Evaluation of Capability Improvement of Government Internal Control Apparatus

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ABSTRACT
Evaluation of the improvement of the capability of the Government Internal Supervisory Apparatus (APIP) is very important considering that APIP capability has a significant impact on strengthening the effectiveness of the Government Internal Control System (SPIP) to realize good governance. The Sukabumi District Inspectorate was chosen as the object of research because it is one of 362 APIPs with a level below Level 3 from the results of the BPKP assessment in 2021. After using the new regulation, the APIP capability of Sukabumi District Inspectorate is at Level 3. This research used qualitative method with evaluation case study type. The evaluation framework refers to the new and old regulations related to APIP capability assessment. Based on the results of the comparative analysis of old and new regulations, it can be concluded that the new regulations on improving APIP capability are clearer and more systematic than the old regulations. From the evaluation results based on the new regulations APIP has not been able to reach level 3 as a result of its self-assessment. There are 3 topics that are not yet appropriate, namely supervisory planning, performance audits and compliance audits.
INTRODUCTION

Besides poor local government governance, the ineffective role of government supervisory apparatus in the regions is suspected to be one of the causes of the increasing number of corruption cases. According to Indonesia Corruption Watch (ICW), corruption in the regions still occurs massively due to weak law enforcement supervision of regional officials Movanita [1].

To implement good governance, government agencies are required to supervise and control government activities based on Government Regulation (PP) No. 60 Year 2008 on the Government Internal Control System (SPIP). To strengthen the effectiveness of SPIP implementation, the role of the Government Internal Control Apparatus (APIP) is needed. APIP conducts internal supervision over the implementation of the duties and functions of government agencies including state financial accountability. APIP is expected to play a role in providing assurance and advisory services.

Based on the direction of the President of the Republic of Indonesia on May 13, 2015 at the BPKP Center, by 2019 it is expected that 85% of APIP will be at Level 3 in order to be able to provide assurance and advisory services for improving risk management, governance, and control. However, based on BPKP data until 2019, APIP capability of at least level 3 in district/city government agencies has only reached 55.37%. So that BPKP assesses that APIP in the district/city government has not been fully able to carry out supervisory duties [3]. As a follow-up, in BPKP RI Regulation Number 2 of 2020 concerning the BPKP Strategic Plan 2020-2024, BPKP targets the APIP capability of government agencies to be at least level 3. To meet the quality standards of APIP capability development and the latest demands for the effectiveness of APIP’s role, BPKP replaced BPKP head regulation Number 16 of 2015 with BPKP regulation Number 8 of 2021 concerning APIP capability assessment in K/L/D. In its development, based on the 2021 BPKP Performance Report, out of a total of 623 K/L/D APIPs, there are 261 APIPs that have reached level 3 capability (41.89%) and 362 APIPs that are still below level 3 (58.11%). This data shows that there are still many APIP capability levels that are below level 3 [4].

Conditions in Indonesia are not much different from conditions globally. In [5], IAARF published the Global Internal Audit Survey which is the result of MacRae & Van Gils’ research on 2,284 public sector internal audit respondents in 107 countries. The results of this study reveal that most internal audits in the public sector in the world are at the lowest level, namely level 1 (initial) and level 2 (infrastructure). Meanwhile, the level expected to be achieved is level 3 (integrated). Furthermore, previous research has tried to evaluate the level of APIP capability in Indonesia Lestari [6] stated that APIP capability at the Inspectorate General of the Ministry of Religion is at level 1 (initial). The research of Nilasari [7] suggests that the capability of the BPS Main Inspectorate is at level 2 and has not been able to achieve the APIP level 3 capability target.

Evaluation of the improvement of APIP capability is very important to do considering that APIP capability has a significant impact in strengthening the effectiveness of SPIP to realize good governance. Therefore, this study aims to evaluate the improvement of APIP capability. Apart from the fact that the APIP capability target throughout Indonesia has not yet been achieved at level 3, this research is also motivated by the issuance of BPKP regulation Number 8 of 2021 concerning APIP capability assessment in K/L/D which was only published in November 2021. This year 2022 will be the first year of implementation of this regulation. Efforts to evaluate the implementation of the new regulation as early as possible need to be made to ensure that the APIP capability assessment carried out is following the intended regulations. Thus, in contrast to previous studies, this study is the first study to evaluate the improvement of APIP capability using BPKP regulation Number 8 of 2021 concerning APIP capability assessment.

