

CHAPTER I

INTRODUCTION

A. Research Background

Change and development in the world today cause increasingly fierce competition between nations and in various areas of life (Rakhmawati, 2008: 1). To deal with such competition will require a high quality of human resource. Development of high quality resource is essentially to create and develop modern science and technology as a mean to achieve an advanced, independent, and prosperous society. Improvement of human resource can be done through the educational process.

Law Number 20 of 2003 on National Education System mandates that every citizen aged 7-15 years old must attend basic education. Article 34 paragraph 2 states that the Government and local government guarantee the implementation of compulsory education at least at the level of primary education without charge, while in paragraph 3 states that compulsory education is the responsibility of the state held by government institution, local government, and society. The consequence of the mandate of the law is the Government and local government must provide education for all learners at the basic education level; (primary and secondary) as well as other education unit equals.

Fuel price increases in recent years is feared will reduce the purchasing power of the poor. This can hamper efforts to the completion of the nine years Compulsory Education Program, because the poor will be increasingly difficult to meet the need of education cost.

In order to overcome the impact of rising fuel price, the Government reallocates most budget to the four major programs, namely education, health, rural infrastructure, and direct cash subsidies (Gumilang, 2011: 8). One program in education is the School Operational Assistance (BOS), which provides assistance to schools to free education for the poor students and ease the burden for other students in order to support the achievement of nine years compulsory education program.

School Operational Assistance (BOS) is from government to be allocated to the education institution in the nine years compulsory education, namely elementary school and secondary school as a substitute for the operational fund which is usually collected from students in the institution. With the School Operational Assistance, all students who get this fund are free from the tuition that is usually paid every month.

In its implementation, there are still many parties who are less to understand on parties who are related to the distribution, use, and the accountability of School Operational Assistance fund and its role and function (Educational Department, 2008: 1). The understanding of parties who are related to the School Operational Assistance is necessary in order to clarify

the boundaries of the accountability of the School Operational Assistance fund management. It is necessary, especially if the problem arises of who should be liable for any 'mistakes' in the management of School Operational Assistance fund.

Indonesia Corruption Watch (ICW) indicated the use of School Operational Assistance (BOS) is not exact, because the books are not a priority for students and school so supposedly country loses trillion of rupiah (Educational Department, 2011: 2). The available books are Social, Science, Sport, Culture and Skill, and communication and technology. Whereas, the necessary books are books which are tested in the national exam, such as mathematic, Indonesian, Science and English.

In order for financial management in this regard is School Operational Assistance (BOS) runs well, of course, it is needed a strategy. Simply, the strategy can be defined as the decision or action which seeks to achieve organizational goals (Fattah, 2009: 54). Education is strongly influenced by various changes therefore the decision maker of education should be able to adjust to those changes. One strategy that can be applied in the financial management is the preparation of school budget plan.

As well as what is done by *State Elementary School of Kedung Pucang Purworejo*. With the School Operational Assistance (BOS), it can relieve the cost incurred by parents. The school operational, such as the provision of book and infrastructure also increased with the fund. The policy of School

Operational Assistance fund allocation is based on the deliberation with the parents. In order to making the good management of fund, the school appoints a teacher as the treasurer of the School Operational Assistance (BOS).

Effectiveness of the implementation of BOS program is measured from the five aspects of accuracy that is on time, on target, right amount, use, and proper procedure. In order for the realization of this BOS program can achieve those five aspects, the Ministry of Religious Affair has established a BOS management team from the central, provincial, and district or city levels, and allocate the supporting fund budget for the management of BOS program. Accordingly, the writer is interested to investigate the policy of BOS fund allocation at *State Elementary School of Kedung Pucang Purworejo*.

B. Research Focus

Based on the research background, this study has a focus on What are characteristic of the BOS fund allocation policy at *State Elementary School of Kedung Pucang Purworejo*? The focus is elaborated into three subfocuses.

1. What are characteristics of BOS fund allocation planning at *State Elementary School of Kedung Pucang Purworejo*?
2. What are characteristics of the use of BOS fund at *State Elementary School of Kedung Pucang Purworejo*?

3. What are characteristics of the accountability of the use of BOS fund at *State Elementary School of Kedung Pucang Purworejo*?

C. Research Objective

In particular, this study has three objectives.

1. Describing characteristics of BOS fund allocation planning at *State Elementary School of Kedung Pucang Purworejo*.
2. Describing characteristics of the use of BOS fund at *State Elementary School of Kedung Pucang Purworejo*.
3. Describing characteristics of the accountability of the use of BOS fund at *State Elementary School of Kedung Pucang Purworejo*.

D. Research Benefit

1. Theoretical benefit

The result of this study is expected to be used as an advanced research material and education scientific discourse, especially relating to school finance.

2. Practical benefit
 - a. The study is expected to provide practical benefit for all academic community at *State Elementary School of Kedung Pucang Purworejo*, so as to further improve the management of BOS fund.
 - b. For school, this finding is expected as an input in the management of BOS.

E. Glossary

1. Funding is one of the resources that directly supports the effectiveness and efficiency of education management.
2. Fund allocation is the process of allocating the fund based on the BOS program implementation guideline issued by the central government.
3. Financial management is the management of the finances of a business / organization in order to achieve financial objectives.
4. School Operational Assistance (BOS) is a government program for funding non personnel cost of basic education unit as the executor of compulsory education program.