

Analysis of the Application of the Cash Management System in the Financial Management of the Personnel and Human Resources Development Agency in Nias Regency



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ABSTRACT: The Nias Regency Personnel and Human Resources Development Agency is one of the Regional Apparatus Organizations within the Nias Regency Government which generally supports the achievement of the Vision and Mission of the Nias Regency Government and particularly in regional financial management. This study aims to explain the application of the Cash Management System or non-cash transactions in the process of monitoring financial transactions. This research is classified as a qualitative research using the SWOT analysis method with the aim of knowing the strengths, weaknesses, opportunities and challenges in the application of the Cash Management System. The results of this study indicate that the application of the Cash Management System in financial transactions can improve the integrity, accountability and transparency of financial management in order to encourage the prevention of corruption and money laundering within the Nias Regency Government and can realize the implementation of transactions in the financial management of the Personnel and Development Agency. The right number of human resources for Nias Regency is fast, safe, efficient, saves costs and accelerates services to the community

PRELIMINARY

To support the implementation of regional autonomy and the realization of good governance and clean government, regional financial management is carried out in a professional, open and responsible manner in accordance with applicable regulations and stipulated in laws. Law Number 17 of 2003 concerning State Finance and Law Number 1 of 2004 concerning the State Treasury, obliges the Regional Government and Regional Work Units as users of the budget to prepare financial reports as financial management accountability. The Financial Report in the form of a Balance Sheet, Budget Realization Report, Cash Flow Report and Notes to Financial Statements must be presented in accordance with Government Regulation Number 24 of 2005 concerning Government Accounting Standards.

One of the Government's efforts to improve the regional financial management system is the existence of Law Number 23 of 2014 concerning Regional Government which mandates that regional financial management be carried out in an orderly manner, in compliance with laws and regulations, efficiently, economically, effectively, transparently and responsibly. taking into account the sense of fairness, decency and benefits for society, Minister of Home Affairs Circular Letter Number 910/1866/SJ concerning the Implementation of Non-Cash Transactions on April 17 2017 and Presidential Instruction Number 10 of 2016 regarding the prevention and eradication of corruption.

Non-cash transactions are payments not in cash but by means of transfers between accounts or transfers from one party to another. With the implementation of non-cash transactions, it is hoped that there will be improvements in the financial governance of regional apparatuses in the local government of Nias Regency, one of which is the Personnel and Human Resources Development Agency of Nias Regency.

In essence the implementation of the Cash Management System in financial management is to provide convenience for financial management officials in terms of monitoring financial transactions. In order to achieve an increase in the quality of the regional financial administration system, an information technology-based regional financial administration system is needed to support regional governments in creating financial information that is accurate, fast, complete, relevant and can be tested for its validity.

In the context of implementing an electronic-based government system in Regional Financial Management, it has been carried out by implementing non-cash transactions within the scope of the Nias Regency Government in accordance with Nias Regent Regulation Number 17 of 2022 concerning Implementation of Non-Cash Transactions within the Nias Regency Government with regard to Presidential Instruction Number 10 of 2016 concerning Corruption Prevention Actions, Minister of Home Affairs

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Circular Letter Number 900/1867/SJ dated 17 April 2017 concerning Implementation of Non-Cash Transactions and Minister of Home Affairs Circular Letter Number 910/14005/SJ dated 13 December 2019 concerning Acceleration of Implementation of Non-Cash Transactions in the Framework of Transaction Electronification Local government.

Non-cash transactions have been carried out by the Nias Regency Government, including one of them is the regional apparatus of the Nias Regency Personnel and Human Resources Development Agency in collaboration with Bank Sumut, Gunungsitoli Branch. This is intended to strengthen regional financial management in an accountable, transparent and innovative manner and to suppress acts of corruption.

With the implementation of non-cash transactions with cash management system services, the recording of cash transactions is more complete and systematic.

Pre-observation, the authors still found that there were several cash transactions for spending with small amounts, transaction difficulties when the internet network was disrupted, coordination that needed time if one day the CMS account password was blocked and there were still goods/service providers who did not have accounts for transactions.

From the above, the formulation of the problem is how to apply the Cash Management System in the financial management of the Personnel and Human Resources Development Agency of Nias Regency with the aim of studying to see and understand the strengths, weaknesses, opportunities and challenges in implementing the Cash Management System in financial management. Staffing and Human Resources Development Agency of Nias Regency.

It is hoped that there will be real benefits from this research as a form of action in the implementation of non-cash transactions at the Personnel and Human Resources Development Agency of Nias Regency and become a reference for future researchers about the Cash Management System.