For the analysis to be carried out in depth, this research uses a qualitative method with a case study approach so that it is more focused on exploring the phenomena of increasing the level of APIP capability. The research was conducted by collecting data through documentation and interviews. Because the case study in this research is aimed at evaluating the improvement of APIP capability, according to Ellet [8] this research is a type of evaluation case study.

The case study was conducted at one of the local government inspectorates, namely the...
Sukabumi District Inspectorate. The Sukabumi District Inspectorate was chosen because it is one of the APIPs that has the most supervision objects, namely 473 supervision objects, and is one of 362 APIPs that have a capability level below level 3 from the results of the BPKP assessment in 2021 [4]. After the issuance of BPKP regulation No. 8 of 2021, the results of the APIP capability self-assessment of Inspectorate Sukabumi increased to level 3. Therefore, it is relevant to evaluate the APIP capability of Inspectorate Sukabumi. Therefore, it is relevant to evaluate the improvement of APIP capability at the Inspectorate of Sukabumi District and may reflect similar conditions in other government agencies.

LITERATURE REVIEW

Internal Audit

Internal audit, as defined in the International Professional Practices Framework (IPPF) of The Institute of Internal Auditors (IIA), is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. Internal audit assists organizations in achieving their objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes [10].

Whereas according to Sawyer (2019) internal audit is a systematic and objective examination of the operations and controls of various organizations carried out by internal auditors to determine whether the following criteria have been met:
1. Resources have been used effectively and efficiently;
2. The company’s financial and operational information is accurate and reliable;
3. Risks have been identified and minimized;
4. Satisfactory operating criteria have been met;
5. External regulations and generally accepted internal policies and procedures have been followed; and
6. The organization’s objectives have been successfully achieved.

Internal Audit in Government

Internal audit can help governments evaluate whether government policies and laws are being followed, by assessing whether organizational plans, budgets, and policies are designed and implemented to achieve the objectives of government policy programs and desired public services [11]. In government in Indonesia, the internal audit unit or function is known as the Government Internal Control System (SPIP) which is regulated in Government Regulation No. 60 year 2008 on SPIP. The existence of SPIP is a manifestation of the commitment of the Government of Indonesia to realize good governance. An effective supervisory system is expected to improve the performance of government organizations.

The effectiveness of SPIP implementation is the responsibility of ministers/institution heads, governors, and regents/mayors in accordance with their respective environments. Meanwhile, the development of SPIP implementation, which includes the preparation of technical guidelines for SPIP implementation, SPIP socialization, SPIP education and training, SPIP guidance and consultancy, and competency improvement of APIP auditors, is carried out by BPKP [12].

Internal Auditors in Government

Internal auditors in government in Indonesia are known as the Government Internal Control Apparatus (APIP). APIP is a government agency that has the main task and function of conducting internal supervision in the implementation of SPIP within the central government and local governments.

To optimize the role of APIP, APIP must have good capabilities to meet the requirements of expertise competence as an auditor. The Indonesian Government Internal Auditor Association (AAIPI) emphasizes that auditors must have the knowledge, skills, and competencies needed to help carry out their duties and responsibilities as supervisory executors. APIP leaders must ensure that each internal auditor team carrying out supervisory activities has an adequate educational background, competence and experience AAIPI [13].

APIP Capability

APIP capability is the ability of APIP to carry out supervisory activities supported by good supervisory support to produce quality supervision to realize the effective role of APIP. To be able to carry out an effective public sector internal audit
function, organizations are required to determine the optimal level of internal audit capability [14]. The higher the level of capability possessed by internal audit, the more effective the internal audit function [15].

APIP capability assessment is carried out with reference to the Internal Audit Capability Model (IACM). The IACM framework is built through five progressive levels namely: (1) Initial; (2) Infrastructure; (3) Integrated; (4) Managed; and (5) Optimizing. The IACM levels reflect the lowest level (level 1) to the highest level (level 5). The lowest level is the basis for the next level. Each level describes the characteristics and capabilities of the internal audit activity [15]. Figure 1 illustrates the five IACM capability levels.

