains that revisions and accountability for implementation shall be stipulated through Local Ordinances.



On the government side, the party that has the duty of preparing the draft Budget and its revisions is the Minister of Finance. In the regions, the Local Government Financial Management Official has the following duties: (i) preparing and implementing policy on local budget (APBD) management; and (ii) preparing the draft APBD and draft Revised APBD.

We now come to accountability for implementation of the APBN. For this purpose, the President submits an Accountability Bill to the DPR together with the government's financial statements, which have been audited by the BPK. This report should be submitted no later than six months after the end of the fiscal year. These financial statements include:

1. Report on Realization of the National Budget;
2. Government Balance Sheet;
3. Statement of Cash Flows;
4. Notes to Financial Statements attached to the financial statements of state companies and other entities.

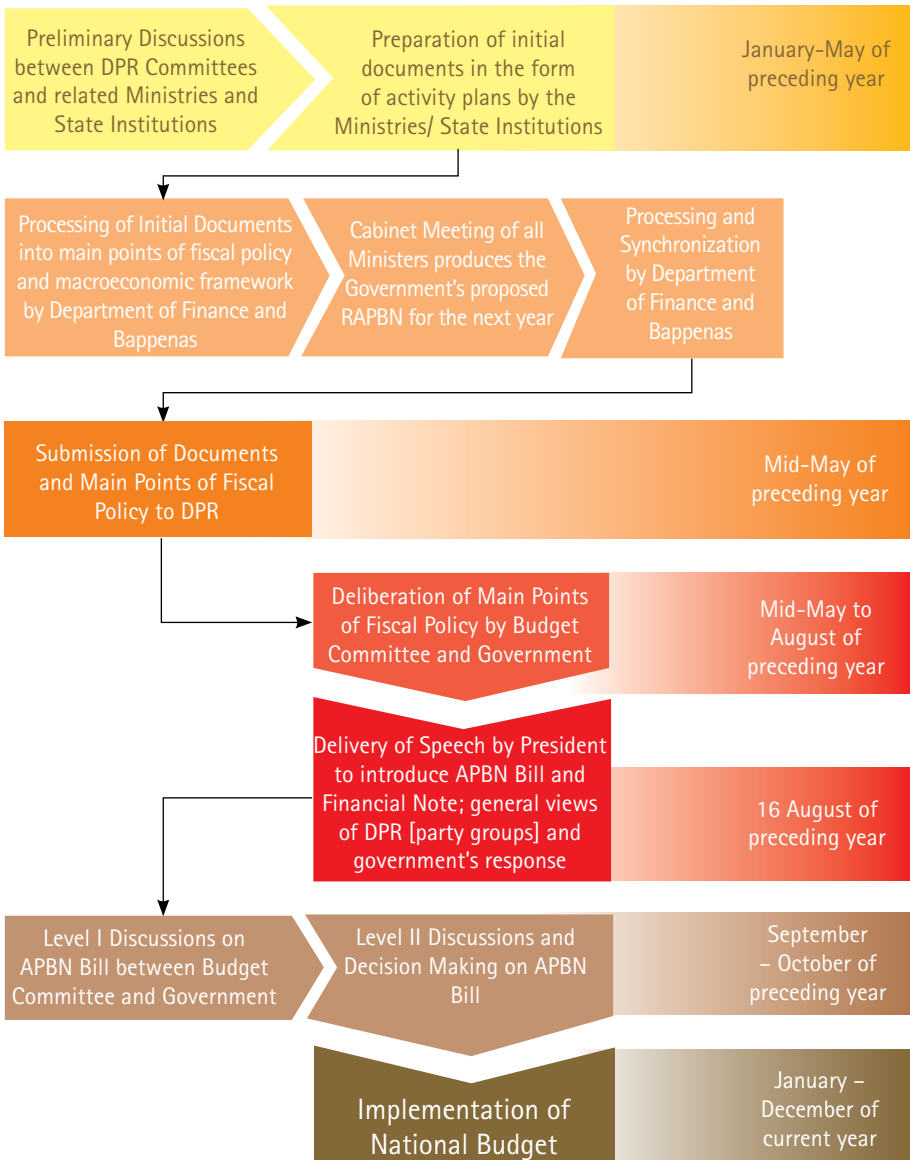
Table 1
Timeline for Drafting, Discussion, and Promulgation of the National Budget

No.	Activity	Executors	Time	Notes
1	Preparation of preliminary documents in the form of activity plans of state ministries/institutions to then be submitted to the Ministry of Finance	State Ministries/ Institutions	January-May of previous year	
2	Processing of documents into package of main points of fiscal policy and macroeconomic framework	Department of Finance/ Bappenas	January-May of previous year	
3	Cabinet meeting attended by all ministers produces the Government's proposed Draft National Budget (RAPBN) for the coming year	Cabinet ranks	January-May of previous year	

