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Analysis of relaxation of local government budgeting on the achievement of the Bengkulu City government's key performance indicators during the covid-19 period

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Article Info	Abstract
<p>Keywords: refocusing, budget reallocation, key performance indicators</p>	<p><i>This study explores the impact of relaxation on the Bengkulu City local government budget during the Covid-19 period on key performance indicators. This study used a qualitative approach with documentary methods and interviews at the Regional Financial and Asset Management Agency and the Health Office involving Budget Users, PPTK, Treasurer, and financial management staff as informants. The data analysis used is a content analysis using the Nvivo software. There are two findings in this research, the first is that budget reallocation during the pandemic can affect the achievement of the Main Performance Indicators of Regional Apparatus Organizations which have indicators of financial ratios, such as the Regional Finance and Asset Management Agency. Financial indicators, such as financial ratios and PAD, have declined due to the weakening economy, decreased tax revenue during the pandemic, and budget reallocations. However, the budget reallocation during the pandemic was not directly affected by the Main Performance Indicators of Regional Apparatus Organizations that do not use financial indicators such as the Health Service. Where the two KPI indicators of the Bengkulu City Health Service were all achieved according to the targets set. The implications of this research are as input to the Bengkulu City Government related to refocusing and reallocating the budget so that it can still achieve the main performance indicators.</i></p>

1. INTRODUCTION

At the end of 2019, the world was shocked by a deadly virus from Wuhan, China. Corona Virus Disease 19 or better known as covid-19. The virus quickly infected people in various countries, so it was declared a pandemic by World Health Organization (Hanoatubun, 2020; Rembulan *et al.*, 2020; Dong *et al.*, 2020). This pandemic has had a major impact on human life from various aspects, such as health, social, economic and financial. Indonesia is no exception, Indonesia is one of the countries with a large population infected with COVID-19. In Indonesia alone, as of February 13, 2021, there were 1,201,859 positive cases of Covid-19, 1,004,117 patients recovered and 32,656 patients died (S Satgas Covid, 2021). The large number of people infected with Covid-19 makes the government have to take steps to anticipate and control the spread of the virus, including the social distancing policy or keeping a distance to the Large-Scale Social Restrictions policy implemented by each Regional Government as stated in the Government Regulation of the



Republic of Indonesia No. 21 of 2020 (Sinuraya *et al.*, 2021; Hanoatubun, 2020; Dharma *et al.*, 2022).

The economic sector is one of the sectors that is greatly affected by the implementation of this policy (Fahrika & Roy, 2020; Hadiwardoyo, 2020; Zulkipli & Muharir, 2021), both at the national and regional levels. To respond to this, the central government has issued various regulations to save the national economy, including issuing Government regulation in lieu of Law Number 1 of 2020 concerning state financial policies and financial system stability for handling the 2019 Corona Virus Disease (Covid-19) pandemic and/or in the context of dealing with threats that endanger the national economy and/or financial system stability (Yamali & Putri, 2020; Basri & Gusnardi, 2021). This government regulation in lieu of law forms the basis for issuing a presidential regulation on the details of the 2020 state budget which accommodates the need to address the impact of Covid 19. Apart from that, this government regulation in lieu of law also forms the main basis for the central government and local governments in carrying out refocusing and reallocation policies. the budget for the current year (Lestari, 2021).

In the context of implementing policies in the field of regional finance, Regional Governments are given the authority to prioritize the use of budget allocations for certain activities (refocusing), changes in allocations, and use of the Regional Revenue and Expenditure Budget (Law Number 2 of 2020) (Rabbani, 2020). The difference in the budget resulting from the adjustment of regional revenue targets and regional spending is used to fund:

- a. Expenditures in the health sector and other matters related to health in the context of preventing and handling the Covid-19 pandemic, including the procurement of personal protective equipment (PPE) for medical personnel, facilities and equipment for public services, and handling of Covid-19 patients;
- b. Provision of a social safety net, including through the provision of social assistance to the poor/underprivileged communities whose purchasing power has decreased due to the COVID-19 pandemic; and/or
- c. The management of economic impacts is primarily to keep the regional business world alive, including through the empowerment of micro, small and medium enterprises, as well as cooperatives in the context of restoring and stimulating economic activity in the regions.