### Figure 1. IACM Capability Level

#### Determination of APIP Capability

To improve APIP capability, it is necessary to know the current condition of APIP capability. The determination of APIP capability is regulated in the regulation of the Head of BPKP Number 16 year 2015. However, in 2021 a new regulation for determining APIP capability will be issued which is regulated in BPKP regulation Number 8 year 2021.

#### BPKP Head Regulation No. 16 year 2015 about technical guidelines for APIP Capability Improvement

This regulation describes the assessment process, assessment components, and assessment weight, as follows:

1. Assessment Process:
   a. self-assessment is carried out by APIP.
   b. self improvement is carried out by APIP.
   c. quality assurance of capability assessment results is carried out by BPKP.
   d. monitoring is carried out by APIP and BPKP.

2. Assessment component:
   a. Roles and Services
   b. HR Management
   c. Professional Practice
   d. Accountability and Performance Management
   e. Organizational Culture and Relationships
   f. Governance Structure

3. Assessment Weight:
   The capability assessment was conducted from the first statement to the last statement (240 statements) developed for all KPAs (41 KPAs). Table 1 illustrates the APIP capability assessment statement numbers.

<table>
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<tr>
<th>PERTANYAAN</th>
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**Table 1. Quantity and Statement Number of Capability Assessment**

“Yes” and “partially” answers must be supported by documentary evidence or systems that are already in place and running (implemented) with provisions:

- If the fulfillment answer is “Yes” then score 1 (one)
- If the fulfillment answer is “Partially” then score 0.5 (half)
- If the fulfillment answer is “No” then score 0 (zero).

#### BPKP Regulation Number 8 of 2021 about APIP Capability Assessment

This regulation describes the assessment process, assessment components, and assessment weight, as follows:

1. Assessment Process:
   a. Self assessment is carried out by APIP.
   b. Evaluation of the results of the self-assessment and determination of APIP capability level is carried out by BPKP.
   c. Follow-up monitoring conducted by BPKP and APIP.

2. Assessment component:
In the APIP Capability Framework as presented in Figure 2, it is stated that there are three components that affect the role of an effective APIP.

Figure 2. IACM Capability Level

3. Assessment Weight:
The assessment weight is based on the components of supervisory support and activity, which are translated into 6 Elements and 18 Topics. The supervisory support component received an assessment weight of 60%, while supervisory activities and quality received an assessment weight of 40% as illustrated in Figure 3.

Figure 3. Component Weight, Capability Assessment Elements and Topics

Component assessment is done with the answer (Y/T):
- If APIP has implemented the fulfillment of the statement with clear supporting evidence then the answer is “Y”.
- If APIP has not implemented the fulfillment of the statement with clear supporting evidence then the answer is “T”.

**Research Framework**

This study aims to evaluate APIP capability based on BPKP Regulation Number 8 year 2021 about APIP Capability Assessment. This regulation is a new regulation that replaces BPKP Head Regulation Number 16 year 2015 about Technical Guidelines for Improving APIP Capability. This research:

1. Comparing the two regulations;
2. Evaluated the implementation of the new regulation in one of the inspectorates, namely the Sukabumi District Inspectorate, by reviewing the results of the self-assessment conducted by the Sukabumi District Inspectorate based on the new regulation; and

**RESEARCH METHODS**

A case study strategy was utilized in this research. According to Creswell & Poth [17], a case study is research that explores a case by collecting in-depth data and involving various sources of information, and presents the results of its research in a case-based format in the form of a case description. Ellet [8] argues that there are three types of case studies, including decision making, evaluation, and problem diagnosis. This research case study is a type of evaluation. Ellet [8] argues that evaluation type case studies are case studies that aim to evaluate a performance or situation in the organization under study. This type of case study produces follow up recommendations to improve or maintain that performance in the future as well as resources for its implementation. This study aims to evaluate the improvement of APIP capability and recommend follow up on the evaluation results. The research was conducted using qualitative methods. According to Ritchie & Lewis [18], qualitative research transforms a phenomenon in representation into an understanding. This research is qualitative research because it tries to interpret the phenomenon of increasing APIP capability by exploring and understanding it based on new and old regulations on APIP capability assessment.