No.	Activity	Executors	Time	Notes
4	Submission and deliberation of the main points of fiscal policy and macroeconomic framework to serve as material for drafting the National Budget Bill (RUU APBN) and Financial Note	Budget Committee, Minister of Finance, State Minister for National Development Planning/ Head of Bappenas, Governor of Bank Indonesia	Mid-May of previous year	
5	Presentation of speech to introduce the National Budget Bill and Financial note; General view of party groups and Government's Response	President/ Head of State, DPR in Plenary Session, DPR Party groups	August 16 of previous year	
6	Level I Discussion of National Budget Bill and Financial Note	Budget Committee and State Ministers/ Heads of State Institutions	September-October of previous year	
7	Level II Discussion and Decision Making on National Budget Bill	Budget Committee, Party groups, Government ranks	Late October of previous year	
8	Implementation of National Budget (APBN)	Government and DPR	1 January – 31 December of current year	
9	Report on Semester I Realization and Prognosis for Semester II	Government, in this case Department of Finance and Budget Committee	Late July of current year	
10	Submission of Bill on Accountability for Implementation of APBN	President and DPR in Plenary Session	Late July of following year	
11	Submission, Deliberation and Promulgation of Revised National Budget Bill	Government and DPR	Any time during current year	Only if required

Figure 1

Flow Chart of Drafting, Promulgation, and Implementation of the National Budget





CHAPTER II

Structure of the National Budget and Its Presentation

Introduction

In this section we will discuss the National Budget (APBN) in greater detail. As a preliminary overview, the government's financial books contain a systematic and detailed list of planned state revenues and expenditures for one budget year, from 1 January through 31 December. The APBN, Revised APBN, and Accountability for APBN each year are stipulated in Laws.

The APBN is the government's instrument to manage the economy and promote the public welfare. Therefore, the APBN is not merely an economic decision but also a political one. In this context, the DPR, with its rights of legislation, budgeting and oversight, needs to play a greater role in guarding the budget so that everything proceeds properly within the corridors of good governance.

The legal basis and guidelines for good governance in management of government finances are Law Number 17 of 2003 on State Finances, Law Number 1 of 2004 on the State Treasury, and Law Number 15 of 2004 on Audits of Management and Accountability for State Finances.

Functions and Roles of the National Budget in the Economy

The National Budget, or APBN, plays an important role in the national economy. Just imagine: The budget set forth in the government's accounting records has a value of IDR 1,000 trillion – one-sixth of the total gross national product (GNP) of IDR 6,000 trillion. In addition, the APBN also contains the strategic allocations for priority expenditures.

In the economic cycle, the National Budget is commonly used as an instrument to mobilize investment funds, particularly for public investment, which is usually included in the goods expenditure and capital expenditure in the APBN.

The budget can also be used as an instrument to mobilize investment, both domestic and foreign investment, which can be achieved by granting incentives. These may include tax relief, import duty facilities, or construction of infrastructure to attract private/foreign investment in certain sectors or regions.

The National Budget can also be used as an instrument to stabilize the economy. The government can expand the amount of the budget deficit when the economy is weak, or in a recession or crisis. Increasing the deficit, for example by cutting taxes, will stimulate consumption, thereby stimulate economic activity in general.

In contrast, when the economy is booming, the budget deficit can be reduced or even, as needed, converted to a surplus. Through this pattern, the pressure of consumer expenditure and private investment will be reduced, in turn reducing pressure on prices.

Apart from the two roles above, the National Budget also plays a role in strategic allocation of funding. Governments can place emphasis or set priorities for development on a sectoral and/or regional basis.

Put simply, it's like this: say the government wants to emphasize development in certain sectors such as defense, education, or agriculture; the budget allocations for those sectors will be increased.

In contrast, the sectors that are lower priorities will receive ordinary budget allocations. On this basis, it is fair to say that a government's priorities are reflected in its budget allocations.

Structure of the National Budget

The current structure of the APBN employs Government Financial Statistics (GFS) in the "I Account" format, which contains a description of the macroeconomic system, designed to support the state's fiscal analysis. The I Account is a financial balance sheet system in which budget revenues, expenditures, and financing are all recorded in one column. In this regard, several fundamental changes took place in the budget system in 2000.

First, the change of the budget year from the fiscal year (April-March) to the calendar year (January-December). During the transition period, in the year 2000, the implementation of the APBN lasted only nine months.

Second, the change in the budget system from a balanced budget to a deficit budget, caused the format of the APBN to undergo adjustment from the T-account format to the I-account format. Unlike the I-account, the old T-account arrangement was a financial balance sheet system that recorded revenues, expenditures and financing in two different columns, and classified budget items as either debits or credits.

In the I-account format, entries for revenues, expenditures and budget financing are all placed in a single column.

The I-account format is generally categorized into two parts: the "above the line" section records the amounts of state revenues and expenditures, while the "below the line" section records the amount of budget financing.

Third, several types of state revenues and expenditures were reclassified. This was to bring the budget into line with internationally prevailing standards. Development revenues and payments of loan principal became parts of budget financing.

