

CHAPTER I

INTRODUCTION

A. Research Background

In an effort to achieve the goal of education both qualitative and quantitative goals, cost of education has a decisive role. Therefore, without adequate cost support, the education process in school is not going according to the expectation. Based on Government Regulation No. 48 of 2008 on Education Funding, Article 31 stated that the cost of education included (a) the cost of education unit, (b) the cost of education, and (c) the cost of learners. Meanwhile, in article 2 was explained that (1) Funding of education is a shared responsibility between government, local government, and communities. (2) Society, as being described in paragraph 1 included (a) the organizer or unit of education established by public, (b) learners, and (c) the other parties which are not referred to in point b that have a role and care to education. There are several types of costs in term of financing.

A good school financial management must meet the requirements-responsible, accountable and transparent. A responsible school financial means that all matters relating to the receipt of funding sources, and the use of fund, and the management of financial administration can be accounted. An accountable financial management is a condition in which every aspect of financial management is accountable before the law. As for the transparent

management of fund occurs when the administrative aspects of the management of fund can be determined by the parties involved, such as internal audit, external audit, auditors of government officials, and related parties (Harsono, 2008: 89).

Causative factors in the management of education cost in a school that is less well are: 1) the lack of proper planning, 2) the realization of the cost that does not comply with the planning, 3) the kinds of tuition liability that is less responsible, accountable and transparent.

The things that affect education funding, among other: first, the external factor, consisting of the development of democracy, education, government policy, demand for education, and the presence of inflation. Second, internal factors, consisting of educational objectives, the approach, the material presented, as well as the level and type of education. Another thing that should not be overlooked is the principles in financing, consisting of: (a) the principle of the ceiling, the funding requested does not exceed the highest amount that has been determined, (b) the principle of financing based on the budget, which means that funding should be based on the budget set, (c) the principle of not directly, which is a provision that each beneficiary should not use it directly for the purposes of financing something.

In public schools, generally have resources revenue budget consists of the central government, local government, communities, parents and other sources. While the basic budget of expenditure, it is the amount of money

spent every year for the purpose of implementation of education in schools. From a financing revenue, then comes an idea how the school manages all existing revenue, disbursed by the government, whether central and local government and the community. As a consequence of the Law No. 22 of 1999 on Regional Autonomy and Law No. 25 of 1999 lead to changes of paradigm in the area of financial management. With this paradigm change, the local government has the authority to administer its own finances. Management of local finance is based on the Government Regulation No. 105 of 2000 on Financial Management and Accountability.

The policy of the Directorate of Vocational School refers to the strategic objectives of the availability and accessibility of high-quality educational services, relevant, and equality in all provinces, districts and cities. Educational quality and equity become two education policies. To achieve this, it must be supported by adequate funding and targeted.

SMKN 1 Boyolali as a formal institution established by the Directorate of Vocational School is one of the pioneering International vocational school since 2007. It has the vision to be the international standard vocational school, generate productive employment, independent, competitive in the global era and noble. Meanwhile, one of the mission of *SMKN 1 Boyolali* is to produce graduates who are pious and noble, skilled and independent, while its purpose is to prepare students to work, either independently or fill job openings in the Business World / World Industries as a mid-level workforce,

according to the interested field / program skills / competencies. To realize all of the vision, mission and goals of the school would require no small cost. This is much different from what happened in high school. In vocational school, the learning system is not only theoretical but also practical, with 30% theory and 70% practice for productive subjects. While the learning process, it does not only occur in the school but also in the industrial world or other institutions that become the school partner in accordance with the existing competencies in school.

The author decided to make a research of the Educational Cost Management with some reasons. First, the management of education cost plays an important role in the development of school programs. Second, the good cost management in education is needed for the effectiveness and efficiency of financing. Third, the writer wanted to explore the role of cost management in education. Fourth, the writer would like to give a significant theoretical framework in education. Therefore, the writer took a study entitled: "Cost Management in Education (A Site Study at *SMK Negeri 1 Boyolali*)".

B. Research Focus

Based on the research background, this study has a focus on "How are the educational cost management characteristics at *SMK Negeri 1 Boyolali*?" This focus was elaborated into 3 subfocuses.

1. How are the characteristics of educational cost planning at *SMK Negeri 1 Boyolali*?
2. How are the characteristics of educational cost realization at *SMK Negeri 1 Boyolali*?
3. How are the characteristics of educational cost accountability at *SMK Negeri 1 Boyolali*?

C. Research Objectives

1. To describe the characteristics of educational cost planning at *SMK Negeri 1 Boyolali*.
2. To describe the characteristics of educational cost realization at *SMK Negeri 1 Boyolali*.
3. To describe the characteristics of educational cost accountability at *SMK Negeri 1 Boyolali*.

D. Research Benefits

1. Theoretical Benefits
 - a. Provide knowledge of education financial planning in Vocational School.
 - b. Provide knowledge about the realization of the cost of education in Vocational School.

- c. Provide knowledge about the form of accountability on educational cost in Vocational School.
2. Practical Benefits
 - a. For school, the results of this study are expected to give benefit as information material that the application of proper management of education cost will provide great benefit to the vocational school.
 - b. For stakeholders, the increase of public belief especially in the middle to lower level toward the education services offered, among others, the parents will be steady to send their children to vocational school, students will be more encouraged their performance as an actor of the production process.

E. Glossary

1. Management is the process of coordinating and integrating all resources, both human and technical, to achieve a variety of objectives set out in an organization.
2. Cost of education is that forecasted value of the funds should be made available to fund a variety of educational activities.
3. Planning is a preparation or determinations in advance about what to do in the future within certain time limit to achieve specific results.

4. Realization is an action to make all members of the group would work with pleasure so that organizational goals can be achieved efficiently and effectively.
5. Accountability is an activity that involves accountability receipt, storage and cash payment by the treasurer to the appropriate authorities.
6. Vocational school is a high school that aims to prepare high school graduates enter the workforce.