

Education Financing System in Indonesia (Integrated Merangin VHS Institution)

*Yahya, Hadiyanto, Diana Wulandari

Universitas Negeri Padang, Indonesia
*E-mail: yahyatambunan@fip.unp.ac.id

Received: 27 Apr. 2023, Revised: 12 May. 2023, Accepted: 01 Jun. 2023

ABSTRACT

Education is the initial capital to improve the quality of human resources themselves because with education it is hoped that humans will have high knowledge and skills. However, education cannot be separated from the cost of education itself. The Law (UU) No. 20/2003 concerning "the National Education System" explicitly explained that education financing outside of salaries is 20% of the State Revenue and Expenditure Budget (APBN) and 20% of the Regional Revenue and Expenditure Budget (APBD), while PP No. 19/2005 concerning "the National Education System" explains that education funding includes operational costs which include salaries. The purpose of this research is to find out how the education financing system exists in Indonesia, especially at the Merangin Integrated Vocational High School (VHS), Jambi Province. Therefore education is a shared responsibility both from the government and from the community itself. Quality education requires a high cost. The results of this study indicate that what is the pattern of education financing in Indonesia, especially at the Integrated Merangin VHS institution.

Keywords: Financing, Education, the cost, Vocational High School (VHS), National Education System.



This work is licensed under the Creative Commons Attribution-ShareAlike 4.0 International License

INTRODUCTION

The cost of education is very important for the implementation of education. in school institutions. Because the cost of all activities carried out in schools can be run by educational goals both quantitatively and qualitatively, these costs have an important role, as is the case in one of the institutions in Indonesia, namely the Integrated Merangin VHS Institution. Law of the Republic of Indonesia No. 20/2003, Regulation of the Minister of National Education No. 69/2009 concerning "Standard Nonpersonnel Operational Costs of 2009 for Elementary Schools/Madrasah Ibtidaiyah (ES/MI); Junior High School/Madrasah Tsanawiyah (JHS/MTs); Special Elementary School (SES); Special Junior High School (SJHS); and Special High School (SHS), Regulation of the Minister of Education and Culture of the Republic of Indonesia NO. 51/2011 concerning "Technical Guidelines for the Use of Aid Funds".

Education which is considered important, both at the macro (state) level or at the micro (institutional) level, is a matter of financing because financing is an absolute element and must be available because the government has stated in the Law that mega locating the State Expenditure Budget (APBN) by 20% for education (Amri & Yahya, 2021). Based on Law Number 20 of 2003 concerning the National Education System, education is a basic and planned effort to create a learning atmosphere and learning process so that students effectively develop their potential to develop their potential (Pristiwati *et al.*, 2022).

METHODS

Researchers used qualitative-naturalistic methods in this study. Through this qualitative assessment, it is hoped that quality indicators, social reality, and research objectives can grow without being hampered by formal constraints. The naturalistic theme encourages natural data collection. Researchers are looking for the presence of researchers so as not to change the situation or behavior of the person being studied with the concept. Field data-gathering methods include observation, analysis, and documentation.

RESULTS

3.1 Definition of Education

UU No. 2/1989 concerning "the National Education System", as follows: "Education is a conscious effort to entertain students through guidance, teaching and or training activities for their future roles". From this conversation it is clear that the nature of education is as follows: "conscious effort" how to "prepare" it, through what and how, and how to know the results, especially in its "role in the future" (Fahyuni, 2020). Education is conscious and planned conscious and planned effort to create a learning atmosphere and learning process so that students actively develop their potential to have religious spiritual strength, self-control, and personality. This explains that education can develop its various potentials both physically and spiritually (Fironika, 2005). The Qur'an explains, QS. Al-Alaq verses 1-5

قُرْأْ بِاسْمِ رَبِّكَ الَّذِي خَلَقَ . خَلَقَ الْإِنْسَانَ مِنْ عَلَقٍ . اقْرَأْ وَرَبُّكَ الْأَكْرَمُ . الَّذِي عَلَّمَ بِالْقَلَمِ . عَلَّمَ الْإِنْسَانَ مَا لَمْ يَعْلَمْ

