Analysis the Effect of Realized Capital Expenditure, Fixed Assets Book Value and Realized Maintenance Expenditure on Maintenance Budget of Work Units within the BPK RI

Wiwin Adhi Tama[1]; Rini Yuliasari[2]; Wiwik Susilowati[3], dan Sitti Rafinah[4]

Universitas Pamulang, Tangerang Selatan, Indonesia

E-mail: [1]wiwin.tama2017@gmail.com; [2]rie.july79@gmail.com; [3]wiwiksusilowati.tamsi@gmail.com [4]s.rafinah@gmail.com

Abstract: This reading goals to analyze whether there are any the affiliation between the realization of maintenance expenditures, fixed assets book value, and the realization of capital expenditures on the size of maintenance budget of Work Units within the State Audit Board of the Republic of Indonesia (BPK RI). This type of examination is a clause research thru a sample of 34 work units. The data in this study uses secondary data collected from the Financial Statements of the BPK Satker from 2016 to 2020. This reading customs a quantitative approach with descriptive statistics, multiple linear regression investigation and classical norms such as Normality Test, Autocorrelation Test, F Test and Partial statistical test (t test) and Multicollinearity Test, with a significance equal of 5%. The effects showed that fixed assets book value and the realization of maintenance expenditure partially had an effect on the maintenance budget. While the realization of capital expenditures partially has no effect on the maintenance budget. Simultaneous testing of the realization of capital expenditures, the fixed assets book value and the realization of maintenance expenditures has a significant effect on the maintenance budget.

Keywords: Capital Expenditure, Fixed Assets Book Value, Maintenance Expenditure & Budget

INTRODUCTION

One of the factors that affect the level of employee performance is the support of adequate work facilities (Hendra Gunawan, 2021). Work facilities can be interpreted as everything that facilitates and facilitates the implementation of a job (Rasdi, 2021). One of the important work facilities is Fixed Assets. Based on the Statement of Government Accounting Standards (PSAP) Number 07, Fixed Assets are all physical assets with the criteria that they have a useful life of more than one year and their use is for government activities or it can also be for the public interest. Fixed Assets in the supervision can be in the form of land with buildings and no buildings; Equipment and Machinery such as computers, cars, tables and chairs; Building and Building for offices, official residences and others; Irrigation Roads and Bridges; Other Fixed Assets such as books, library collections, cultural goods; and Construction Under Construction. In order to maintain a good function of Fixed Assets in office operational activities and meet the standards of work facilities and infrastructure, each BPK satker budgets maintenance expenditures. BPK as a high state institution that uses its funds through the

mechanism of the State Revenue and Expenditure Budget (APBN), every H-1 submits a spending plan including the maintenance budget. There is a significant change in the budgeting method by the government which used to use the (methodline item) budgeting now to a performance-based budget or better known as Performance Based Budgeting (Rampen et al, 2021).

Established on the Guideline of the Minister of Finance Number 172/PMK.06/2020 concerning Standards of Goods and Standards for State Property Needs and the Decree of the Secretary General of the BPK Number 535/K/X-XIII.2/11/2016 concerning Standards of Infrastructure and Work Facilities in the BPK RI Environment, Each BPK Satker has the responsibility to carry out maintenance activities for its State Property (BMN). The activity of this satker is of course very closely related to the realization of maintenance expenditure.

In the process of preparing the maintenance budget, there are several provisions that the BPK work units must pay attention to in its submission. The provisions that must be adhered to in the maintenance budget planning activities take into account the following matters: based on a list of goods containing information on the status of goods and the condition of goods; maintenance budget is allocated for land, buildings, transportation equipment with machines; BMN other than transportation equipment with machines above Rp100.000.000,00 (one hundred million rupiah); BMN in good condition or slightly damaged. With this provision, it can be concluded that the size of the maintenance budget is strongly influenced by the assets owned by the work unit which is reflected in the Fixed Assets Book Value.

In order to maintain the function of Fixed Assets, it is necessary to consider the realization of capital expenditures in preparing the maintenance budget. The realization of capital expenditures directly affects the quantity of fixed assets that must be financed by the work unit. In other words, capital expenditure should be a crucial consideration in determining the maintenance budget. This is in unity with the results of enquiry from Abdullah and Halim (2006) which federations that there is a positive relationship between capital expenditures and maintenance expenditures. However, this contradicts the results of research by Dio Koes Brilianto et al. (2019) which states that the capital expenditure realization variable has no significant effect on the maintenance budget allocation.