**Data Collection Technique**

This research uses two data sources, namely primary and secondary data. Primary data is data collected directly from the data source by the researcher himself Miller and Brewer [19]. Primary data in this study was obtained directly from the Inspectorate of Sukabumi District through interviews with various sources. Secondary data is generally data that can be used by anyone including by research because it is openly published [20]. Secondary data in this study were obtained from...
the BPKP website and other sources. The secondary data is in the form of laws on SPIP and APIP, APIP Capability Guidelines, BPKP Performance Reports, various journals relevant to the research.

The first instrument in this research is document examination. Documents are records of past events that can be in the form of works, images, or writings [21]. Document instruments in this study are in the form of documents on the results of APIP capability self-assessment, new regulations and old regulations for increasing APIP capability. Based on these documents, a comparison is made between the old regulations and the new APIP capability regulations. Then evaluate the suitability of the results of the self-assessment using the evaluation framework in the form of the latest regulations on APIP capability assessment.

In addition to document examination, this research also uses interview techniques in evaluating the improvement of APIP capability. There are three types of interviews, namely unstructured, semi structured, and structured interviews [22]. This research used semi-structured interviews to encourage the interviewees to express their thoughts more openly. Interviewees were selected based on the diversity of positions and tasks as well as relevance to SPIP and APIP capability. There were 7 resource persons interviewed consisting of BPKP Auditors, APIP structural and functional Auditors and Supervisor of the Implementation of Government Affairs in the Region (P2UPD).

Data Analysis

This research uses Milles and Huberman's [23] interactive data analysis model which consists of data collection, data reduction, data presentation, and conclusion drawing, as presented in Figure 4. The relationship between model components is interactive.

1. Data collection
   The data collection process is the collection of data in the form of words and documents obtained through document review and interviews. In this study, data collection took the form of self assessment document collection and interviews.

2. Data reduction
   Data reduction is the selection, simplification, focusing, abstracting, and transformation process of the “raw data” obtained in the object of study. In this study, after the data was collected, to facilitate drawing conclusions, data reduction was made, by selecting relevant data related to increasing APIP capability. The data selected in this study were the results of the self-assessment conducted by the APIP Inspectorate of Sukabumi District. This data was selected to evaluate the results of the Sukabumi District Inspectorate self assessment based on the new regulations.

3. Presentation of data
   Miles and Huberman [23] limit "presentation" to an organized set of information that gives the possibility of drawing conclusions and taking action. In this study, to assist data analysis, the data obtained from document review and interview results are presented by compiling and describing them based on APIP capability elements so that they become a structured set of information.

4. Draw conclusions
   Drawing conclusions needs to be verified during the research, so that the meanings that emerge in the data and conclusions must be tested for their truth, suitability, and strength to test their validity. In this study, the data obtained from document review and interview results were then analyzed so that they could answer research problems.

Organization profile

The unit of analysis chosen in this study is the Inspectorate of Sukabumi Regency. The Inspectorate of Sukabumi Regency was chosen because it is one of the APIPs that has the most supervision objects, namely 473 supervision objects [9], and is one of 362 APIPs that have a capability level below Level 3 from the results of the BPKP assessment in 2021 [4]. After the issuance of BPKP regulation
Number 8 of 2021, based on the results of the self-assessment, the APIP capability of the Sukabumi District Inspectorate is at Level 3. Therefore, APIP at the Inspectorate of Sukabumi District is at Level 3. Therefore, APIP at the Inspectorate of Sukabumi Regency is relevant to be the object of research to answer the problem formulation, namely comparing the self-assessment assessment with the new regulation and analyzing the increase in APIP capability associated with regulatory changes and the fact of increasing the actual APIP capability.

RESULTS AND DISCUSSION

Comparison of APIP Capability Assessment Regulations.

This study aims to evaluate the suitability of the results of the APIP capability self-assessment of the Sukabumi District Inspectorate with the new regulation, namely BPKP Regulation Number 8 of 2021 concerning APIP Capability Assessment. This requires an understanding of the new regulation and its differences with the previous regulation, namely BPKP Head Regulation Number 16 of 2015 concerning Technical Guidelines for Improving APIP Capability. Therefore, the first analysis conducted in this research is to compare the two regulations.

