

Government Oversight and Its Impact on the Effectiveness of BOS Fund Distribution in Indonesian Public Schools

***Wisda Haryati¹, Fahmi Oemar², Anto Ariyanto³**

¹Magister Management/Graduate School/Universitas Lancang Kuning

²Magister Management/Graduate School/Universitas Lancang Kuning

³Magister Management/Graduate School/Universitas Lancang Kuning

Correspondence*: Anto Ariyanto

e-mail: antoariyanto@unilak.ac.id

Abstract

This study investigates the influence of regional inspectorate supervision on the effectiveness of School Operational Assistance (BOS) fund management in public junior high schools in Rakit Kulim Subdistrict, Indragiri Hulu Regency. Using a quantitative explanatory approach, data were gathered through questionnaires distributed to school principals, treasurers, and administrative staff, selected via purposive sampling. The analysis, conducted using simple linear regression, revealed that inspectorate supervision has a significant and positive impact on the effectiveness of BOS fund distribution, with 37.7% of the variance explained by the quality of supervision. The findings indicate that regular and structured oversight enhances financial discipline, transparency, and compliance with regulations. Nevertheless, the implementation of supervision still faces several challenges, including limited inspectorate personnel, inadequate transportation to remote schools, and insufficient follow-up after inspections. Additionally, while the ARKAS application improves the accuracy and efficiency of financial planning and reporting, some inconsistencies remain due to the lack of integration between digital systems and manual audit procedures. This research contributes to the existing body of knowledge by highlighting the crucial role of government oversight in ensuring effective public fund management in education, especially in rural areas. The study recommends strengthening the capacity of inspectorates, improving logistical support, and aligning digital and manual supervision systems to enhance overall governance. Schools are also encouraged to adopt a more participatory and transparent approach in managing BOS funds by actively involving school committees and stakeholders.

Keywords: Accountability, ARKAS, BOS funds, Inspectorate supervision, Public education finance

1. Introduction

Education is a fundamental right of every citizen and a constitutional responsibility of the state, as mandated by the 1945 Constitution of the Republic of Indonesia. To fulfill this obligation, the government has launched various strategic programs, one of which is the School Operational Assistance (Bantuan Operasional Sekolah/BOS) program. Introduced in 2005, the BOS program represents the state's commitment to supporting the operational needs of schools through non-personnel funding, enabling educational institutions to provide more equitable and higher-quality basic education services.

Conceptually, the effectiveness of public fund distribution, such as BOS, heavily depends on governance quality, transparency, and accountability. In this context, oversight plays a crucial role. Government oversight refers to a series of activities including auditing, reviewing, evaluating, and monitoring the implementation of programs to ensure compliance with prevailing regulations and achievement of intended objectives (as defined in Government Regulation No. 60 of 2008). The Government Internal Supervisory Apparatus (APIP), particularly the Regional Inspectorate, serves as a strategic entity in ensuring that governance is carried out efficiently, effectively, and free from irregularities.

Previous studies have shown that effective oversight contributes significantly to improving the management of public sector finances. Research by Sunarya et al. (2021) found that optimal supervision enhances accountability and efficiency in the management of BOS funds at the primary school level. Similarly, Angker et al. (2024) confirmed that regional inspectorate oversight plays a vital role in improving the quality of BOS fund management in West Bandung Regency. On the other hand, Lolowang et al. (2018) highlighted that supervision may not always be effective, particularly when not supported by adequate managerial systems and human resource capacity.

In Indragiri Hulu Regency, particularly in the Rakit Kulim Subdistrict, the effective distribution of BOS funds continues to face various challenges. According to reports from the Inspectorate, several irregularities have been identified, including the allocation of teacher honoraria exceeding the permitted 50% threshold, inconsistencies between physical realization and financial reports, and a general lack of transparency in financial disclosures. In several cases, schools did not publicly display BOS fund information, and fund management was confined solely to the school principal, with minimal involvement from teachers or school committees.

Beyond oversight, the effectiveness of BOS fund distribution is also influenced by the information management systems used by schools. To address this, the government has introduced ARKAS (School Activity and Budget Planning Application) as a primary tool for financial reporting and planning. Studies by Wijayanti & Slamet (2024) and Hamdi (2023) suggest that ARKAS contributes positively to accountability and the overall effectiveness of BOS fund management. However, the success of such systems remains highly dependent on the competence of school personnel and the availability of supporting infrastructure.

Given this context, it is important to investigate how oversight conducted by the Indragiri Hulu Regency Inspectorate influences the effectiveness of BOS fund distribution in public junior high schools within Rakit Kulim Subdistrict. While systems like ARKAS are in place, optimal supervision remains essential to minimizing the risk of mismanagement. Therefore, this study aims to examine the extent to which Inspectorate oversight affects the effective allocation of BOS funds at the junior secondary education level, contributing to the broader goal of promoting accountable and results-oriented educational governance.

