

Management of Regional Assets at the Regional Finance and Asset Agency Office of North Minahasa Regency

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ABSTRACT

Efficient administration of Regional Government Assets (RGA) underpins transparent, accountable, and effective local governance. This study examines the implementation of asset administration—specifically bookkeeping, inventory, and reporting—at the Regional Finance and Asset Agency (BKAD) of North Minahasa Regency. Employing a descriptive qualitative approach, data were collected through in-depth interviews with key informants (asset managers, heads of asset divisions), supporting officers, direct observation of work processes, and document analysis (e.g., inventory lists, financial reports, legal regulations). Findings reveal that while BKAD has largely adhered to Minister of Home Affairs Regulation No. 19/2016 on RGA administration, practical challenges persist: delays in data submission by subordinate units, inadequate asset labeling, and reconciliation discrepancies between OPD (Organizational Units) records and BKAD's central database. The inventory process, conducted annually for high-value items and quinquennially for other assets, functions satisfactorily but demands enhanced data accuracy and broader utilization of the E-BMD electronic system. To bolster RGA administration, the study recommends strengthening human resource capacity through targeted training, optimizing inter-unit coordination mechanisms, and advancing an integrated asset information system for real-time data capture and validation.

Keywords: Assets, Asset Agency, electronic system, North Minahasa Regency, Regional Finance

INTRODUCTION

Effective management of Regional Government Assets (RGA) is critical for optimizing public service delivery, safeguarding public property, and supporting strategic decision-making in local administrations. In the context of Indonesian decentralization, RGA encompasses all movable and immovable assets under the control of local governments, including land, buildings, infrastructure, machinery, and technology (Government Regulation No. 27/2014 as amended by PP No. 28/2020). Proper administration of these assets ensures accountability, prevents loss or misuse, and contributes to efficient budgetary planning (Permendagri No. 19/2016).

In North Minahasa Regency, an area spanning 1,059.24 km² with an estimated 231,000 residents as of 2024, asset management is strategically supporting its vision as a logistical hub between Manado and Bitung cities. The Regional Finance and Asset Agency (BKAD) is mandated to plan, acquire, utilize, secure, maintain, evaluate, delete, and administer RGA across ten sub-districts and over 130 villages/kelurahan (Perbup No. 8/2023). Within this framework, asset administration or administration, entails systematic bookkeeping, inventory, and reporting activities designed to generate reliable data for financial statements, performance evaluation, and legislative oversight.

Academic literature underscores the managerial dimension of asset administration. According to Terry (Sukarna, 2011), the POAC functions: Planning, Organizing, Actuating, and Controlling, provide a lens to assess administrative rigor and strategic alignment. Asset management theory further categorizes maturity into Static, Dynamic, and Strategic stages, highlighting the evolution from basic cost control to proactive, integrated lifecycle management (Siregar, 2004; Hidayat, 2012). However, empirical studies of local government agencies reveal gaps between regulatory compliance and on-ground practices, often due to resource constraints, technical capacity deficits, and siloed information flows (Susanto, 2017; Mardiasmo, 2004).

Given these dynamics, this research aims to analyze RGA administration at BKAD North Minahasa, focusing on the quality of implementation of bookkeeping, inventory, and reporting processes. By identifying implementation strengths and shortcomings, the study seeks to propose targeted improvements to reinforce transparent and accountable asset governance in the region.

METHOD

Research Design

A descriptive qualitative design was adopted to capture the nuanced, context-rich details of RGA administration at BKAD North Minahasa. This approach aligns with Bogdan and Taylor's (2010) characterization of qualitative methods as avenues for obtaining verbal and observational data that portray phenomena holistically.

Research Location

The study was conducted at the BKAD Office in Airmadidi, North Minahasa Regency. The selection of this site was motivated by documented concerns regarding sub-optimal asset administration practices, as reported in the 2023 BPK (Supreme Audit Board) findings and local Inspectorate reviews, which highlighted discrepancies between recorded and actual asset conditions.