The comparison includes 4 things, namely: (1) assessment aspects; (2) assessment mechanism; (3) assessment components; (4) assessment period. The results of the comparison of the two regulations show that the new regulation is stricter than the old regulation, with an overview of the comparison as follows:

1. There are differences in assessment aspects. In the new regulation, the assessment aspects are clearer. It is explained what is meant by policy, implementation and results. The new regulation is more systematic, as all three aspects are assessed across topics.
2. The APIP capability assessment mechanism is relatively the same.
3. The assessment components in the new regulation can result in a more rigorous assessment, if the problems so far in APIP capability are in the assessment components that have increased weight. But it will be easier if the problem has been in the weight that has decreased.
4. The assessment period in the new regulation is more routine, namely every year, while in the old regulation the assessment period was not every year. With the new regulation there is a possibility that the capability level will decrease if in the next assessment year the conclusion of the assessment results decreases, while in the old regulation the capability level tends to remain or increase if improvement efforts are made and then reassessed.

The clarity and systematic nature of the new regulations compared to the old regulations is also reinforced by an interview with the Inspector who stated as follows:

“The new regulation is certainly better because it is the result of development from before, the new regulation is more detailed and more about implementation, while the old regulation fulfills the statement more about documentary evidence” (Inspector, 2022).

Based on the results of the analysis of the comparison of the old and new regulations above, it can be concluded that the new regulations on improving APIP capabilities are clearer and more systematic than the old regulations. The new regulation has adjusted the concept and mechanism of capability assessment in line with the shift in the role of APIP towards a more progressive direction.

Evaluation of Sukabumi District Inspectorate Self Assessment Results Based on New Regulations (BPKP Regulation No. 8 of 2021).

The increase in APIP capability level of Sukabumi District Inspectorate from Level 2 to Level 3 is interesting to study considering: (1) the new assessment is based on self-assessment; (2) BPKP as quality assurance has not submitted its evaluation results; (3) the assessment is based on a new regulation issued at the end of 2021 and only implemented in 2022; (4) there has been no similar research on this matter; and (5) previous analysis shows that the new regulation is considered clearer and more systematic than the previous regulation. With the new regulations being clearer and more systematic, the increase in APIP capability from Level 2 to Level 3 should truly reflect a significant improvement in the APIP capability of the Sukabumi District Inspectorate.
To prove this, this study evaluates the conformity of the Sukabumi District Inspectorate's self-assessment to the new regulation.

**Supervisory Support Component (Enabler)**

**HR management element**

**HR planning**


The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations. The attached evidence has illustrated that APIP already has HR planning so that the self-assessment carried out by the Sukabumi district inspectorate is correct. And the conclusion of “Y” is correct so that the conclusion of the element value is given a value of 3.

This HR planning assessment is correct. This is reinforced by the results of interviews with the general and staffing sections which state:

“The efforts we make to develop HR competencies are through training and technical guidance. The development of human resources is regulated by the inspector's decision, the latest or current one is the Sukabumi District Inspector Decree Number KP.04.00/87/Sekret/2022 concerning Guidelines for Education and Training (Diklat) for Apparatus within the Sukabumi District Inspectorate.”

**HR development**


The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations. The attached evidence has illustrated that APIP already has human resource development so that the self-assessment carried out by the inspectorate of Sukabumi Regency is appropriate. And the conclusion of “Y” is correct so that the conclusion of the element value is given a value of 3.

This HR development assessment is appropriate. This is reinforced by the results of interviews with the general and staffing sections which state:

“The efforts we make to develop HR competencies are through training and technical guidance. The development of human resources is regulated by the inspector's decision, the latest or current one is the Sukabumi District Inspector Decree Number KP.04.00/87/Sekret/2022 concerning Guidelines for Education and Training (Diklat) for Apparatus within the Sukabumi District Inspectorate.”

**Professional Practice Elements**

**Surveillance Planning**

Amendments to the Standard Operating Procedures of the Inspectorate of Sukabumi District.

The results of document review and analysis show that the instruments and methods of assessment are not in accordance with the new regulations, the evidence attached does not illustrate that APIP already has a supervisory plan, so the self-assessment carried out by the Sukabumi district inspectorate is not appropriate. And the conclusion “Y” is not correct so the conclusion should be “T”.