Fourth, the addition of several new items to anticipate the implementation of fiscal decentralization, which started in 2001 (to implement Law Number 25 of 1999 on Financial Balance between the Central and Local Governments). For example, natural resource revenues started to appear, and were then separated into oil and gas resource revenues, and income tax on oil and gas.

The GFS uses accounting and economic principles to gather statistical data, and presents fiscal data in an analytical work framework that includes appropriate balancing entries. Thus, it can be said that the main objective of the GFS system is to provide a comprehensive conceptual and accounting framework.

The GFS system can be used to analyze and evaluate a country's fiscal policies, both in the government sector and in the broader public sector. In the future, the APBN's GFS structure will also involve information on local budgets (APBD) for all of Indonesia, in order to present the overall strength of the state/local government budget. This is because the "National Budget" actually includes not just the APBN but also the many APBD.

In broad terms, the current structure of the National Budget consists of:

- a) Arrangement of state revenues and grants
- b) Arrangement of state expenditures
- c) Primary fiscal balance
- d) APBN surplus/ deficit
- e) Net financing



Below is a description of each of these items:

a. State Revenues and Grants

State Revenues and Grants are all state revenues that derive from tax revenues, non-tax state revenues (*Penerimaan Negara Bukan Pajak/PNPB*), cost recovery, and grant revenue, both domestic and foreign.

1. Tax revenues consist of
 - a. Domestic Taxes: all state revenues derived from Income Tax, Value Added Tax, Land and Building Tax, Land and Building Title Transfer Duty, Customs, and other taxes.
 - b. International Trade Taxes: all state revenues derived from Import Duty and Export Duty.
2. Non-tax state revenues (PNBP) are all revenues received by the state in the form of:
 - a. Natural Resource Revenues (Oil & Gas and Non-Oil & Gas).
 - b. Share of profits of State-Owned Enterprises.
 - c. Other PNBP.
 - d. Revenues of public service agencies (*Badan Layanan Umum/ BLU*).
3. Cost recovery: Cost recovery is the reimbursement of costs that have been expended (recoverable cost) by cooperation contract contractors (*Kontraktor Kontrak Kerja Sama/ KKKS*) in using the proceeds of oil and natural gas production in accordance with the prevailing rules and regulations.
4. Grants: The term "grant" refers to assistance derived from the private sector, whether domestic or foreign, and from foreign governments.

b. State Expenditures

State expenditures are all expenditures by the state that are used to finance central government expenditures and transfers to the regions.

1. Central government expenditures are expenditures allocated to the state ministries/ institutions in line with the programs of the government work plans that are to be carried out. In terms of their function, these expenditures include performing the functions of public services, defense, order and security, economy, environment, housing and public facilities, health, tourism and culture, religious affairs, education, and social protection.

In terms of their types, central government expenditures include government expenditures used to pay for personnel, expenditures on goods, capital expenditure, loan interest, subsidies, grant expenditure, social assistance, and other expenditures.

- a. **Personnel expenditure.** Remuneration in the form of cash or goods provided to central government employees, pensioners, personnel of the Indonesian National Military (TNI)/ State Police of the Republic of Indonesia (POLRI), and state officials, as compensation for work that has been done, except for work related to creation of capital.
- b. **Goods expenditure.** Purchases of goods and consumable services to produce goods and services, whether marketed or not; including procurement of goods intended to be delivered or sold to the public, and travel expenses.
- c. **Capital expenditure.** Expenditures for the purpose of creating capital in the form of land, machinery and equipment, buildings and structure, networks, and other physical forms of capital.
- d. **Payment of loan interest.** Expenditures to pay liabilities incurred for the use of loan principal (principal outstanding), both domestic and foreign, calculated on the basis of the terms and conditions for loans outstanding and additional new loans; including expenses related to debt management.
- e. **Subsidies.** Budget allocations provided to companies/ institutions that produce, sell, export or import goods and services that meet the needs of the people, so that the public can afford the sale price. Energy subsidies are budget allocations provided to companies or institutions that produce and/ or sell oil-based fuels and electric power so that the selling prices are affordable to the public who needs them.
- f. **Grant expenditure.** Central government expenditures in the form of cash, goods, or services given to local governments, state-owned business entities, local government-owned business entities, governments of other countries, or international organizations/ institutions, which need not be repaid, are of a non-obligatory and non-binding nature, and are not continually allocated.

c. Primary Fiscal Balance

The primary fiscal balance is the difference between state revenues and state expenditures outside of the payment of loan interest.

d. Budget Surplus/Deficit

The budget surplus/deficit, also known as the overall balance, is the difference between state revenues and state expenditures. The APBN is said to be in surplus if total state revenues exceed state expenditures, and vice versa. The APBN is balanced if state revenues are equal to state expenditures.