Meaning: Read by (mentioning) the name of your Lord Who Created, he said. He has created man from the sand. Read and Allahmul the Most Gracious, Who teaches (humans) with qalam intercession. He teaches people things they don't understand. This verse explains that Allah SWT also commands all of his people not to stop studying. because armed with knowledge, human beings can prove the greatness and power of Allah SWT. Based on the No. 20/2003 on "The Education System, Education is defined as a "conscious and planned effort to create a learning and learning environment in which students actively develop their potential to have religious spiritual strength, self-control, personality, intelligence, noble character, and skills that are required by himself and society".

Education is important in preparing and developing reliable Human Resources (HR) to be able to compete healthily and also have an increased sense of togetherness with fellow human beings. Education is a branch of knowledge that is practical because it is aimed at practices and actions that help students. To improve the people's standard of living, increase the sense of security, and build and improve public infrastructure, the government is working hard to find solutions to various problems in the field of education, from basic to advanced.

3.2 Legal basis of financing

UU No. 20/2003 concerning "the National Education System" Article 11 Paragraph 2

The Government and Regional Governments are required to guarantee the availability of a budget to provide education for seven to fifteen years. UU No. 20/2003 concerning "the National Education System" Article 12, Paragraph 1 Every student in an education unit is entitled to a scholarship for outstanding achievers whose parents are unable to finance education and receive educational fees. who really can't afford to pay for their children to go to school and education costs are also allocated for students even though they don't excel, but are still in poor families, as has been done by institutions at the Integrated Merangin VHS Institution. Therefore the policy that has been made by the government, it is hoped that Indonesian children can continue their education and not drop out of school, and still get their rights as citizens to obtain an education because they are the next generation of the nation in the future.

3.3 Education financing in Indonesia

Cost in its most basic form is an amount of money given to customers or services provided to them. Education for human groups and methods of offering taxes to schools (Wirian, 2022). The cost of education focuses on the community, where these costs must be incurred and borne to get an education and the problem until now is whether these costs can be managed properly by these institutions. Therefore, it can be concluded that education reform is a cyclical activity characterized by the allocation of resources and methods for using these resources such that the educational objectives that have been established become effective and efficient. The cost of education is also an educational method used to improve the educational process, regardless of whether the method is used by students, teachers, the general public, or the government. The educational costs that must be incurred by students of Integrated Merangin VHS Institution are the cost of apprenticeship or fieldwork practice with the cost of class XII school final exams.

Education funding, of course, the government must prioritize and pay more attention to it, because, through the funding budget, it will raise the standard of education in Indonesia. Because good government will not ignore education in the country. For the sake of educating the youngsters of the country and continuing the nation's ideals, the government will not allow the nation's children to drop out of school due to costs. And it cannot be denied that the cost of getting an education in Indonesia is very high. However, The problem of education is one of the difficulties in the realm of education in Indonesia. costs, because it is already classified as very expensive and very burdensome for society.

3.4 Education financing concept

According to Levin *et al* (1987), education financing is a procedure in which available funds and resources are used to build and operate schools. in various regions with different levels of education. Costs, according to Usri and Hammer, are costs in exchange, previous actions, or sacrifices made to gain profit. Cost in its most basic form is an amount of money given to customers or services provided to them. Costs are all expenses that are money or non-money (Wirian, 2022). In participating in educational activities, of course, there are not a few costs incurred, but this does not rule out the possibility of getting good quality results with little or low costs, so it can be said that educational activities can run efficiently and effectively. However, there is a hitch.

Education requires significant financial investment to contribute to the development process. According to Tilaar (1989), the concept of cost refers to the distribution of resources and opportunities for people to obtain an education, as well as the belief that

education is a kind of community service. Sudarmono & Hasibuan (2021) states that the cost of education is the cost of calculating or the cost of changing an activity or activities related to education. To understand the concept of financing, you must first understand the terms financing, finance, budgeting, and costs.