Supervisory planning is not appropriate because PKPT is not risk-based. This is reinforced by the results of an interview with the Inspector who stated:

“According to BPKP, our PKPT is not risk-based, but we think it is, so we have asked for examples of risk-based PKPT according to BPKP”.

Quality Assurance and Improvement Program

The results of the self-assessment state that APIP has implemented a Quality Assurance and Improvement Program (QAIP). The attached evidence related to QAIP is (1) IAC Document (Supervisory Charter). (2) Inspector Decree No.700/2261/Secretariat/2021 on APIP Quality Control Guidelines. (3) Inspector Decree No.700/2259/Secretariat/2021 concerning Guidelines for Internal Peer Review of APIP Audit Results. (4) Tiered riviu working paper documents and PKA, Quality Control and internal peer review LHA in 2022.

The results of document review and analysis show that the assessment instruments and methods are in accordance with the new regulations. The attached evidence has illustrated that APIP has implemented QAIP so that the self-assessment carried out by the inspectorate of Sukabumi Regency is correct. And the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

The QAIP assessment is appropriate because APIP has implemented QAIP. This is reinforced by the results of an interview with the head of evaluation and reporting who stated:

“We already have QAIP which is stipulated in the supervisory charter and strengthened by the inspector’s decision on APIP quality control”.

“Each QAIP program is documented and reviewed, so that APIP performance results can be monitored properly”.

“When the auditor carries out the supervision, after the supervision the auditor makes a report on the results of the supervision (LHP), the LHP is supervised / reviewed in stages, from the team members to formulate the LHP, then reviewed by the team leader, after the team leader is reviewed by the technical controller from the technical controller reviewed to the regional assistant inspector. After that to the secretary, then to the Inspector, after from the Inspector, for example, it is finalized, then it is submitted to the leadership or management if in our area we report to the Regent. Suppose the Regent disposes for follow-up, then it is submitted to the SKPD or to the regional apparatus that is the audit entity”.

Accountability and Performance Management Elements

APIP work and budget plan

The results of the Sukabumi District Inspectorate APIP self-assessment have implemented the work plan and budget. The attached evidence related to the work plan and budget are (1) Work plan for 2022 (2) Strategic plan for 2021 - 2026 (3) Work plan and budget for 2022 (4) Performance Agreement for 2021 & 2022 5) PKPT for 2022.

The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP already has a work plan and budget, so that the self-assessment carried out by the inspectorate of the Sukabumi district is correct. And the conclusion of “Y” is correct so that the conclusion of the element value is given a value of 3.

The assessment of the APIP HR work plan is correct, this is reinforced by the results of an interview with the planning section which states:

“The work plan and RKA have identified target results and performance indicators. The RKA is prepared based on the Renja so that it is harmonized”.

Muhammad Yusup, Yan Rahadian
Budget implementation

The results of the self assessment state that APIP has implemented budget execution. The attached evidence related to budget implementation is: Regional Regulation Number 2 of 2022 concerning regional financial management promulgated on April 25, 2022 which contains financial administration procedures, the use of estimate charts, accounting system mechanisms for recording budget execution, the appointment of budget users, treasurers, technical implementation officials, and APIP has used computer technology in its financial management.

The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has implemented budget implementation, so that the self-assessment carried out by the inspectorate of the Sukabumi district is correct, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

This assessment of budget implementation is appropriate, this is reinforced by the results of an interview with the Inspector who stated:

“Budget implementation is now facilitated by systems such as the Regional Management Information System (SIMDA) for FINANCE, SIMDA for Regional Property, the Regional Government Information System (SIPD), and the Village Financial System Application (SISKEUDES)”.

APIP Performance Measurement System


The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has implemented the APIP performance measurement system, so that the self-assessment carried out by the Sukabumi Regency Inspectorate is correct, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

The assessment of APIP’s performance measurement system is appropriate because APIP at the Sukabumi District Inspectorate has implemented performance measurement. As reinforced by the results of interviews with the evaluation and reporting section which stated:

“Performance agreements and performance measurement are based on Menpan RB and regent regulations, which become a reference for the implementation and evaluation of APIP performance as a whole”.