The importance of the maintenance budget in supporting the performance of BPK employees, it is necessary to examine what factors affect the maintenance budget. Researchers look for the relationship whether the realization of maintenance expenditures, Fixed Assets Book Value and realization of Capital Expenditures are considered by the BPK work unit in determining the maintenance budget.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Definition of maintenance expenditure according to Technical Bulletin Number 04 concerning Presentation and Disclosure of Government Expenditures is expenditure intended to maintain fixed assets or other assets that already exist in normal condition regardless of the size of the expenditure.

The allocation of Government Asset Maintenance Expenditure is contained in the Decree of the Director General of the Treasury Number KEP-224/PB/2013 which has been updated with the Decree of the Director General of the Treasury Number KEP-273/PB/2020 concerning the Codeification of Account Segments on the Standard Chart of Accounts, namely:

1. Building and Building Maintenance Expenditures are used to maintain buildings and office buildings with a level of damage of less than or up to 2% and maintenance of the building or office yard so that they are in normal condition.
2. Expenditures on Maintenance of Buildings and Other Buildings in financing the maintenance of official residences and office houses which are closely related to the implementation of official duties such as the state palace, office buildings, dormitories, halls which are separated from the building offices, museum buildings and their contents including gardens, fences, so that they are in normal condition.
3. Equipment and Machinery Maintenance Expenditure is used to maintain equipment and machinery so that they are in normal condition.
4. Expenditures on Fuel Oil, Lubricants and Special Non-Pertamina Lubricants are used to support the operations of the Alutsista and Non-Alutsusta Ministry of Defense and TNI.

5. Other Equipment and Machinery Maintenance Expenditures are used to maintain equipment and machinery so that they are in normal condition.
6. Road and Bridge Maintenance Expenditures are used to maintain Roads and Bridges to be in Normal Condition.
7. Irrigation maintenance expenditure in recording maintenance in order to maintain irrigation is in a normal state.
8. Network Maintenance Spending in maintaining the network is in a normal state.
9. Other maintenance expenditures to maintain fixed assets other than buildings and structures, equipment and machinery as well as roads, irrigation and networks so that they are in normal condition, including maintenance of places of worship, historical buildings such as temples, Dutch heritage buildings, Japanese buildings that have not been changed, condition of buildings/buildings The former palace/puri, nature reserve buildings, cultural heritage, tombs that have historical value and maintenance of other assets that do not belong to these entities, whether they belong to other central government entities or entities outside the central government

In order to optimize the budget preparation within the BPK RI, the Budgetary Budgeting Guidelines for the State Audit Board have been prepared, it is stated that the maintenance budget at the BPK consists of Building and Building Maintenance Expenditures that do not produce inventories, Building and Building Maintenance which produces inventories, Building Maintenance and Building-Handling Pandemic-Covid, Maintenance of Equipment and Machines that do not generate supplies, Maintenance of equipment and machines that generate supplies, and Maintenance of Electric, telephone, water and other networks.

In accordance with the budget preparation guidelines, it can be seen that the work unit in preparing the maintenance budget is one of them by paying attention to the value of its assets. Based on PSAP Number 1, the definition of fixed assets is assets that are concrete and tangible, with useful period of longer than 12 (twelve) months, to be utilized or planned to be utilized by the general public or for any government activities. With the application of the accrual basis, the current value of fixed assets is no longer the same as the value at the time of acquisition. This is because over time fixed assets experience depreciation which reduces the value of fixed assets so that their book value could be obtained. Meanwhile, the realization of capital expenditure will increase the value of fixed assets. Broadly speaking, capital expenditures are not only intended for the procurement of new fixed assets but expenditures after procurement in the form of capital expenditure can also be categorized as capital expenditures because they increase the value of fixed assets.

METHODS

This study is a causal research in order to examine the relationship and effect of capital expenditure realization, fixed assets book value, and realization of maintenance expenditure on the maintenance budget of the satker in BPK RI. BPK is a high state institution that was formed based on the mandate of the Constitution (UUD) in the Third Amendment of the 1945 Constitution regarding the Supreme Audit Agency in Article 23 G paragraph 1 which states that the State Audit Board is domiciled in the state capital and has representatives in each province. The sample tested in this study were 34 work units within the BPK RI with the criteria that they have a Budget Implementation List (DIPA) so they have the obligation to prepare financial reports, have Fixed Assets in the Financial Statements Balance, have maintenance expenditure allocations and capital expenditures for five consecutive or consistent years from 2016 to 2020.

The documentation method used in this study is data collection using secondary data, namely in the form of Financial Report documents that consists of Budget Realization Reports and Balance Sheets for 2016 to 2020. The data used for the study were 170 observations obtained from 34 work units for 5 years of observation.

The variables of this study consisted of the independent variable in the form of capital expenditure realization, fixed assets book value and realization of maintenance expenditure and the dependent variable in the form of maintenance budget. For the purpose of

hypothesis testing, this study made use of three analytical methods that consist of descriptive statistics, classical assumption test, and multiple linear regression analysis. The research data was processed by using the SPSS version 25 software.