Focus and Research Questions

The central focus of this research is the implementation of penatausahaan (bookkeeping, inventory, reporting) of RGA within BKAD. Specific questions include:

1. How is the bookkeeping process conducted, and what challenges arise in recording asset acquisitions?
2. What are the procedures and frequency for conducting asset inventory, and what obstacles hinder data accuracy?
3. How is asset reporting structured, and what factors affect the timeliness and consistency of reports?

Informants and Sampling

Purposive sampling identified five key informants: the Head of Asset Management, Kasubid Inventarisasi & Security, Pengurus Barang Pengguna (asset manager), Kasubag Umum (general affairs), and Kasubid Perencanaan Kebutuhan (needs planning). These informants possessed direct involvement in RGA administration, while additional supportive informants provided corroborating perspectives.

Data Collection Techniques

- In-depth Interviews: Conducted using semi-structured guides to explore informants' experiences in penatausahaan.
- Observation: Non-participant observation of documentation workflows, system usage (E-BMD platform), and inter-unit coordination meetings.
- Document Analysis: Review of legal/regulatory texts (PP No. 27/2014; PP No. 28/2020; Permendagri No. 19/2016), inventory lists (KIBAR), reconciliation reports, and the Semester/Tahunan LBMD (Laporan Barang Milik Daerah) submitted to the Provincial Government.

Data Analysis

Data were analyzed thematically, mapping practices against regulatory requirements and management theory. Triangulation across interviews, observations, and documents ensured credibility and dependability. Emerging themes, such as "data submission delays," "labeling inefficiencies," and

“reconciliation gaps”, were coded and interpreted in light of POAC functions and asset management maturity stages.

RESULTS AND DISCUSSION

Overview of North Minahasa Regency and BKAD Structure

North Minahasa Regency, established on 20 November 2003, serves as a strategic logistic corridor between Manado (west) and Bitung (east), bordered by the Sulawesi and Maluku Seas. With an area of 1,059.24 km² and over 231,000 inhabitants, the Regency’s asset portfolio spans land, infrastructure (roads, irrigation), buildings, machinery, and other fixed assets.

BKAD is organized under Perbup No. 8/2023 into five divisions: Budgeting, Treasury & Cash Management, Accounting & Reporting, Asset Management, and Secretariat. A total of 57 civil servants staff the agency, with the largest concentration in the Secretariat (16 personnel) and the smallest in the central Directorate (4 personnel hold postgraduate degrees).

Bookkeeping

Per Permendagri No. 19/2016, bookkeeping requires RGA records at three levels: asset user, asset manager (OPD), and BKAD’s central registry. Bookkeeping includes data entry of acquisition documents (SP2D, BAST, purchase invoices) into the E-BMD electronic system.

Findings:

- Process Compliance: Bookkeeping protocols align with mandated document flows; key informants confirm the usage of standardized KIBAR formats across six asset categories (land, equipment & machinery, buildings, roads/irrigation, other fixed assets, construction-in-progress).
- Challenges: Delays in submission from OPDs (average lag of 2–3 months), inconsistent document completeness (missing invoice stamps), and occasional double-entry errors due to parallel manual registers.
- Theoretical Lens: Under the POAC framework, planning and organizing functions are evidenced by formal KIBAR procedures, but controlling (verification/audit) is hampered by resource constraints (limited verification staff) and suboptimal IT integration.

Inventory

Inventory activities occur annually for consumables and CIP items, and quinquennially for fixed assets, as stipulated by Permendagri No. 19/2016. The process comprises preparation (team formation, schedule), execution (physical count, condition assessment, labeling), reporting, and follow-up (data reconciliation, corrective actions).