Reporting to management

The results of the self-assessment state that APIP has carried out reporting to management. The attached evidence related to reporting to management are: (1) SOP Number 700/1714/Secret dated October 6, 2021 concerning Reporting of Audit Results. (2) Standard Operating Procedure No.700/1714/Secret on the preparation of Audit/Review Report. (3) Standard Operating Procedure Number 700/1715/Secret for the Preparation of Quarterly/Semester/Annual Reports”.

The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has carried out reporting to management, so that the self-assessment carried out by the inspectorate of the Sukabumi district is correct, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

This assessment of reporting to management is appropriate, this is reinforced by the results of interviews with the evaluation and reporting section which states:

“Regarding reporting to management, we have implemented it, namely in the form of APIP government agency performance reports (LKjIP) and proof of sending them”.
Organizational Culture and Relationships

Elements

Internal APIP Communication Management

The self-assessment results state that APIP has implemented APIP internal communication management. The attached evidence related to the management of internal APIP communication are:
1. Regency Regulation No. 97 of 2021 concerning SOTK Inspectorate.
2. Decree of Sukabumi District Inspector No. 700/Kep.47 -Inspectorate/2014 on Job Description of Inspection Team.

The results of document review and analysis show that the instrument and method of assessment are in accordance with the new regulations, the attached evidence illustrates that APIP has implemented internal communication management, so that the self-assessment conducted by the Sukabumi District Inspectorate is appropriate, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

APIP relationship with management

The results of the self-assessment state that APIP has implemented APIP’s relationship with management. The evidence attached regarding APIP’s relationship with management is: (1) Regent Regulation No. 97 of 2021 concerning SOTK Inspectorate Circular Letter Number. 100/17/8-Tapem on the Implementation of Monthly Office Meetings of Sukabumi District Government.

The results of document review and analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated
“We always coordinate with APIP inspectorates of other cities/regencies, then coordinate with BPK”.

Structure and Governance Elements

Funding mechanism

The results of the self-assessment state that APIP has implemented a funding mechanism. The attached evidence related to the funding mechanism are: (1) Regent Regulation No. 23/2006 on Regional Financial Management System and Procedure of Sukabumi District, Chapter IV Preparation of APBD Draft Part Five Appendix A. (2) General Policy of APBD and Temporary Budget Ceiling Priority. (3) Inspectorate Work Plan and Budget (4) Inspectorate Budget Implementation Document.

The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has implemented the funding mechanism, so that the self-assessment carried out by the inspectorate of the Sukabumi district is appropriate, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

The assessment of this funding mechanism is correct, this is reinforced by the results of an interview with the general and staffing section which states: “APIP is given the authority to submit a budget in carrying out supervisory tasks”.

Full access to organizational information, assets and human resources

The results of the self-assessment state that APIP has implemented and obtained full access to organizational information, assets and human resources. The attached evidence related to full access to organizational information, assets and human resources are: (1) Supervisory Charter of the Inspectorate of Sukabumi District. (2) Inspector Decree No. 700/2264/Secretariat/2021 concerning SOP for access to information. (3) Inspector Decree no. 700/2667/Secretariat/2021, concerning Internal Audit Standards of the Inspectorate of Sukabumi District.

The results of document review and analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has full access to organizational information, assets and human resources, so that the self-assessment carried out by the Sukabumi district inspectorate is correct, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

This assessment of full access to organizational information, assets and human resources is appropriate, this is reinforced by the results of an interview with the planning section which states: “In carrying out the assignment, if there are access restrictions or interventions by the leadership, APIP discusses the implications with the leadership. But until now there has never been a restriction of access or intervention”.

Reporting Relationship


The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has implemented the reporting relationship, so that the self-assessment carried out by the Sukabumi district inspectorate is appropriate, and the conclusion of “Y” is correct so that the conclusion of the element value is given a value of 3.

The assessment of this reporting relationship is appropriate, this is reinforced by the results of an interview with the Inspector who stated: “The APIP activity report is submitted to management by the APIP leader, the activity report is submitted after a review from internal APIP”.