Almost all regions in Indonesia have been affected by the Covid-19 pandemic, including Bengkulu Province, especially Bengkulu City. Bengkulu city is one of the cities affected by the Covid-19 pandemic, where as many as 2,630 people have been confirmed positive for Covid-19 (Satgas Covid Provinsi Bengkulu, 2021). For this reason, the regional government of Bengkulu City has carried out several policies to minimize the impact of the co-19 pandemic, including refocusing a budget of 204 billion to deal with the impact of co-19. Where the budget is used to purchase PPE, masks, other medical devices, as well as the budget for providing social assistance to the community (Firmansyah, 2020).

The local government will of course make various efforts according to existing regulations to deal with the impact of this pandemic, but on the other hand the government also has a responsibility to continue to achieve good performance or performance in

accordance with predetermined performance targets as a form of accountability to the public. Performance measurement is an attempt to compare the goals to be achieved at a predetermined time with the achievement progress being observed at a time on a planning material indicated by an indicator. According to various sources, an indicator is a measuring tool to describe the level of achievement of a target or target that has been set when carrying out the initial planning and can be a quantitative or qualitative variable (Bappenas, 2009). By comparing the realization and the plan, it can be seen the percentage of achievement in each of the main performance indicators. By knowing the performance achievements, the factors that cause success and failure can be analyzed, which can then be mapped to the deficiencies and weaknesses of realization and activity plans, and then set strategies to improve future performance.

The theory that can explain the importance of measuring local government performance is stewardship theory, in stewardship theory it is described that the government in carrying out the mandate given by the public is always motivated to be able to provide the best performance for the public. Stewardship theory is built on philosophical assumptions about human nature, namely that in essence humans can be trusted, able to act responsibly, have integrity and honesty with other parties. Success in a government organization can be achieved by maximizing the utility of the principals and management (Efendi *et al.*, 2022; Raja & Amanah, 2021; Gusti *et al.*, 2022). Stewardship theory is more focused on the results to be achieved without trying to be more selfish but for the benefit of the organization or the public (Donaldson, 1991). Here, the principle as the giver of responsibility also has a role in monitoring the steward in carrying out his duties as the recipient of authority. Stewards or the government must also maximize the responsibilities given by the community so that their performance (Ummah, 2019; Maharani & Sari, 2021) and implementation can run well and optimally in order to create more transparent and accountable good governance. The implications of stewardship theory for this research are that it can explain the existence of local government as an institution that can be trusted, can accommodate people's aspirations, can provide good service to the public, and is able to be accountable for the finances entrusted to it, so that economic goals are fulfilled, and people's welfare can be achieved effectively.

There have been several previous researchers who raised topics related to financial performance and the impact of Covid-19, as was done by Junaidi *et al* (2020) who researched the policy of refocusing the Regional Expenditure Budget in handling the Covid-19 pandemic, but in this study only discussed legal aspects of the refocusing policy. Putra (2020) also conducted research on the Impact of Covid-19 on Projections of Financial Performance and Public Service Performance, the results show that it is expected that there will be a significant decline in financial and service performance at Public Service Agencies in Indonesia due to the impact of covid-19. Other research discussing a similar topic was also carried out by Onibala *et al.*, (2021) and Habibi *et al.*, (2021), both of these studies showed a decline in financial performance in local governments after the Covid-19 pandemic. Meanwhile, different results were shown by the research of Iriani *et al.*, (2021), where there were no differences in financial performance both before and after the outbreak of the Covid-19 pandemic in village administration.

The existence of this phenomenon and seeing the importance of the main performance indicators in measuring the good or bad performance of local government, prompted the author to conduct research with the title "Analysis of Relaxation of Local Government Budgeting on the Achievement of Main Performance Indicators of Bengkulu City Government in the Covid-19 Period".

This study explores the impact of relaxation on the Bengkulu City local government budget during the Covid-19 period on key performance indicators. It is hoped that this research can be used as input to the Bengkulu City Government regarding budget refocusing and reallocation so that it can still achieve key performance indicators, and can be used as a useful reference and can become material for more in-depth studies for other researchers. This research will focus on Regional Apparatus Organizations whose budget refocusing and reallocation is quite significant and is directly related to Covid handlers in Bengkulu City, such as the Regional Financial and Asset Management Agency and the Health Service. While the informants used in this study were budget users, activity technical implementation officers, treasurers and financial managers who were directly involved in managing the budget.