In Law Number 17 of 2003 on State Finances, the maximum permitted limit for the APBN deficit is 3 percent. This limitation is intended, among other things, to reduce the level of dependence on borrowing and other macroeconomic ramifications that might result.

e. Financing

Financing comprises all forms of financing revenues that are used to cover the National Budget deficit in the APBN and expenditures to cover financing costs. Financing can be obtained domestically or from abroad.

1. Domestic financing is all revenues derived from domestic banks or non-banking sources, and comprised of proceeds from privatization, proceeds from asset management, net issuance of government bonds and domestic borrowing, less financing expenses, which consist of government investment funds, revolving funds, liabilities arising from government guarantees, state equity participation, and financing reserves.
2. Net foreign financing is comprised of all financing derived from disbursement of foreign loans, which consist of program loans, project loans, and subsidiary loan agreements to state-owned enterprises, local government-owned enterprises, and/or local governments, less installment payments of foreign loan principal.

Table 2

Differences in Characteristics between the National Budget Law and Non-Budget Laws

Component	National Budget Law	Non-Budget Laws
Legal basis	Article 23 of the 1945 Constitution	Article 5 section (1) and Article 20 section (1) of the 1945 Constitution
Function of DPR	Budget Function	Legislation Function
Rights of DPR	Budget Right	Legislative Right
Validity period	One year	Depends on needs and amendments
Binding upon	Government	The entire nation
Position of Government/ President	Proponent	Proponent or recipient of proposal
Position of DPR	Party that grants approval for government proposal	Proponent or recipient of a proposal
Content	Sets National Budget policy	Stipulates state policy in certain sectors
Mechanism for submission to DPR	President submits in person, together with financial note	Government represented by a minister delegated by President
Possible to establish in form of Perpu (Presidential Regulation in Lieu of Law)	No	Yes
Constitutional recourse if DPR does not approve	Use previous year's Budget Law	Bill may not be resubmitted during the current session
Mechanism for revising the content of Law	Government proposes a Revised Budget Bill before the end of budget year	Government proposes an Amendment Bill based on certain considerations
Legal acts performed	Governmental acts	Legislative acts
Possible violation of constitutional rights	No	Possible
Possibility of DPR-initiated Bill	No	Yes

Source: staff.ui.ac.id/internal

Table 3
Indonesia's National Budget for 2009 (in IDR trillion)

Account	APBN
A. Revenue and Grants	985.73
I. Domestic Revenues	984.79
1. Tax Revenues	725.84
2. Non-Tax Revenues	258.94
II. Grant Revenues	0.94
B. State Expenditures	1,037.07
I. Central Government Expenditures	716.38
1. Personnel expenditures	143.56
2. Goods expenditures	77.69
3. Capital expenditures	93.80
4. Subsidies	166.70
a. Energy subsidy expenditures	103.57
b. Non-Energy subsidy expenditures	63.13
5. Loan interest payments	101.66
a. Domestic loan interest payments	69.34
b. Foreign loan interest payments	32.32
c. SUN (State Debenture) Discount payment expenditure	0.00
d. Loan interest payment expenditure	0.00
e. Other	0.00
6. Social Assistance	67.85
a. Social compensation assistance expenditure	0.00
b. Institutional social assistance expenditure	0.00
c. Other social assistance expenditure	0.00
d. Other	67.85
7. Other Expenditures	65.12
II. Transfers to Local Governments	320.69
1. Balancing funds	296.95
a. Profit sharing funds	85.72
b. General allocation funds	186.41
c. Special allocation funds	24.82
d. Other	0.00
2. Adjustment and Special Autonomy Funds	23.74
a. Adjustment funds	14.88
b. Special autonomy funds	8.86
c. Other	0.00



Account	APBN
C. Primary Fiscal Balance	50.32
D. Budget Surplus/ (Deficit)	(51.34)
E. Financing	51.34
I. Domestic Financing	60.79
1. Domestic banks	16.63
a. Government bank accounts (gross)	16.63
b. Ex moratorium for Aceh and Nias, North Sumatra	0.00
c. Other	0.00
2. Domestic Non-Bank	44.16
a. Privatization	(13.12)
b. Sale of Assets - Banking restructuring program	2.57
c. State Bonds (net)	54.72
d. State equity participation/ Infrastructure support	0.00
e. Other	0.00
II. Foreign Financing (net)	(9.45)
1. Disbursement of foreign loans	52.16
a. Program loans	26.44
b. Project loans	25.72
c. Other	0.00
2. Payment of foreign loan principal installments	(61.61)
a. Fallen due	(61.61)
b. Rescheduling	0.00
c. Other	0.00
F. Financing Surplus/ (Shortfall)	0.00



Budget Deficit

As noted earlier, a deficit occurs when state expenditures are greater than revenues. Two important deficit concepts are as follows:

- a. The Overall Balance is the difference between total state expenditures and state revenues.
- b. The Primary Fiscal Balance is the difference between state expenditures other than loan interest payments and state revenues.