3.5 Education financing system

The provision of services by the district government to education units is carried out by the local District Education Office, to expedite these services, the District Government needs to launch a strategic plan 1) Conduct SD assessment and monitoring using instruments that are relevant to the needs of each sub-district in the District; 2) the cooperation between the government and the community was carried out in stages until it was completed in 2005, eliminating damage to elementary school facilities, either totally damaged or heavily damaged; 3) perform SD regrouping that meets the requirements for management efficiency and effectiveness; and 4) eliminate the damage either completely damaged or heavily damaged to the facilities or severely damaged to the learning facilities and facilities. Starting with the Education Office program in each district to assist with strategic planning for education, Vaizey (1972) believed that those in charge of education should provide an overview of progress over a year (eg 1995-1996) using data from the government, schools, and communities from all sizes and types of education. Renovation data is presented in three categories:

- Initially, all education costs in Indonesia consisted of the following components: 1) government funding for local government needs, such as routines and buildings; 2) contributions from students and lecturers; and 3) funding sources that are not always available in schools, such as transportation, sports, and books.
- Second: the cost of the education system, namely the combination of government funds and their availability to help school expenses sourced from the central and regional governments, the community, students' families, or other sources. the three funds are spent on teaching and school needs, other items for teaching and school needs, and various services in elementary, junior high, and high school. Education policymakers should draw a one-year snapshot of education funding with data sourced from government, schools, and families given the level and type of schooling.
- Finally, the third is funds spent on teaching, namely school expenses for salaries, other goods, and various services in ES, JHS, and SHS (Suningsih, 2022).

3.6 Financing Models in Indonesia

According to John & Edgor (1975), the school improvement model includes two dimensions: cost of entry and revenue. The cost of living is closely related to the target population that is met by an adequate program, service, and facilities. Calculate the unit cost for each program to be financed by state-agreed local or enterprise capabilities. Meanwhile, income is a measure of how much money is generated from various sources such as foreign governments, local governments, and state governments. The type of tax (levies) imposed by the government is an education financing mechanism.

Cost allocation dimensions

The dimensions of cost allocation are grouped into 2, including 1) Flat grant model: is a system of distributing funds based on the number of students, per teacher, or several units

of the same need provided without considering variations in costs required in services, programs, and changes in numbers; and 2) Model equalizations; and 2) It is based on the ability of the community to pay. Poor people must receive large financial assistance compared to people with large incomes. Hence, poor schools will have more opportunities to collaborate with other schools.

Income dimension

The income dimension is a financing model from the center which is classified into 5 parts (John & Edgor (1975), namely; 1) the model of the full central government; 2) the Flat grant model; 3) the Equalization Model; 4) Incentive or presentation financing models; 5) financing model from the center entirely. Regarding the education financing model, there are 4 (four) education financing models, namely: 1) full subsidy from basic education to tertiary education; 2) free higher education is given to students up to age certain; 3) free education is given up to high school, and tertiary education remains to pay tuition fees even though they still receive subsidies; and 4) all levels of education must be self-financed. Source excavation funds can be obtained from collaborative efforts with industry or utilizing corporate social responsibility CSR assistance, forming alumni communities, or sourced from parents/guardians of students. The following are several models of education financing and their advantages and disadvantages (Yahya (n.d.):