2. LITERATURE REVIEW

Stewardship Theory

According to [Donaldson \(1991\)](#) stewardship theory is a theory that describes a situation where managers are not motivated by individual goals but are more aimed at their main results for the benefit of the organization, so this theory has a psychological and sociological basis that has been designed where executives as stewards are motivated to act according to the wishes of the principal, besides that the steward's behavior will not leave the organization because the stewards are trying to achieve the goals of the organization ([Efendi et al., 2022](#); [Raja & Amanah, 2021](#)). This theory is designed for researchers to examine situations where executives as public servants can be motivated to act in the best way in principle ([Donaldson, 1991](#)). Stewardship theory focuses more on the results to be achieved without trying to be more selfish but for the benefit of the organization or the public. Here, the principle as the giver of responsibility also has a role in monitoring the steward in carrying out his duties as the recipient of authority. Stewards or the government must also maximize the responsibilities given by the community so that their performance ([Ummah, 2019](#); [Maharani & Sari, 2021](#)) and implementation can run well and optimally in order to create more transparent and accountable good governance.

Legal Basis

The legal basis for granting relaxation of budgeting to regional governments is the issuance of Government Regulation in lieu of Law No. 1 of 2020 concerning state financial policies and financial system stability for handling the 2019 Corona Virus Disease ([Covid-19](#)) pandemic and/or in the context of dealing with threats that endanger the national economy and/or financial system stability. In addition, the Joint Decree of the Minister of Home Affairs and the Minister of Finance of the Republic of Indonesia Number 119/2814/SJ

Number 177/KMK/07/202051 provides several important provisions for efforts to accelerate handling (Covid-19) related to the use of the APBD, including the following:

- a. Requiring regional heads to make adjustments to regional income targets in the APBD in 2 (two) ways: First, adjusting income transfers to regions and village funds. Second, the adjustment of local original income.
- b. Regional heads must make adjustments to regional spending in the context of preventing and handling the pandemic (Covid-19) consisting of: (1) Expenditure in the health sector such as procuring personal protective equipment (PPE) for medical personnel and providing service facilities and equipment to the community and patient care. (2) Provision of a social safety net, such as the provision of social assistance to underprivileged communities. (3) Handling of economic impacts.
- c. Regional heads must prioritize the use of budgets and methods of implementing activities and budgets by reallocating the use of honorarium budgets, social assistance, and grants to then be diverted into social assistance budgets for the poor whose purchasing power has decreased due to the pandemic (Covid-19).

Refocusing and Relaxation of Regional Government Budgets

If examined from the aspect of budgeting policy, then every regulation drawn up by the government is certainly based on the budget. This is inseparable from the substance that there are special arrangements regarding budget refocusing made by the government, namely Presidential Instruction Number 4 of 2020 concerning Refocusing Activities, Budget Reallocations, and Procurement of Goods and Services in the Context of Accelerating Handling of COVID-19, but every regulation made the government, of course, everything is based on budget needs (Junaidi, 2020). According to Lestari (2021) refocusing and reallocating budgets are activities of reallocating budgets resulting from refocusing to be allocated to activities that have not previously been allocated through a budget change mechanism by diverting or transferring the budget from one activity to another.

In Presidential Instruction Number 4 of 2020 concerning Activities, Budget Reallocation, and Procurement of Goods and Services in the Context of Accelerating the Handling of COVID-19 itself, the focus of regulation is more on efforts to reallocate the budget which was previously intended for other than handling COVID-19 which is then changed to focus on efforts to accelerate handling COVID-19. This becomes very important considering that COVID-19 is one of the most extraordinary events. So, in substance, if we look at it from the concept of public interest, budget refocusing is a must.