RESULT AND DISCUSSION

Tabel 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Realized Capital Expenditures	170	3.254.020	607.018.844.345	7.561.822.282,86	49.305.287.799,416
Fixed Assets Book Value affects	170	33.368.142.528	3.529.479.397.675	213.781.941.424,02	537.615.985.375,736
Realized Maintenance Expenditures	170	926.231.829	58.173.459.962	3.535.994.757,48	7.555.583.586,321
Maintenance Expenditure Budget	170	931.566.000	58.821.926.000	3.602.023.476,47	7.637.017.376,549
Valid N (listwise)	170				

Source : SPSS data Processing (2021)

From Table above, it is identified that there are four research variables, namely Capital Expenditure Realization, Fixed Asset Book Value, Maintenance Expenditure Realization and Maintenance Expenditure Budget with a total sample of 170 samples. Capital Expenditure realization consisted of the lowest (minimum) value of 3,254,020, the highest (maximum) of 607,018,844,345, the mean value of 7,561,822,282.86 and standard deviation of 49,305,287,799,416. By looking at the standard deviation whose value is bigger than the average value, the data used in the Capital Expenditure Realization variable has a large distribution. The Fixed Asset Book Value variable consists of the lowest (minimum) value of 33,368,142,528, the highest (maximum) of 3,529,479,397,675, the mean value of 213,781,941,424.02 and the standard deviation of 537,615,985,375,736. By looking at the standard deviation whose value is less than the average value, the data used in the Fixed Asset Book Value variable has a large distribution.

Realization of Maintenance Expenditure consists of the lowest (minimum) value of 926,231,829, the highest (maximum) of 58,173,459,962, the mean value of 3,535,994,757.48 and standard deviation of 7,555,583,586.321. By looking at the standard deviation whose value is bigger than the average value, the data used in the Realization of Maintenance Expenditure variable has a large distribution. For the maintenance budget variable (Y) in this study, based on the results of descriptive statistics, it has the lowest (minimum) value of 931,566,000, the highest (maximum) of 58,821,926,000, the mean value of 3,602,023,476.47 and standard deviation of 7,637,017,376. ,549, then by looking at the standard deviation whose value is bigger than the average value, then the data is used in the Maintenance Expenditure Budget variable has a large distribution.

Classical Assumption Test
1. Normality Test. The results of the normality test show that the significant value is Asymp. Sig. (2-tailed) is 0.200 and shows a value bigger than 0.05, so it can be determined that the data used in this study is normally distributed.
2. Heteroscedasticity Test. By using the Glejser method in the heteroscedasticity test, it can be concluded that this regression model is free from heteroscedasticity because the variables of Realized Capital Expenditure, Fixed Assets Book Value and Realized Maintenance Expenditure have sig values respectively. of 0.731; 0.838; and 0.189, which is bigger than 0.05.
3. Auto Correlation Test. Depend on the above test, it could be seen that the Durbin-Watson value (DW count) is 1.648. These conclution are then related with the conclution

achieve from the Durbin-Watson statistical table with a significance level of 0.05, it will obtain a dL value (outer limit) of 1.6 and a dU value (inner limit) of 1.7. is 4 – dL (4-1.6=2.4) and 4 – dU (4-1.7=2,3). As long as the DW value is among dL < d < dU or 1.6 < 1.648 < 1.7, it can be terminate that there is no auto correlation problem, so the model can be used.

Hypothesis Examination

Tabel 2. Multiple Linear Regression Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	81518.270	2325131.044		0.035	0.972
	Realization of Capital Expenditure	-0.0003	0.0005	-0.003	-0.755	0.451
	Fixed Assets Book Value	-0.0001	0.0001	-0.011	-2.616	0.010
	Realized Maintenance Expenditure	0.9987	0.0040	1.004	249.604	0.000

Source : Data Processing SPSS (2021)

Based on the table above, multiple linear regression equations can be arranged as follows: Y = 81518.270 – 0.0003X1 – 0.0001X2 + 0.9987X3. The following is an explanation for each variable:

1. The constant value is 81518.270, it can be interpreted that if all independent variables have a value of 0, then the dependent variable of Realized maintenance expenditure will have a value of 81518.270 units.
2. The regression coefficient value of Realization of capital expenditure variable (X1) is -0.0003. Every increase in Realization of capital expenditure by 1 unit, it will reduce the Maintenance Expenditure Budget by -0.0003 with the expectation which independent variables are fixed.
3. The regression coefficient value of the Fixed Asset Book Value variable (X2) is -0.0001. Every increase in Fixed Assets book value by 1 unit, it will reduce the Maintenance Expenditure Budget by -0.0001 with the expectation which independent variables have a fixed value.
4. The regression coefficient value of the Realized Maintenance Expenditure (X3) variable is 0.9987. Every increase in the Realized Maintenance Expenditure by 1 unit, it will increase the Maintenance Expenditure Budget by 0.9987 with the assumption that other independent variables are fixed.

