

## Evaluation of Education Planning and Financing Policies in Indonesia: Literature Study Approach

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### ABSTRACT

Planning is a critical process in establishing organizational goals, strategies, programs, and activities to achieve desired results effectively and efficiently. Through planning, educational goals can be determined, including financing that involves various parties such as the central, regional, and community governments. The planning process also includes the allocation of required resources, to improve the quality of education through funds such as the School Operational Assistance Fund (BOS) Program, and Educational Operational Assistance (BOP). Education costs include direct costs related to educational activities and indirect costs that support the educational environment. Financing standards are set to meet the minimum educational operational needs for one year, with components such as investment, and operational and personal costs. This research uses a library study method to collect and analyze data from secondary sources. The research results show that financing is a vital aspect of education management, involving funding from various sources to ensure the continuity and improvement of the quality of education. Efficient budget allocation can increase the effectiveness of the education system by maximizing the use of resources. Government regulations stipulate levies and donations to support basic education costs, ensuring the involvement of various parties in sustainable education financing.

*Keywords: Education Financing, Education Management, Resource Allocation, Cost Standards, Literature Study.*



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### INTRODUCTION

To establish the goals, strategies, programs, and activities of the organization as a whole, a series of actions called planning is carried out. Planning is essential, or “failing to plan fails.” According to Kauffman, planning is the process of setting goals or targets to be achieved and determining the methods and resources needed to achieve them effectively and efficiently (Fattah, 1999). According to Sa'ud & Syamsuddin (2007), Planning is the process of making a series of decisions that will be carried out in the future to achieve certain goals. Planning can also be defined as the process of making a series of decisions that will be carried out in the future to achieve previously established goals. Additionally, this planning can be considered an effort to gather the resources necessary to create national standards.

Planning helps establish funding goals for the smallest educational institutions involved in educational operations. Planning is the process of initiating various goals, strategic

boundaries, policies, and very detailed plans to achieve them. As the organization implements decisions, performance evaluation, and feedback occur during the new plan cycle. Funding to support education is very important. If the requirements that have been determined according to the plan are met, learning in schools will run and be implemented optimally. Education is the responsibility of the government, regional government, and society. In addition, the government provides funds such as special allocation funds, School Operational Assistance funds (BOS), Regional School Operational Assistance funds (BODSA), and Education Operational Assistance funds (BOP) to improve the quality of education. Micro and macro help schools through interrelated relationships in education financing. Each component performs a different task, but the specific allocation goals and otherwise are the same.

Micro and macro help schools through interrelated relationships in education financing. Each part does a different job, but ultimately, they all serve the same purpose (Zeidan et al., 2017). Where the cost of education can be influenced by many factors, such as the size of the research institution, number of students, student-teacher ratio, population growth rate, changes in educational policies or salaries, and teacher salaries which are influenced by their level of education or expertise. The cost of education also includes effective use and resources. The education system will become more effective and the costs required to achieve school goals will decrease. According to Law no. 20/2003, education is defined as the right of every person and as the development of human resources to have religious spiritual strength, self-control, personality, intelligence, noble morals, and skills needed by themselves, society, nation, and state (Fikriyah, 2017). Apart from that, education is also defined as a conscious and planned effort to create a learning atmosphere in the learning process so that students actively participate in the learning process (Grabinger & Dunlap, 1995). Financing standards, which consist of investment costs, operational costs, and personal costs, regulate the components and total operational costs of educational units that are valid for one year. Education funding needs must be planned well. Planning is the process of determining the various actions required to achieve certain goals.

## **METHODS**

This research uses a type of library study because the author can produce results from texts and is confronted with library data. To obtain relevant research findings, the author will search for books, journals, and library data as data sources, and then carry out analysis and collection from these sources. One of the characteristics of library research is that the author obtains sources from secondary data that are easily accessible and accessible.

## RESULT

Financing is funding provided by another party to support investments that have been planned either by themselves or by an institution to achieve certain goals. One resource that can help education management is financing (Azwari et al., 2020). Grossman (2023) defines costs as economic sacrifices made to obtain goods or services. In economic terms, "cost" can also mean "expense". Expenditures can be in the form of money or other monetary forms.

Education financing is the process of sharing income and resources available to build and manage schools in various regions with various levels of education (Rowe & Perry, 2020). Baker (2021) states that education financing is a process where money and available resources are used to create and implement activity programs held in schools. Financing is part of management and is included in the scope. Education financing is the key to school sustainability. Education costs consist of direct and indirect parts. The direct portion consists of money given for education and academic activities, as well as money given by students, parents, and the government, as well as money for books, educational supplies, transportation, and teacher salaries. The indirect part consists of money that does not directly support the educational process but allows it to take place.

Education costs are divided into two (2) categories, namely 1) Direct costs are costs that directly influence educational aspects and processes, such as administration, pursuit, research, and community service; and 2) Indirect costs are costs that cause students to lose their income from attending education. Indirect costs consist of societal and private costs, as well as private costs (i.e., costs incurred by the government, private organizations, or organizations). Minister of National Education Regulation no. 41/2007 sets minimum fees for general and special needs education programs. Standard education costs are the minimum costs required by schools to complete academic activities for one year (Badrudin et al., 2020). According to the law, students must pay certain annual fees to maintain their education. This legislation regulates non-personal costs.

Operational costs include school stationery, consumable materials and tools, transportation and official travel, consumption, insurance, coaching or extracurricular activities, competency tests, industrial work practices, and reports. The budget to achieve learning management goals is very important. This includes overall school management and management of learning services. To simplify cost calculations, the education budget is divided into integrated plan components into parts or departments. The educational effect refers to the relationship between input and output, or input and expenditure. More efficient systems produce a greater amount of output than the amount of input they receive. The educational effect also means maximizing the use of educational resources to achieve the best results.

The budget is an important step to realize the plan. The combination system is a better choice for budget preparation because it has a process of selecting priority needs and a

budget that is made based on estimates. The requirements for using SP4 are as follows 1) A report on costs must exist; and 2) Reports must be prepared consistently, which means they must meet the same functional standards; and 3. The final report should show overall organizational costs, including direct and indirect costs.

Regulation of the Minister of Education and Culture No. 44/2012 stipulates levies and donations for education costs in basic education units as follows: 1) Education costs in basic education units are borne by the government, or regional governments as stated in article 5; state budget; Regional income and expenditure budget; donations from students or parents; and other parties; and 2) Furthermore, article 6 stipulates that the government, or regional government. Student donations, levies, assistance from other people, the government, regional governments, non-binding foreign parties, other institutions, and business providers or educational units can be sources of this resource (Putro et al., 2021). Hallak (2010) argues that budget makers must consider many things when calculating the cost of education at school. This includes improving non-formal education, increasing guidance on student activities, coaching educational staff, school households, procurement of learning tools, welfare, procurement of learning materials, maintenance, classroom facilities, procurement of learning materials, coaching of educational staff, training students, and procurement of learning materials.

## **CONCLUSIONS**

One way to improve education is to spend money. Education financing is funds given to schools to carry out overall educational activities. Planning is very helpful and sets school funding goals related to educational activities. Planning is the process of initiating broad goals, constraints, policies, and plans to achieve those goals. Financing is part of management and is included in the scope. Education financing is the key to school sustainability. Direct and indirect educational costs are included.

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