Key Performance Indicators

Performance measurement is an effort to compare the goals to be achieved at a predetermined time with the development of achievements that are being observed at a time on a planning material indicated by an indicator (Kojo *et al.*, 2019). According to various sources, an indicator is a measuring tool to describe the level of achievement of a target or target that has been set when carrying out the initial planning and can be a quantitative or qualitative variable (Bappenas, 2009).

According to [Bappenas \(2009\)](#) explains performance indicators as a measure of the inputs, activities, outputs, results and impacts of government activities. The level of indicators can be very high, namely in the sense of measuring government performance in relation to the MSS (Millennium Development Goals) for example or the national development plan, or in the sense of measuring the activities and outputs of government ministries/agencies. Indicators are useful for setting performance targets, for assessing the progress of these targets, and for comparing the performance of different work units/organizations/ministry/agencies. According to [Bappenas \(2009\)](#), indicators can be divided into the following levels ([Novatiani et al., 2019](#)):

- a. Input Indicator. This indicator measures the amount of resources used, such as budget, human resources, equipment, materials and other inputs used to carry out activities.
- b. Output Indicator. This indicator is used to measure the output that is directly generated from an activity implementation, both physical and non-physical.
- c. Outcome Indicator. This indicator is used to measure the achievements of various activities in a program that has been completed or an indicator that reflects the functioning of the output of various activities in the medium term.
- d. Impact Indicator. This indicator shows the influence, both positive and negative arising from the implementation of policies/programs/activities and the assumptions that have been used.

3. METHODS

The method used in this study was a phenomenological method with a qualitative approach. Phenomenological research is a type of qualitative research that looks at and listens to the experiences of individuals in more detail and depth ([Raco, 2018](#)). Phenomenology is carried out in order to capture phenomena that exist in Indonesia. Meanwhile, descriptive is done in order to analyze the findings. A qualitative approach that starts from a literature review to data analysis is described in the following chart:

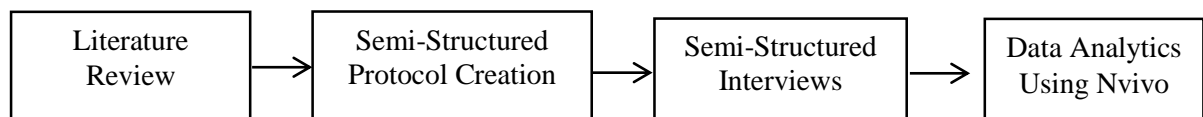


Figure 1. flow chart

The qualitative approach aims to explore existing phenomena by means of semi-structured interviews and confirmation of new findings. The results of the interviews were then analyzed with the help of Nvivo Software and ended with conclusions. The object of research in this study is the leadership of the regional apparatus organization (Budget User/Activity Technical Executing Officer/Treasurer) of Bengkulu City who is directly involved in managing the regional budget. Budget Users, Activity Technical Implementation Officers and Treasurers were chosen in this study because they are directly

involved in the management of local government budgets. The sampling technique for this study used purposive sampling because it was expected to fulfill the research objectives (Churchill, 2005; Arikunto, 2019). While the data collection techniques in this study used document collection techniques and semi-structured interviews. The number of informants taken in this study were 7 people, which consisted of Budget Users, Activity Technical Implementation Officers and Treasurers from two Regional Apparatus Organizations whose budget refocusing and reallocation was quite significant, namely the Regional Finance and Asset Management Agency, and the Health Office. Table of informant demographics can be seen in Table 1.

Table 1
Demographic Data of Informants

Informant	Gender	Institutions	Position
Informant A	Male	Regional Financial and Asset Management	Secretary
Informant B	Male	Agency	Head of the Budget
Informant C	Female	Regional Financial and Asset Management	Department
Informant D	Female	Agency	Spending Treasurer
Informant E	Female	Regional Financial and Asset Management	Finance Staff
Informant F	Female	Agency	Head of Department
Informant G	Female	Regional Financial and Asset Management	Secretary
		Agency	Spending Treasurer
		Public Health Office	
		Public Health Office	
		Public Health Office	

Before data analysis was carried out, the interview results were transcribed and tested for validity. Data analysis in this study was divided into 3 including data reduction, data presentation and conclusion drawing (Miles *et al.*, 2014). Qualitative data analysis techniques use two-step content analysis, deductive and inductive (Berg, 2008).