1. The flat grant model: This assistance is assistance from the state that is used by educational institutions without taking into account the ability to pay local taxes, based on the number of students. The advantages of the Pure Aid Model are as follows 1) Schools can allocate funds for student learning activities; and 2) Schools can facilitate student learning activities. Furthermore, the disadvantages of the Pure Grant Model are as follows: 1) The government does not get funds as a sovereign country; 2) Unable to increase education funding, and 3) There are disparities in education funding across the states. The goal is to move schools from more remote locations (poor areas).
2. The foundation plan model: This model is a model in that the state considers regional wealth and taxes, and more funds are given to areas that are poor or less prosperous when viewed from areas that are already prosperous. Among the benefits of the Planning Platform Model are: 1) the development of educational programs that are effective, efficient, and adaptive; and 2) the receipt of government funds as a state regulatory body. Furthermore, the Planning Platform Model is improved in the following way: 1) Schools can implement programs that increase achievement in student learning, and 2) there are irregularities in the annual education budget.
3. The guaranteed tax base plan model: This model is the government's interpretation of assessing each state responsibility given to school institutions in the region. State aid differs from what the student's area receives and state guarantees per student. Its share of presentation is very high in poor school districts, and low when compared to rich/affluent school districts. The benefits of the Tax Guarantee Principal Plan are as follows: 1) the number of students increased; and 2) the government will get the money as part of the national budget. While the Deficiencies of the Tax Guarantee Principal Planning Model are: 1) will only be effective and efficient for the country's regions, and 2) limited educational reforms to improve the quality of education.
4. Percentage equalizing model: This model was developed in the 1920s, making the necessary contributions to each student & teacher to those in the less affluent. In the same scheme, the amount set aside is divided among all employees, teachers, and

those in need. The number of bags that must be replaced depends on needs. The benefits of the Percentage Equalization Model are as follows: 1) Schools in rural areas get more funds for education; 2) Schools in rural areas can improve their facilities and infrastructure; and 3) An increase in the quality of education in each district. Disadvantages of the Percentage Equalizing Model area) giving rise to educational deviations,b) education funding is not accountable and transparent.

5. The power equalizing plan model: This model has wealthy districts pay state-collected school taxes. Going forward, the state will use funds from district schools to increase enrollment in district schools: 1) There is the possibility of financing education funding; 2) Schools can improve the quality of education. Moreover, due to the deteriorating Power Equilibrium Model (Power Equalization Plan), the government does not get funding as a sovereign country.
6. The full state funding model: This model was created to reduce local differences in business and productivity. School funding will be collected by the state and provided to school districts on an equal basis. The principle of justice regarding the treatment of students and taxpayers, as well as educational wealth owned.
7. The advantages of the Full State Funding Model are as follows: 1) Schools can increase student education funding; 2) Schools can improve the reputation and reputation of student education, and 3) Schools can facilitate student education. Furthermore, the setbacks of the Fully State Funding Model are as follows: 1) sources of concern for large-scale education reform in the APBN; and 2) the commencement of education reform.
8. The resources cost model: This model was developed by Hambers and Parrish with the cost of the education process reflecting that the needs in one area are different because of the economy. According to Sergivanni, this model is not concerned with taxes or the condition of a particular area. Source of Financing (Resource Cost Model) is one of the most important models: 1) Sources of financing vary in each region; 2) Schools in remote areas can improve the quality of education; and 3) Schools can facilitate student learning activities. Weaknesses include: 1) Schools can charge students; and 2) The existence of social inequality throughout the world.
9. Models of choice and voucher plans: This model states that educational benefits are provided to students, individuals, or institutions based on their demand for education. They provide proof of receipt of funds for scholarships through a voucher system that reflects direct subsidies to those in need i.e. students. As a result of this strategy, 1) the government provides opportunities for schools and individuals to improve their academic achievement, and 2) public schools receive tax breaks for educational expenses. Apart from that, there are drawbacks: 1) there is a risk of social disintegration among state schools; and 2) the ability to increase educational attainment.
10. Student weight plan model: This model increases the number of visitors based on their preferences. For example, a person with disabilities, a participant in a vocational program, or a bilingual speaker. The model is based on funding (historical funding). The model in question is known as Incrementalism, in which one school's tuition fee increases based on the previous year's results, without any other consideration. The Offer Model, namely this school model submits suggestions on sources of funds with various references, then sources of funds examine incoming visits and adjust them to preferences. Model Based on Wisdom (Descretion Model), this model funders help what components need to be assisted based on priority in a place from the results of their exploration (Arwildayanto, 2017).