The difference between the overall balance and the primary fiscal balance in the APBN is intended to show and differentiate the impact that could be produced by the budget on the overall economy. By eliminating the element of loan interest payments, the actual amount of state expenditure is reflected more accurately, and the impact on the economy is also more measurable.

Therefore, the primary fiscal balance deserves more attention than the overall balance, because it provides a more genuine measure of the capability of state revenues relative to expenditures.



CHAPTER III

**The DPR's Role in
Budget Oversight**

Introduction

A parliament's role in relation to budgets is intertwined with history. In the United Kingdom, parliament has existed for at least 800 years. The British monarch requires concurrence from the House of Commons when funds are needed for war or other administrative purposes.

This requirement of parliamentary approval was a very meaningful restriction on the power and authority of the king at the time. And since 1422, no new forms of taxes or levies have been created without the approval and support of the Parliament.

Nowadays, parliamentary approval for state taxation and expenditure policies is a practice that is applied in nearly all democratic countries, including Indonesia. In principle, the budget is an instrument to measure the government's accountability.

Budgeting reflects all the promises and commitments made by the government to its stakeholders. Therefore, the parliament, as the amalgamation of the people's representatives, has a major role in ensuring that those promises and commitments are fulfilled.

Sound and responsible budgeting depends on using various forms of measurement and oversight to ensure the integrity of the budget and its application. This chapter will discuss in detail way the DPR's oversight role in ensuring accountability of the budgeting process and its application.

Parliament and Oversight

The development of a healthy and dynamic democracy requires the presence of a strong, honest and professional parliament. From the perspectives of both theory and experience in several countries, it has been proven that strategic thinking and national development, including alleviation of poverty, requires the foundation of a healthy democracy. This foundation will in turn produce a sound and rational regulatory framework.

At this point, the role of parliament, as the producer of rules and standards and the overseer of the implementation of those standards, is crucial. A healthy parliament will create a rational and sound set of rules, and will be able to consolidate democracy to more easily and appropriately achieve the goals of development.

In practice, oversight by parliament covers many aspects; it is not limited to oversight of the implementation of laws or of the budget.

Currently, several aspects of parliamentary oversight have attracted a great deal of public attention, such as the procedure and process for impeachment of the head of government by parliament, and parliament's oversight of government administration, oversight of the process of establishing and implementing the budget, and foreign policy.

Specifically regarding oversight, aspects that need to be stressed include: the extent to which the government consults with the parliament in the preliminary process of preparing the budget; entry-by-entry audits of existing budgets; reporting on budget implementation; and the extent to which parliament's confirmation and approval are needed for implementation or revision of the existing budget.

In this area, each country has different characteristics, which are obviously influenced by many different factors and especially by the system of government that is followed – presidential, parliamentary, or semi-presidential.

A 2004 World Bank study concluded that in countries with parliamentary systems, the parliament is able to oversee the process of promulgation and implementation of the budget more strictly than in countries with other systems of government (presidential or semi-presidential).

Another important fact is that in a presidential system, the parliament more often plays a budget oversight role in the form of "ex-ante" oversight (only monitoring the process of producing the budget) than in "ex-post" oversight (monitoring the implementation of the budget after it has been approved).

The same study suggests that in Indonesia, which follows a semi-presidential system, the parliament's oversight of both the establishment and the implementation of the budget still displays certain weaknesses, especially in ex-post budget oversight, i.e. monitoring the implementation of the approved budget and making changes that are needed to respond to changes in external conditions.

According to Schneier (2004), this weakness is understandable, because at that time, various items of government revenue and expenditure were not transparent. In addition, there were still many changes that demanded rapid adaptation and learning on the part of members of parliament in response to actual conditions. This is not easy to do, particularly in a developing country like Indonesia.

Now, however, the Indonesian parliament is far more capable in monitoring the National Budget, in both ex-ante oversight and ex-post oversight of its implementation. This is in line with various changes toward greater transparency in the management of state finances, and the improved professionalism of members of parliament.

CONGRESSIONAL BUDGET OFFICES

The first Congressional Budget Office (CBO) was established 60 years ago in the United States. The number of CBOs has grown steadily over the past decade. Similar institutions have been adopted in many countries in Africa, Asia, and Latin America.

In the US state of California, the CBO goes by the name of the LAO (Legislative Analyst's Office). The main duties of the LAO are to observe and analyze government finances and the use of government budget expenditure in the state of California.

Specific duties of the LAO include analyzing and publishing in detail the use of budget by the governor and state departments, and providing recommendations to the legislature; publishing views and policy issues relating to government finances; assisting the budget committee in the process of drafting the budget; and developing alternative policies relating to the public interest and making recommendations on problems in government policies.