4. RESULTS AND DISCUSSION

Main Performance Indicator is an indicator used to measure the achievement of a target set by the organization. To see the level of achievement of these targets or objectives, an indicator is needed. There are three Main Performance Indicators of the Bengkulu City Government Regional Financial and Asset Management Agency, the first is the ratio of regional financial independence, the second is the percentage of regional assets that have been legalized and the third is the percentage of SILPA to the APBD. As can be seen in the following Table 2.

Table 2
Key Performance Indicators (IKU) BPKAD Bengkulu City

No	Objective	Goal	Objective/ Target Indicator	Formulas	Data source
1	Increasing Accountable Local Financial Management	Increased Regional Financial and Asset Accountability	1. Ratio of Regional Financial Independence 2. Percentage of Legalized Regional Assets 3. Percentage of SILPA to the Regional Budget	1. (Regional Original Income/Central Transfer+Province+Loan) x 100% 2. (Total Assets Certified/Total Assets in KIB) x 100% 3. (Realization of SILPA/Total APBD Expenditures)	Regional Financial Conditions BMD report Regional Financial Conditions

Source: Bengkulu City BPKAD Documentation, 2022

As a follow-up to Law Number 2 of 2020 and Government Regulation in lieu of law No. 1 of 2020, the regional government has reallocated the budget, the regional government must allocate funds from the Regional Revenue and Expenditure Budget of 8% of the total regional government APBD. Based on the results of interviews with several informants, it was found out which posts could be transferred or reallocated during the Covid-19 pandemic. Operational and routine posts, such as official travel posts, procurement of official clothes, office stationery and physical development that are not a priority, are the posts that are cut the most or transferred. As stated by the following informants.

So because we consider it when 8% of the General Allocation Fund (DAU) must be allocated for Health. So it's difficult, try if I'm not mistaken how many hundreds of billions, I forgot, how many hundreds of billions is 8%, if I'm not mistaken, we found around 50 of them, we have to budget. We have to budget billions, in the end we procrastinate and have been hit by delays in the DAU, when the DAU delays occur, then it's us, if you can say that earlier, it's like before. and finally cut spending that was not a priority, including eliminating all official trips, all OPD. All OPDs do not have official travel, because the epidemic has spread everywhere and there is no need to travel, the first consideration. Then it was cut again in operational spending for the procurement of official clothes, then ATKs, then physical construction which was not a priority because the consideration was that the construction would likely be hampered due to this outbreak, so it was like the construction of new buildings and others were all stopped. The funds were not spent but all were diverted to health. That's what happened in 2020, but we only paid people after that. We prioritized the salaries of civil servants, paid allowances or TPP, then there were lots of incentives for health workers. Shopping is like that in the end. (Informant B)

The same thing was conveyed by informant A as follows.

Their expenditure (Regional Apparatus Organization or called OPD). Big data of their spending. They have expenditure data in a cumulative year, this is their official travel expenditure in a year, overtime expenditure is in this year. We have such big data. We arranged per OPD per agency. Then there are expenditures that are only subject to a certain percentage that may be spent, there are those that are 100% may not be spent. Then it is calculated that the target for deductions is OPD. We convey to them with points like this, please make spending cuts this big with the following details. do they accept? Some accept, but some don't. Those that don't, for example, are like this example, "Sir, I can't sir if it's deducted by a few million, please leave a few million, because this one is for printing reports." Please. But it is sought from other shopping components. So they are given the same flexibility to do the pruning. Thus, the target and realization was achieved. (Informant A)

Yes, our official trips are cut off, some of them have targets, I forgot, try to open them again, Ms. Eka, what are your shopping targets? capital expenditure must be reduced but personnel expenditure cannot be reduced, what is that? in the PMK but I forgot the size. (Informant C)

Budget reallocation significantly affects the level of achievement of the Bengkulu City BPKAD KPI because several budget items must be transferred so that the work program cannot be implemented. As conveyed by the following informants.