Supervisory activity component (Delivery) and Supervisory quality component (Result)

Role and Service Elements
Compliance Audit

The results of the self assessment state that APIP has conducted an audit of compliance. The attached evidence are: (1) Supervisory charter. (2) Inspector Decree No. 700/Kep.31-Secretariat/2018 on Examination Standards / Obedience Audits at Regional Apparatus within the Sukabumi Government. (3) Regulation of the Deputy for Supervision of Regional Financial Management No. 7 of 2020 on General Guidelines for Obedience Audits (4) Inspector Decree No. 700/145/Secretariat on Examination Guidelines within the Inspectorate of Sukabumi Regency.

The results of document review and analysis showed that the instruments and assessment methods were not in accordance with the new regulations, the attached evidence did not illustrate that APIP had carried out an obedience audit, so the self-assessment conducted by the Sukabumi district inspectorate was not appropriate. And the conclusion “Y” is not appropriate so the conclusion should be “T”.

The assessment of this compliance audit is not appropriate, because the compliance audit has not been carried out by competent human resources. this is reinforced by the results of interviews with auditors who stated:

“In addition, the number of auditors is not optimal, so that the compliance audit cannot be carried out optimally”.

Performance Audit

The results of the self assessment state that APIP has conducted a performance audit. The evidence attached are: (1) Supervision charter. (2) Sukabumi District Inspector Decree no. 700/2258 Secretariat/2021 on Performance Audit Guidelines for Sukabumi District Inspectorate (3) Performance Audit assignment letter (4) Performance Audit inspection report.

The results of document review and analysis show that the instruments and methods of assessment are not in accordance with the new regulations, the attached evidence does not illustrate that APIP has carried out a performance audit, so the self-assessment conducted by the Sukabumi district inspectorate is not appropriate. And the conclusion “Y” is not appropriate so the conclusion should be “T”.

This performance audit assessment is not appropriate, because the performance audit has not provided suggestions for improvement and risk management. This is reinforced by the results of interviews with auditors who stated:

“The number of auditors is not optimal, so the performance audit cannot be carried out optimally and cannot provide suggestions for improvement”.

Overall Assurance on Governance, Risk, and Control / GRC


The results of document review and analysis show that the instrument and method of assessment are in accordance with the new regulation, the attached evidence illustrates that APIP has implemented Overall Assurance on Governance, Risk, and Control/GRC, so that the self-assessment conducted by the Sukabumi District Inspectorate is appropriate, and the conclusion of “Y” is correct so that the conclusion of the element value is given a value of 3.

This Overall Assurance on Governance, Risk, and Control/GRC assessment is correct, this is reinforced by the results of an interview with the planning section which states:

“We have implemented Overall Assurance on Governance, Risk, and Control/GRC”.

Consulting Services

The results of the self assessment state that APIP has carried out consultancy services. The attached evidence related to consultancy services are: (1) Supervision charter (2) Regent’s decision No.700/Kep.917-Inspectorate/2019 concerning the Inspectorate Supervision Consultation Clinic

The results of the document review and the results of the analysis show that the instruments and methods of assessment are in accordance with the new regulations, the evidence attached has illustrated that APIP has carried out consultancy services, so that the self-assessment carried out by the inspectorate of Sukabumi Regency is appropriate, and the conclusion “Y” is correct so that the conclusion of the element value is given a value of 3.

This assessment of consultancy services is appropriate, this is reinforced by the results of an interview with the secretary of the inspectorate who stated:

“We have a special team called the consultation clinic, so auditii can consult”.

From the evaluation results based on the new regulations APIP has not been able to reach level 3 as a result of its self-assessment. There are 3 topics that are not yet appropriate, namely supervisory planning, performance audits and compliance audits.

CONCLUSION

Based on the results of the analysis of the comparison of the old and new regulations above, it can be concluded that the new regulations on improving APIP capabilities are clearer and more systematic than the old regulations. The new regulation has adjusted the concept and mechanism of capability assessment in line with the shift in the role of APIP towards a more progressive direction.

From the evaluation results based on the new regulations APIP has not been able to reach level 3 as a result of its self-assessment. There are 3 topics that are not yet appropriate, namely supervisory planning, performance audits and compliance audits.

The Sukabumi District Inspectorate can achieve level 3 in the following year by improving topics that are not yet appropriate because in this new regulation the assessment is carried out periodically every year. APIP can prepare to improve capability from now on so that later when the assessment is ready.
REFERENCE


[22] K. G. Esterberg, Qualitative methods in social research (no. 300.18 E8), 2002.