Findings:

- Implementation: A BKAD decree establishes inventory teams, which conduct door-to-door verification across OPDs. Physical assets are matched against E-BMD data, with condition codes assigned (good, damaged, missing).
- Data Snapshot: In 2024, BKAD recorded 50 land parcels valued at Rp 41,150,459; 3,081 road/irrigation units (Rp 26.7 billion); 58 buildings (Rp 29.2 billion); 103 machinery items (Rp 4.05 billion); and 89 other fixed assets (Rp 31 million).
- Obstacles: Missing or illegible barcodes, reluctance of OPD staff to allocate time, and insufficient mobile scanning devices slowed execution; reconciliation tasks were further complicated by typographical inconsistencies.
- Theoretical Lens: Dynamic asset management theory emphasizes proactive data accuracy and IT utilization; BKAD's nascent use of E-BMD mobile modules indicates progression toward this stage, but greater system penetration and staff training are required.

Reporting

RGA reporting is conducted semi-annually and annually, culminating in the LBMD submitted to the Provincial Government and inclusion in the local government financial statements (LKPD). Reports detail asset mutations, valuations, physical conditions, and audit outcomes.

Findings:

- Structure: A standardized LBMD template guides data collation from OPDs. BKAD's Accounting & Reporting Division consolidates inputs, performs reconciliations, and prepares narrative analyses of variances.
- Performance: Timeliness has improved over the past three years, with 90 % of reports submitted within deadlines. However, data consistency issues persist: fiscal valuations differ by up to 5 % between OPD and central records, and missing condition codes reduce report completeness.
- Theoretical Lens: Controlling functions are critical here; the introduction of reconciliation dashboards reflects steps toward strategic, data-driven oversight, but the lack of automated alerts and routine cross-unit feedback loops hinders full control effectiveness.

Discussion

The study's findings reveal that while BKAD North Minahasa demonstrates strong procedural alignment with RGA administration regulations, practical execution gaps remain. Under the POAC framework, planning and organizing phases are well institutionalized through formal decrees and standardized formats. Actuating, mobilizing teams, and implementing processes are achieved but limited by human resource capacity and technological reach. Controlling, monitoring, evaluating, and correcting show progress via reconciliation exercises and dashboard creation, yet fall short of strategic management ideals requiring real-time data analytics and proactive risk controls (Hidayat, 2012; Sukarna, 2011).

From an asset management maturity perspective, BKAD has moved beyond static cost control into dynamic practices, undertaking condition assessments and deploying E-BMD electronic tools. However, a fully strategic stage, characterized by integrated lifecycle planning, performance benchmarking, and economic optimization, remains nascent. To advance, BKAD must close coordination loops with OPDs, deepen IT system integration (e.g., automated barcode verification), and institutionalize continuous capacity building.

CONCLUSION

Bookkeeping at BKAD adheres to regulatory requirements (Permendagri No. 19/2016) with standardized KIBAR data entry, yet suffers from input delays, incomplete documentation, and occasional duplication errors. Inventory processes are formally executed via annual and quinquennial schedules, achieving comprehensive physical counts; however, data accuracy is compromised by barcode/labeling inefficiencies and resource limitations. Reporting mechanisms follow prescribed LBMD schedules with improving timeliness, but discrepancies in asset valuations and incomplete condition coding underline the need for stronger reconciliation controls. Overall, BKAD operates predominantly within the dynamic phase of asset management maturity, having established structured processes and begun leveraging electronic systems. However, strategic integration, linking RGA data to budget planning, performance monitoring dashboards, and predictive maintenance scheduling, has yet to be fully realized.

Recommendations

1. Enhance System Integration & Training: Expand the E-BMD platform's deployment across OPDs; provide regular technical workshops on real-time data entry and reconciliation procedures; implement performance incentives for timely and accurate submissions.
2. Optimize Field Technology for Inventory: Procure additional mobile barcode scanners and develop a mobile E-BMD app module for offline data capture; establish asset verification SOPs; prioritize high-value and high-risk assets in scheduling to maximize audit impact.
3. Strengthen Reconciliation & Control: Increase reconciliation frequency to quarterly cycles; integrate automated discrepancy alerts into dashboards; institute cross-unit review sessions to address persistent data variances; pilot visual analytics tools to support decision-makers.

By implementing these measures, BKAD North Minahasa can transition toward strategic asset management, optimizing asset utilization, minimizing risks of loss or misuse, and reinforcing transparent, accountable governance.

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