Of course. The key performance indicators must have an influence. It can't be achieved, can it? Yes, if you want to force it to be achieved, if the supporters can't do it, you can't, right? That's our program, to support the main performance indicators, there are 2 of them. Of course, here we, BPKAD, are working according to the program. For example those dealing with regional own-source revenue (commonly called PAD), like routine, to achieve the main performance indicators, managing finances, then managing the management of regional property... because in our KPI, as long as the indicator is the ratio of regional progress and independence, assets -Assets that are legalized and stored are definitely driven by the budget, right...

If that's the case, it's definitely in the ratio of independence, right? Therefore, from the ratio of independence, we know from the PAD, it will affect the PAD. There are bound to be a lot of taxes and levies, and a lot of other PAD proponents are bound to drop, like.... go down, that must be affected.. (Informant D)

Based on the results of data analysis and interviews with several informants, it is known that the budget reallocation of the Bengkulu City regional government has quite an effect on the ratio indicator for regional financial independence, the percentage of legalized regional assets and the percentage of SILPA to the Bengkulu City Government APBD, especially related to financial indicators, the weakening of the economy during the pandemic causing a decrease in PAD as well. Even so, the local government is still trying to achieve the KPI that has been previously set even though there is a force majeure, namely the Covid-19 pandemic which requires a reallocation of the budget for certain posts, so the choice that must be made by the regional government is to reallocate the budget which does not have a direct impact on the Indicators Main Performance (IKU) of Regional Apparatus Organizations (OPD).

There are four Main Performance Indicators (IKU) of the Bengkulu City Government Health Service, the first is the maternal mortality rate per 100,000 live births, the second is the infant mortality rate (IMR) per 1,000 live births, the third is the index of community nutritional status, and the fourth is the coverage of morbidity rates. As can be seen in the following Table 3.

Table 3
Key Performance Indicators (KPI) Bengkulu City Department of Health

No	Objective	Goal	Objective/ Target Indicator	Formulas	Data source
1	Increasing the Degree of Public Health	1. Increased Safety for Mothers, Infants, Children and Reproduction	1. The maternal mortality rate per 100,000 live births	$\frac{\text{Number of Maternal Deaths giving birth}}{\text{Number of Live Births}} \times 100.000$	Department of Health Department of Health
2. The infant mortality rate (IMR) per 1000 live births			$\frac{\text{Number of Infant Mortality}}{\text{Number of Live Births}} \times 100.000$	Department of Health Department of Health	
2. Increasing the Quality of Health		3. Community Nutritional Status Index	$\frac{\text{Number of Malnourished Toddlers Received Treatment}}{\text{Total Malnutrition}} \times 100$		Department of Health
		4. Sickness Rate Coverage	$\frac{\text{Total Sickness Rate}}{\text{Total Population}} \times 100$		

Source: Documentation of the Bengkulu City Department of Health, 2022

Based on the results of data analysis and interviews with informants, it was found that for the indicator of maternal mortality per 100,000 live births, the KPI target was 58.0 while the realization was 98.02 with a performance percentage of 59.17, thus this indicator was not achieved. The indicator for the infant mortality rate (IMR) per 1,000 live births from the target was 3.6, the realization was 3.43 with a performance percentage of 100, so the second indicator was achieved. The indicator of morbidity coverage of the target of 21%, realization of 30% with a performance percentage of 70, the third indicator has not been achieved. The community nutrition status index indicator of the target of 100% with 100% realization, the performance percentage is 100. From the data above it can be concluded that indicator two and four are still being achieved, while indicator 1 and not are not achieved. Based on the results of the interview with Informant F, it is known that the budget reallocation for handling Covid-19 actually did not have much impact on the Main Performance Indicators (IKU) of the Bengkulu City Health Service, even though there was a transfer of the operational budget for the Covid-19 prevention post.