CONCEPTUAL STUDY

Presidential Instruction Number 10 of 2016 concerning Actions to Prevent and Eradicate Corruption. Minister of Home Affairs Circular Letter Number 900/1867/SJ dated 17 April 2017 concerning Implementation of Non-Cash Transactions. Circular of the Minister of Home Affairs Number: 910/14005/SJ December 13 2019 concerning Acceleration of Implementation of Non-Cash Transactions in the Context of Electronification of Regional Government Transactions. The provisions of article 222 paragraph (1) Government Regulation Number 12 of 2019 concerning Regional Financial Management which mandates that Regional Governments implement an electronic-based government system in managing regional finances. Nias Regent Regulation Number 17 of 2022 concerning Implementation of Non-Cash Transactions within the Nias Regency Government Environment dated August 1, 2022 and Nias Regent Circular Letter Number: 900/4850/BPKPD/2022 dated September 29, 2022.

Cash Management System is a banking service using internet facilities that allows corporate/institutional customers to be able to monitor financial transactions online at any time. This can support time and cost efficiency in managing company/agency finances as well as clarity of cash flow transactions that allows decisions to be made in a timely, fast and accurate manner in order to encourage increased competitiveness of companies/agencies in today's digital era.

The Cash Management System application is an online application service that provides information regarding financial management in real time for companies or government agencies.

According to David (2009) SWOT analysis is a tool used in compiling company strategic factors or systematic analysis in identifying external and internal environmental factors, threats or risks and business opportunities faced by a company. company. In the SWOT analysis what is described is only the situation that occurs and not as a problem solver. The SWOT analysis consists of 4 (four) parts, namely:

1. Strengths (strength), refers to the advantages and strengths or things that have been successfully done in the organization or company.
2. Weakness refers to weaknesses or obstacles that exist in an organization or company.
3. Opportunities refer to the opportunities/ability of an organization or company to compete and develop in the future.
4. Threats (challenges), refers to conditions that can threaten or pose a risk that can disrupt the organization or company.

METHOD

This type of research refers to qualitative descriptive research with the aim of being able to obtain information about the circumstances that occurred during the research by explaining things that actually happened. This study uses the SWOT analysis method with the aim of knowing the strengths, weaknesses, opportunities and challenges in implementing the Cash Management System.

In this study the type of data collected is in the form of qualitative data, namely the type of data that describes the research variables without any hypothesis.

Furthermore, there are 2 (two) data sources used, namely: primary data obtained directly from the research object and secondary data obtained indirectly or using other sources to obtain it.

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Data collection techniques are:

- a. Interview, namely the process of obtaining information by conducting question and answer to respondents / parties related to research to achieve research objectives.
- b. Observation, namely the method of collecting data that is carried out directly by observing in the field the symptoms or facts found at the location of the research object.
- c. Studies Documentation, namely the process of collecting data by studying books, magazines and scientific journals related to research problems.

RESULTS AND DISCUSSION

The implementation of non-cash transactions at the Nias Regency Government will begin in 2021 and will be carried out in stages starting in 2022 which is marked by the issuance of Nias Regent Regulation Number 17 of 2022 concerning Implementation of Non-Cash Transactions within the Nias Regency Government and Circular Letter Number: 900/ 4850/BPKPD/2022 concerning the Implementation of Non-Cash Transactions within the Nias Regency Government. What is emphasized from the existence of this regulation is that there is an exception for payment of non-cash regional expenditures for several payments and the remaining amount of cash (cash) Expenditure Treasurer/Assistant Spending Treasurer at the end of each working day in each Regional Apparatus Organization within the Nias Regency Government, namely the maximum Rp. 5.000.000,-/day.

In the context of orderly administration, the Personnel and Human Resources Development Agency for Nias Regency prepares and submits Data for Officers of the Maker, Checker and Releaser of the Cash Management System Application through the Regional Revenue and Financial Management Agency for Nias Regency. With the enactment of the Cash Management System in the financial management of the Personnel and Human Resources Development Agency for Nias Regency, the provision of down payment for activity implementers was eliminated.

The Cash Management System implementation strategy is carried out with initial stages in early 2022 with the aim of socialization, training as well as implementation of the CMS implementation for financial managers through the Coaching Clinic which will be held on the first and third weeks of February and March 2022 by the Regency Revenue and Financial Management Agency. Nias and Bank Sumut Gunungsitoli Branch. The implementation of the Cash Management System in managing the Finance of the Personnel and Human Resources Development Agency for Nias Regency starts with an employee payroll system that no longer submits the Salary SP2D to Bank Sumut Gunungsitoli Branch but is carried out through an escrow account by providing funds from the Nias Regency RKUD according to the net value of the salary SP2D on happy month.