Coefficient of Determination (R2)

Tabel 3. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.999a	.998	.998	27425040.247

a. Predictors: (Constant), Realized Maintenance Expenditure, Realization of Capital Expenditure, Fixed Assets Book Value

Sumber : Data Processing SPSS (2021)

Depend on the table, it could be said that the amount of R is the independent variable Realization of Capital Expenditure, Fixed Assets book value and realized Maintenance Expenditure together on the dependent variable Maintenance Expenditure Budget (Y) is 0.999 with a Very Strong relationship level. R square or determinant coefficient is 0.998 or 99.8%, indicating that the Maintenance Expenditure Budget (Y) is influenced by realization of Capital Expenditure, Fixed Asset Book Value and realized Maintenance Expenditure by 99.8% and there is still influence from other factors, namely 0.2%.

Partial Test

Realization of Capital Expenditure has an effect on the Maintenance Expenditure Budget

For the realization of Capital Expenditure variable, the Significance value is 0.451, because the significance value (2-tailed) is above 0.05, it can be said to be insignificant. Testing using the t test is, the value of the t table at alpha 0.05 (two tails) is 1.977. Although the t value in the table above is t test = -0.755. It means that tcount < ttable, then H1 is rejected, thus indicating that the Realization of Capital Expenditure has a negative but not significant effect on the Maintenance Expenditure Budget.

Fixed Assets book value has an effect on the Maintenance Expenditure Budget

For the Fixed Asset Book Value variable, the Significance value is 0.010, because the significance value (2-tailed) is below 0.05, it can be said to be significant. Testing using the t test is, the value of the t table at alpha 0.05 (two tails) is 1.977. Although the t value in the table above is t test = -2,616. It means that tcount > ttable, then H2 is accepted, thereby indicating the Fixed Assets book value has a negative and significant consequence on the Maintenance Expenditure Budget.

Realized Maintenance Expenditure has a significant effect on the Maintenance Expenditure Budget

For the Realized Maintenance Expenditure variable, the Significance value is 0.000, because the significance value (2-tailed) is below 0.05, it can be said to be significant. Testing using the t test is, the value of the t table at alpha 0.05 (two tails) is 1.977. Although the t-count value in the table above is t-test = 249.604. It means that t count > t table then H3 is accepted, thus showing the Realized Maintenance Expenditure has a positive and significant impact on the Maintenance Expenditure Budget.

Simultaneous Test

Value of Sig. of 0.000, indicating that the alpha significance level of 0.05 two-tailed is definitely significant. As for testing with the F test is to analyze the value of F table with Fcount. The value of Fcount is 26612.846, Ftable is 2.670 (see Table F), thus the results of F arithmetic (26612.846) > F table (2.670) later the hypothesis is accepted. It can be concluded that the Realization of Capital Expenditures, Fixed Assets book value and Realized Maintenance Expenditures simultaneously affect the Maintenance Expenditure Budget

CONCLUSIONS

The first hypothesis states that the Realization of Capital Expenditure has a significant effect on the Maintenance Expenditure Budget. The results of the test of the realization of Capital Expenditure variable on the Maintenance Expenditure Budget partially show that the realization of Capital Expenditure has a negative but not significant effect on the Maintenance Expenditure Budget. Thus it can be concluded that H1 is rejected.

The second hypothesis states that the Fixed Assets book value has a significant effect on the Maintenance Expenditure Budget. The results of testing the variable Fixed Assets book value on the Maintenance Expenditure Budget partially show that the Fixed Assets book value has a negative and significant consequence on the Maintenance Expenditure Budget. Thus it can be concluded that H2 is accepted.

The third hypothesis states that the Realized Maintenance Expenditure has a significant effect on the Maintenance Expenditure Budget. The results of the test of the Realized Maintenance Expenditure on the Maintenance Expenditure Budget partially show that the realized Maintenance Expenditure has a positive and significant impact on the Maintenance Expenditure Budget. Thus it can be concluded that H3 is accepted.

The fourth hypothesis states that the Realization of Capital Expenditures, Fixed Assets book value and Realized Maintenance Expenditures together have a significant influence on the Maintenance Expenditure Budget. Simultaneous test results show that Realization of Capital Expenditures, Fixed Assets book value and Realized Maintenance Expenditures

have a significant influence on the Maintenance Expenditure Budget. Thus it can be concluded that H4 is accepted.

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