*As far as I know, that time was my position in the planning section. For refocusing the Covid budget, actually the Ministry of Finance already has schematic rules regarding what budgets should be refocused. The gradual refocusing has actually been carried out from the end of 2019, then in 2020 until 2021. Thank God, 2022 is not. In the Health Office it is actually 8%, as far as I know, in 2019, 2020 and 2021 it is not included *julak* into the actual Health Office budgeting, but it is included in special spending. This means that it is specifically for Covid-19. It means there was an unexpected shopping, or what it's called I forgot. So that goes into the budgeting, and according to the rules of the Ministry of Finance, what must be done for spending that is used for refocusing is already regulated. At the time of Covid-19, right, for Covid-19 patient services, the management of corpses. Then if in 2020 there is no vaccination, right, 2020 is really for handling Covid-19. This means for the hospital, colleagues at the puskesmas, tracing, tracing services, health workers incentive services. (Informant F)*

Budget refocusing is really in the interest of handling Covid19. So, indeed, for the purchase of drugs, medical devices, PPE, we immediately gave it to the UPTD Pharmacy. If incentives for health workers from here. They make SPJ, then they will disburse it from here (Dinkes) to the health center. Because the direct implementer is the puskesmas. (Informant E)

Additional information found in this research is related to the reallocation of the budget intended for handling the covid-19 pandemic, the government has allocated special funds for handling the impact of the covid-19 pandemic in three main areas, namely the health, social and economic impact management. In the health sector, a reallocation of the budget was given to the Health Office (*Puskesmas*), hospitals and UPTD pharmacy. In the field of economic recovery, the budget reallocation was allocated to MSME actors, and in the social sector, BLT was given to the community. As stated by the following informants.

If there are a lot of these, ma'am, the biggest need is at the Health Office, the biggest is at the Health Office, hospitals and then for BPBD then there are Satpol and also in some for economic growth, but if the economic growth is small at the start, usually in 2021 it has started to go up. (Informant B)

*In 2020, towards the end of the year, there is a *PEN* grant. I forgot the amount, if I'm not mistaken, was around 600 million and was distributed to tourism business actors. but it's a shame the government was late in giving it before closing the book. From the central government it was granted to us (BPKAD) and at the end of the year towards the end of the year, if I'm not mistaken, November or December, IMMEDIATELY EXECUTE! in the end we were unable to execute it and ended up dirtying our financial report books. Then in the 2021 quarter year it is returned.*

Yes, there really is, tell me to share it later hit, wow, that could be a case. We're going to record this, record who is entitled to receive it, don't give it carelessly. It's cash and it has to be distributed to tourism business actors, it can't be like that. (Informant C)

Based on data from the report on the prevention and/or handling of Covid-19 for the 2021 fiscal year of the Bengkulu City Government, it was found that in the health sector, from the 51. budget, only 51,426,555,996 was absorbed, 44,850,904,700 or 87.21%. In the field of impact handling or economic support, out of 2,695,356,000 available, only 921,120,190 were absorbed or 34.17%. Meanwhile, for social assistance, the safety net/social management network, out of the 2,902,000,000 available budget, no budget has been absorbed in the 2021 fiscal year.

5. CONCLUSIONS

There are two conclusions that can be drawn from the results of this study, the first is that budget reallocation during a pandemic can affect the achievement of the main performance indicators of regional apparatus organizations that have indicators of financial ratios, as happened in regional financial and asset management bodies. The results of this study support research conducted by Putra (2020), Onibala *et al.*, (2021) and Habibi *et al.*, (2021) which estimates that there has been a significant decline in financial performance due to the impact of covid-19. Financial indicators, such as financial ratios and PAD's (regional original income), have declined due to the weakening economy, reduced tax revenues during the pandemic and budget reallocations. However, for the main performance indicators of regional apparatus organizations that do not use financial indicators such as the health service, the budget reallocation during the pandemic was not directly affected. Where the two indicators are the Bengkulu City Health Office, all of which can be achieved according to the targets set. As additional information, budgets for regional apparatus

organizations that are the object of reallocation are only certain items such as official travel budget items, procurement of official clothing, office stationery or other shopping items that are not prioritized or activities that can be postponed. It is hoped that these posts will not have too much of an impact on the achievement of the main performance indicators of regional apparatus organizations. In addition, the areas that are the focus that receive budget reallocations are the health sector (Health Office, Hospitals), economic recovery (assistance for MSMEs and the private sector), and the social sector.

The implications of this research are input to the Bengkulu city government regarding refocusing and reallocating the budget so that it can still achieve key performance indicators and can be used as a useful reference and can become material for more in-depth studies for other researchers. For further research, it is recommended to dig deeper into the factors that can influence the achievement of the Key Performance Indicators of Local Government.

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