CONCLUSIONS

The cost of education focuses on the community, where these costs must be incurred and borne to get an education and the problem until now is whether these costs can be managed properly by these institutions. The educational costs that must be incurred by students of Integrated Merangin VHS Institution are the cost of apprenticeship or fieldwork practice with the cost of class XII school final exams. Education funding, of course, the government must prioritize and pay more attention to it, because, through the funding budget, it will raise the standard of education in Indonesia. Because good government will not ignore education in the country. For the sake of educating the youngsters of the country and continuing the nation's ideals, the government will not allow the nation's children to drop out of school due to costs. And it cannot be denied that the cost of getting an education in Indonesia is very high. However, The problem of education is one of the difficulties in the realm of education in Indonesia. costs, because it is already classified as very expensive and very burdensome for society.

REFERENCES

- Amri, U., & Yahya, Y. (2021). Pengaruh Biaya Pendidikan terhadap Keputusan Memilih Lembaga Pendidikan. *Edukatif : Jurnal Ilmu Pendidikan*, 3(5), 2355–22610.
- Arwildayanto, A., Nina, L., & Warni, T. S. (2017). Manajemen Keuangan dan pembiayaan pendidikan. *Bandung: Widya Padjadjaran*.
- Fahyuni, E. F. (2020). Buku Ajar Konsep Pembiayaan Pendidikan Islam. In *Buku Ajar Konsep Pembiayaan Pendidikan Islam*.
- Fironika, R. (2005). Pembiayaan Pendidikan di Indonesia. *Jurnal Ilmiah Pendidikan Dasar*, 1(1), 43–64.
- Hadi, N. U., & Murti, T. K. (2019). Analisis Biaya Pendidikan dan Kondisi Sosial Ekonomi Orang Tua terhadap Keputusan Siswa Memilih Sekolah di SMP Negeri 1 Karangrejo Tahun Ajaran 2017/2018. *EQUILIBRIUM: Jurnal Ilmiah Ekonomi dan Pembelajarannya*, 7(1), 32-39.
- John, R. L. M., & Edgor, L. (1975). The Economics and Financing of Education: A System Approach. *New Jersey: Prentice Hall Inc*.
- Levin, R. C., Klevorick, A. K., Nelson, R. R., Winter, S. G., Gilbert, R., & Griliches, Z. (1987). Appropriating the returns from industrial research and development. *Brookings papers on economic activity*, 1987(3), 783-831.
- Pristiwanti, D., Badariah, B., Hidayat, Sholeh., & Dewi, R.S. (2022). *Pengertian Pendidikan*. 4(6). 7911- 7915.
- Sudarmono, S., Hasibuan, L., Us, K. A., & Menengah, S. (2021). Pembiayaan Pendidikan. *Jurnal Manajemen Pendidikan Dan Ilmu Sosial*, 2(1), 266–280.
- Suningsih. (2022). *Konsep Pembiayaan Pendidikan Dalam Perspektif Islam*. 01(04), 138–148.

- Tilaar, H. (1989). Makalah Diskusi Panel Lustrum VII IKIP Malang. *Malang: Panitia Lustrum VII IKIP Malang, 19.*
- Vaizey, J. (1972). Schultz (TW). Investment in Human Capital.
- Wirian, (2022). Dari, D., & Dan, E. (n.d.). *72267-ID-sistem-pembiayaan-pendidikan-ditinjau-da.*
- Wirian. (2022). Model-Model Pembiayaan Pendidikan. *Educate: Jurnal Ilmu Pendidikan Dan Pengajaran, 1(1), 44–56.*
- Yahya (n.d.) *_ekonomi_dan_pembiayaan_pendidikan_OK.pdf.* (n.d.).