Table 4
Characteristics of Independent Budget Offices in Several Countries

Offices	Year established	Number of professional staff	Program evaluation unit	Unit related to broader processes of budget reform	Unit producing policy or budget recommendations to legislature
<i>California Legislative Analysts</i>	1941	44	Yes	No	Yes
<i>U.S. Congressional Budget Office</i>	1974	205	No	Yes	No
<i>Congressional Planning and Budget Department, Philippines</i>	1990	-	Yes	No	Yes
<i>Center for Public Finance Studies, Mexico</i>	1998	27	No	No	No
<i>Parliamentary Budget Office, Uganda</i>	2001	21	Yes	Yes	No
<i>National Assembly Budget Office, Republic of Korea</i>	2003	70	No	No	No

Source: John K. Johnson and F. Rick Stapenhurst, 2007

In the Philippines, there is an institution similar to a CBO called the CPBD (Congressional Planning and Budget Department). The CPBD has three main duties: Assisting the formulation of various legislative activity agendas; providing information, analysis, and recommendations on social and economic policies that are considered important; analyzing the impact of policies in certain Laws; and performing in-depth studies on certain policy issues. In principle, the CBO or similar institutions that exist in the governmental structures of different countries are much the same, though the specification of their functions and authorities depends greatly on the flexibility of institutional policies in the respective countries.

Oversight in Laws

Every DPR member may, at any time, oversee the government. Further, pursuant to the new Parliamentary Law (2009), the new DPR (2009-2014) will establish a special oversight committee. The duties of this oversight committee will be:

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1. To oversee the implementation of laws, including the APBN, and regulations that fall within its scope of duties;
 2. To discuss and follow up on the results of BPK audits that relate to its scope of duties;
 3. To oversee government policies; and
 4. To discuss and follow up on proposals from the House of Regional Representatives (DPD).

In performing its duties, the Oversight Committee may hold:

1. Working meetings with the government, represented by cabinet ministers/ heads of state institutions;
2. Consultations with the DPD;
3. Hearings with government officials representing their agencies;
4. Public hearings, both on the request of the committee itself or on the request of other parties;
5. Working meetings with ministers or hearings with government officials representing their agencies, which are not within the scope of its duties, if necessary, and/or
6. Working visits.

The DPR's oversight of the government in its implementation of the APBN may be exercised in two ways:

1. Through working meetings of the DPR committees and the government or other stakeholders. In these working meetings, the DPR may discuss various matters with the government.

In addition, the DPR also discusses the results of committee hearings with the public, NGOs, and academics. The oversight and budgeting functions will run in parallel when the DPR holds discussions with the government to approve the Budget Bill or a State Budget Calculation (*Perencanaan Anggaran Negara/ PAN*) Bill proposed by the government.

2. Receiving, discussing, and following up on BPK reports. Article 23E of the Third Amendment to the 1945 Constitution stipulates that the results of audits of state finances shall be submitted to the DPR, DPD, and DPRD, in accordance with their authorities.

The DPR uses BPK audit results to evaluate the government's accountability in implementing the APBN. These audit results also help the DPR in granting approval for the National Budget Calculation submitted by the Government.

CHAPTER IV

**Support System for
the DPR's Oversight**

The Importance of the Oversight Support System

DPR's oversight of the budget is, in principle, a process that never ends. Therefore, to achieve the best possible results, the DPR is equipped with a support system comprising both internal and external organizations. This system is basically aimed at helping to optimize the oversight function exercised by the DPR.

Several organizations/units that function to assist the DPR in its oversight function, particularly with regard to the budget, are described in the following chapter. The last part of this chapter will provide an analysis of current conditions, and an overview of the challenges and problems faced in the future.

The Role of the Supreme Audit Agency (BPK)

Pursuant to the Third Amendment of the 1945 Constitution, Article 23E sections (1), (2), and (3), the State Audit Agency (*Badan Pemeriksa Keuangan*/BPK) has the authority to audit the management and accountability of state finances, and to report its results to the DPR, DPD, and DPRD as the bodies that hold the budget and oversight functions. In this matter, the BPK functions as the external auditor of state finances and reports the results of its audits to the DPR.

BPK audit finding results must be followed up by both the government and the parliament. On the government's part, it is required to implement recommendations made by the audit reports.

Meanwhile, the DPR, in line with its function, continues to monitor the government's implementation of the BPK's recommendations. The audit results also serve as guidance for granting approval and promulgating the RAPBN.

The Role of the Finance and Development Supervisory Agency (BPKP)

The Finance and Development Supervisory Agency (*Badan Pengawas Keuangan dan Pembangunan/BPKP*) is an internal oversight institution under the executive branch of the government. As an internal overseer, the BPKP is charged with performing audits upon the request of heads of institutions under the executive. Consequently, BPKP findings reports are based more on the internal needs of the government, rather than being intended as independent reports by an external party.

Even so, the DPR has the right to summon the BPKP or to gain access to audit reports produced by this agency. The DPR also has the right to hold consultation meetings or hearings with the BPKP to obtain clarification or follow up on its findings.

DPR Follow-Up on BPK Audit Reports

The mechanism for follow-up by the DPR on BPK reports is stipulated in law and in the DPR Standing Orders. In practice, reports submitted by the Chairman of the BPK are distributed to the standing committees. Reports are followed up through consultation meetings with the BPK for clarification and deeper examination.