Furthermore, payments for purchases of goods and services, depositing taxes and refunding funds to the regional treasury are also carried out through the Cash Management System, which in its implementation uses Maker, Checker and Releaser accounts that have been appointed by the Personnel and Human Resources Development Agency of Nias Regency.

The Cash Management System application used by the Personnel and Human Resources Development Agency for Nias Regency is cmskasda.banksumut which consists of three users namely Maker is a user who has the authority and responsibility to input transactions, Checker is a user who is responsible for checking correctness, completeness and validity documents that underlie transactions and Releasers are users who have the authority to approve transactions that have been carried out by Makers and Checkers in the Cash Management System.

In practice, what distinguishes cash and non-cash transactions is the method of payment. With non-cash transactions, the treasurer transfers money directly to the recipient or third party without any intermediaries from any party so that the recipient or third party can directly receive funds in accordance with their rights which can be seen through proof of transfer/payment in accordance with the amount of the transfer made by the Treasurer.

The implementation of this non-cash transaction does not only involve the treasurer as the payer but also involves the Activity Technical Implementation Officer (PPTK) to ensure that all activities with a predetermined budget ceiling can be realized optimally in accordance with applicable regulations. This non-cash transaction requires third parties to open a bank account because payments for orders for goods and services and the imposition of taxes are no longer made in cash but through bank accounts. Good coordination between Maker, Checker, Releaser, and PPTK is a factor in the smooth running of this non-cash transaction. The following are the results of interviews and observations, namely:

Table 1. SWOT Analysis of the Implementation of the Cash Management System in the Financial Management of the Personnel and Human Resources Development Agency in Nias Regency

<i>Strengths</i> (strength)	1. Monitoring transactions at each CMS user level
S	2. Can make transactions at any time
	3. Give added value to the assessment of agency performance
	4. Limit the circulation of counterfeit money

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	Suppress criminal acts of corruption
<i>Weaknesses</i> (weakness) W	<ol style="list-style-type: none"> 1. Transactions depend on the internet network 2. Transactions from different banks must be released on the same day at each CMS user level 3. There is a time limit for the OTP code for each transaction 4. SKN/RTGS transactions are carried out before 14.00 WIB 5. Different bank transaction fees are charged to the beneficiary (third party)
<i>Opportunities</i> (opportunity) O	<ol style="list-style-type: none"> 1. Improving electronic financial management technology 2. Increasing public trust in the Government for regional financial management 3. Financial transactions are more efficient and flexible 4. Reporting of BKU balances with appropriate Bank Account Statements. 5. Makes it easy for internal audits
<i>Threats</i> (challenge) Q	<ol style="list-style-type: none"> 1. Constraints carrying out CMS transactions if the Third Party does not have an account 2. It takes time to transfer CMS transactions if different banks 3. Problems if you forget the CMS user password 4. Requires coordination time to unblock (reset password) CMS users 5. The treasurer is extra careful about the suitability of the number of transactions recorded in the SPj with those entered

The implementation of this Cash Management System makes it easy for financial managers to be able to monitor cash at any time and can improve internal control over financial transactions.

The implementation of the Cash Management System has an impact on improving performance and minimizing regional financial irregularities and saving state spending.

CONCLUSION

With the issuance of Nias Regent Regulation Number 17 of 2022 concerning the Implementation of Non-Cash Transactions within the Nias Regency Government, there is no reason not to implement a Cash Management System in financial management at the Personnel and Human Resources Development Agency of Nias Regency and this has been done in stages and systematic.

Researchers concluded as follows:

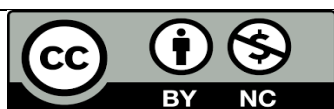
1. Implementing a Cash Management System can reduce the risk of corruption, money being lost (stolen/robbed) and even limiting direct meetings with third parties.
2. There is electronic storage of financial transaction data.
3. Account mutation reports (account statements) can be viewed at any time without having to come to the bank.
4. Financial transactions for the procurement of goods/services can be carried out electronically including tax payments.
5. The CMS application used is cmskasda.banksumut and needs development in improving application features, one of which is information about bank partner returns.
6. The implementation of CMS financial transactions must be supported by an adequate internet network.
7. The implementation of the Cash Management System can support an audit opinion on the preparation of the Nias Regency Regional Financial Report, namely Unqualified Opinion.

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