In Law Number 27 of 2009 on Organization and Status of the DPR, in order to address the various weaknesses to date, the mechanism and procedure for follow-up on BPK reports is stipulated in greater detail. In addition, to strengthen the follow-up to BPK findings, the DPR is to establish a special body, which is discussed below.

The Role of the DPR State Finance Accountability Body (BAKN)

As mandated in the new Law on the MPR, DPR, DPR, and DPRD (2009), the DPR shall establish the organization and membership of the State Finance Accountability Body (*Badan Akuntabilitas Keuangan Negara/BAKN*) at the start of its members' term of duty and at the start of the session year. As a permanent organ of the DPR, the BAKN's membership shall reflect representation of the existing party groups.

In performing its duties, the BAKN may request clarification from the BPK, the Central Government, Local Governments, other state institutions, Bank Indonesia, State-Owned Enterprises (*Badan Usaha Milik Negara/BUMN*), Public Service Agencies, Regionally Owned Enterprises (*Badan Usaha Milik Daerah/BUMD*), and other agencies or

institutions that manage state finances. The BAKN may also propose to committees, for example, that the BPK perform further audits, and is responsible to report its findings periodically to the DPR Leadership in plenary session.

The main duties of the BAKN are as follows:

1. To study the BPK audit results submitted to the DPR;
2. To present the results of these studies to the committees;
3. To follow up on committee discussions of the findings from BPK audit results, upon the request of the committees; and
4. To provide input to the BPK on its annual audit work plan, obstacles to audits, and the presentation and quality of reports.

The Role of the Team of Experts and Expert Staff of the DPR

In performing its oversight and budget functions, the DPR often receives input from its expert staff, who are an internal apparatus of the assembly members, and from the Team of Experts, who come from outside. This use of expert staff and the Team of Experts helps the assembly members in their oversight and budgeting work, as well as providing clarification and information on matters that are generally of a technical nature. Input from the staff and the Team of Experts is not binding.

Obstacles and Problems in Following Up on BPK Reports

Obviously, not all meetings between the DPR and the government have as their agenda to follow up on BPK audit reports. To date, such discussions are only held when a report from this audit institution has become a matter of public opinion.

Regrettably, often the BPK reports that are distributed by the DPR Chairman to the members are only summaries, not the full reports. Consequently, there is very little likelihood of the DPR members understanding the reports in depth.

Furthermore, DPR members are often not equipped with staff who are expert in the area of state finances and able to help them understand the BPK reports. Unsurprisingly, not all DPR members have knowledge and experience with financial matters.

In addition, both the DPR Leadership and the DPR as an institution still have no clear conclusions regarding the BPK audit results, e.g. whether they contain indications of suspected corruption or administrative violations.

And as an institution, the DPR rarely – almost never – reports suspected corruption to law enforcement officials or administrative violations to the relevant superiors. The main obstacle that causes this weakness may be that the budgeting and oversight functions are not yet seen as a high priority by the DPR members.

The Roles of the House Bodies and the Secretariat General

DPR-RI Decree No. 08/DPR-RI/2005-2006 on the DPR Standing Orders mandates that the House Bodies that are involved in management of the DPR's budget are the DPR Leadership, the Internal Affairs Body (*Badan Urusan Rumah Tangga/BURT*), the Assembly's other Organs, and the Secretariat General.

With regard to the budget, the duties of the DPR Leadership are to set direction, general policy, and strategies for managing the DPR budget. Then, assisted by the BURT, the leadership formulates and drafts the budget for the DPR and the Secretariat General. The leadership is also responsible for overseeing the management of this budget, though the duty is performed directly by the BURT.

Therefore, in implementation of the budget or realization of the Budget Implementation Checklist (*Daftar Isian Pelaksanaan Anggaran/DIPA*), the DPR Leadership is always involved in the decision making. In fact, many decisions on budget for the DPR's purposes are decided in a meeting forum between the DPR Leadership, the BURT, and elements from the party group leadership. Though a proposal may emerge from the Assembly's organs and be forwarded to the DPR Leadership, the leadership will bring the issue to the attention during the Leadership Meeting forum.

The roles of the BURT in budget management, pursuant to Article 5 of the DPR Standing Orders, are:

1. To assist the DPR Leadership in planning and drafting the budget of the DPR and the budget of the Secretariat General, which has been prepared by the respective DPR Organs and the Secretariat General;

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2. To assist the DPR Leadership in overseeing the implementation and management of the DPR budget.

In the area of budget management, all House Bodies, in accordance with the DPR Standing Orders, prepare draft budgets in line with their needs and duties. Specifically for the DPR Leadership, the Standing Orders do not stipulate that the leadership prepares the draft budget; all that is stipulated is that they prepare a work plan (Article 27 section (1) letter b).

Thus, in practice, the budget for the DPR Leadership is prepared by the Leadership Secretariat and, after it is approved by the Leadership, submitted by the Secretariat General to the BURT together with those of the other Organs.

As well as the leadership, other House Bodies that do not prepare draft budgets are the Special Committees; this is understandable, as the Special Committees are House Bodies of a temporary nature.

The budget plan for the Special Committees on Bills is part of the budget plan of the Legislation Body. For Non-Bill Special Committees, the needs are planned by the Sessions Bureau. Organizationally, this Non-Bill budget is budget of the Special Committees. Based on a functional approach, the Special Committee budget covers implementation of the oversight function.

Here's something interesting to note about the determination of the DPR budget. Imagine this: the Budget Committee, which plays such a great role in formulating the budget for the government (executive), plays only a very small role in formulating the budget for the DPR itself. It is involved only when setting the budget ceiling. As for the DPR budget itself, this is not deliberated as part of the Budget Bill.

Equally important, and in fact strategic, is the role of the Secretariat General. With regard to the budget, the duties and obligations of the Secretariat General, pursuant to Article 219 of the Standing Orders, are:

1. To assist the BURT in synchronizing formulation of the draft budget, derived from the submissions of the respective DPR bodies;
2. While completing the draft DPR budget, to assist the BURT and the Budget Committee in setting the DPR budget ceiling;
3. To provide clarification and data relating to the budget as needed by the BURT.

In practice, the DPR budget is prepared by the Secretariat General, in this case the Planning Bureau. The duty of the Secretariat General is to assist the BURT in synchronizing

formulation of the draft DPR budget, which is derived from the submissions of the respective House Bodies.

Then, after it is finalized by the BURT, the DPR budget is submitted together with other state budgets to be ratified in plenary session as part of the APBN.

Work Relations between the House Bodies and the Secretariat General

Since each of the organs has its own specific duties, certain ethics apply in the work relations between the bodies and the Secretariat General. These relations are formulated into four patterns:

First, the work relationship between the DPR Leadership and the Internal Affairs Body (BURT). This relationship arises because the BURT assists the leadership in its duties of managing the budget and Secretariat affairs. The emerging pattern of relations between these two institutions is as follows:

1. The leadership provides and sets direction, general policy, and strategy for management of the DPR budget to the BURT, which formulates and discusses it with the Secretariat General;
2. The leadership receives written reports from the BURT on the results of its oversight of the implementation and management of the DPR budget by the Secretariat General;
3. The leadership provides direction as follow-up to the BURT reports;
4. The leadership, together with the BURT, holds meetings once during each session period.

Second, the work relationship between the BURT and the House Bodies. To date, the working relationship has been in line with what is specified in the DPR Standing Orders. Now, to confirm these standards in the budget management system, there are several other relationships:

1. The BURT receives proposed work plans plus draft budgets from the House Bodies, which are formulated based on the direction, general policy, and budget management strategy set by the DPR Leadership;
2. The BURT, assisted by the Secretariat General, compiles the draft budgets originating from the House Bodies;
3. The BURT, assisted by the Secretariat General, synchronizes the draft budget produced from discussions with the House Bodies;
4. The BURT, accompanied by the Secretariat General, discusses the draft budgets with the House Bodies;



5. The BURT, accompanied by the Secretariat General, presents the results of the synchronization of draft budgets to the House Bodies.

In practice, the respective budget proposals of the House Bodies are prepared by their respective secretariats. The results are submitted to the House Leadership for approval.

Third, the work relationship between the BURT and the Budget Committee. According to the DPR Budget Management System, this relationship includes the following activities:

1. The BURT, together with the Budget Committee, discusses the final drafts of the Work Plan and Budgets of the Ministries/ State Institutions (RKA-KL);
2. The BURT, together with the Budget Committee, sets the ceiling for the DPR budget and submits it as part of APBN deliberations;
3. The BURT establishes a Small Team to accompany the Budget Committee in deliberating the State Revenue and Expenditure Budget (APBN);
4. The BURT, together with the Budget Committee, discusses the evaluation of implementation of the current year budget as material for discussion of the Revised National Budget (APBN-P).

Fourth, the working relationship between the DPR Secretariat General and the BURT. The working relationship between the Secretariat General and the BURT is actually very clear, as formulated in the Standing Orders. Therefore, to strengthen this relationship, based on the DPR Budget Management System, there are several activities, as follows:

1. The Secretariat General assists the BURT in formulating and discussing the direction, general policy, and strategy for management of the DPR budget, to be submitted to the DPR Leadership;
2. The Secretariat General proposes a work plan in the form of programs and activities, accompanied by the proposed budget needs. The guideline for this is the general direction of policy approved by the House Leadership;
3. The Secretariat General compiles the draft budgets originating from the House Bodies;
4. The Secretariat General assists the BURT in synchronizing the work plans containing programs and activities, both from the House budget and from the Secretariat General budget, in accordance with the Direction, General Policy, and Strategy for Management of the DPR Budget.

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