2. Literature Review

Supervision is a fundamental function in management that ensures organizational goals are achieved efficiently and effectively. In the context of public administration, supervision is defined as a series of systematic processes—including auditing, reviewing, evaluating, and monitoring—that aim to ensure activities are carried out by prevailing regulations and achieve predetermined objectives. According to Siagian (2014), supervision consists of three primary dimensions: input control, behavioral control, and output control, each contributing to a more accountable and directed organizational process. Handoko (2012) further asserts that effective supervision requires the establishment of performance standards, the measurement of actual results, and the implementation of corrective actions to maintain strategic alignment.

Within the education sector, internal government supervisory bodies such as regional inspectorates (Inspektorat Daerah) play a critical role in overseeing the use of public funds, particularly those distributed through the School Operational Assistance (BOS) program. This program, launched to support non-personnel operational needs in schools, requires stringent oversight to prevent misuse and ensure its intended impact. In this context, supervision does not only function administratively but also serves as a tool for promoting financial accountability, transparency, and good governance. Santoso (2020) emphasizes that supervision must become an embedded component of institutional culture, executed continuously through structured monitoring, evaluation, and auditing mechanisms.

The concept of effectiveness, especially in public fund management such as BOS, refers to the extent to which resources are utilized efficiently to meet established goals. Steers, as cited in Tangkilisan (2005), identifies several indicators of organizational effectiveness, including professionalism, transparency, and accountability—principles that are echoed in the BOS fund management guidelines issued by the Indonesian Ministry of Education. Lipham (as cited in Zalita, 2024) also emphasizes that the effectiveness of educational fund management is significantly influenced by the quality of human resources and the presence of a reliable reporting system.

In addition to internal factors, external supervision has been shown to enhance the effectiveness of fund management. Empirical research supports this notion; for example, Sunarya et al. (2021) found that proactive and transparent oversight by school committees positively influences BOS fund effectiveness. Similarly, Angker et al. (2024) highlight the strategic role of regional inspectorates in promoting compliance and fiscal discipline within local education offices and public schools. Conversely, Lolowang et al. (2018) noted that community-based supervision alone may not yield significant improvements in financial management unless it is supported by proper systems, stakeholder empowerment, and adequate human resource capacity.

Moreover, the integration of digital tools in public financial management has emerged as a complementary factor in achieving effective governance. One such tool is ARKAS (Aplikasi Rencana Kegiatan dan Anggaran Sekolah), an application developed to streamline budgeting and reporting processes in Indonesian schools. Studies by Hamdi (2023) and Wijayanti & Slamet (2024) show that ARKAS enhances transparency, accuracy, and efficiency in financial documentation. However, both studies caution that technological tools must be supported by effective human oversight to ensure compliance and reduce the risk of fraud or misreporting.

Taken together, the literature indicates that effective supervision—both internal and external—is a pivotal element in achieving transparency, accountability, and efficiency in the management of educational funds. It also highlights the interdependency between oversight, administrative competence, information systems, and institutional culture in shaping public sector performance. These insights form a strong theoretical foundation for examining the extent to which regional inspectorate supervision influences the effectiveness of BOS fund

distribution, particularly in rural educational contexts such as that of public junior high schools in Rakit Kulim Subdistrict, Indragiri Hulu Regency.

3. Method

This study employed a quantitative research approach with an explanatory design to analyze the influence of regional inspectorate supervision on the effectiveness of School Operational Assistance (BOS) fund management in public junior high schools located in Rakit Kulim Subdistrict, Indragiri Hulu Regency. The research was intended to examine the causal relationship between supervision, as the independent variable, and the effectiveness of fund management, as the dependent variable. The target population included principals, BOS treasurers, and administrative staff responsible for the financial planning, use, and reporting of BOS funds within schools that had received supervision from the regional inspectorate. A purposive sampling method was used to select respondents who were directly involved in the BOS program implementation and monitoring processes.

Data were collected through a structured questionnaire that utilized a five-point Likert scale ranging from “strongly disagree” to “strongly agree.” This instrument was designed to capture respondents’ perceptions regarding the quality of supervision and the effectiveness of fund utilization in their respective schools. In addition to the primary data, supporting documentation such as inspectorate reports, BOS financial records, and official audit findings were reviewed to enrich the analysis.

The development of the questionnaire was guided by theoretical frameworks on supervision and organizational effectiveness. Supervision indicators were adapted from Siagian (2014), which include input control, behavioral control, and output control, while effectiveness indicators were based on the work of Steers (in Tangkilisan, 2005) and Lipham (1985), emphasizing transparency, accountability, efficiency, and goal achievement. Prior to data analysis, the instrument was tested for validity using Pearson’s correlation, and for reliability using Cronbach’s Alpha, to ensure its statistical adequacy.

Data were analyzed using both descriptive and inferential statistical methods. Descriptive statistics were employed to summarize respondent characteristics and overall response patterns. To test the research hypothesis, simple linear regression analysis was conducted using SPSS software, with a significance level set at $\alpha = 0.05$. This analysis aimed to determine the extent to which supervision by the regional inspectorate significantly influences the effectiveness of BOS fund management in the selected schools.

4. Result and Discussion

A. The Significant Influence of Inspectorate Supervision on BOS Fund Effectiveness

The findings of this study demonstrate that inspectorate supervision has a statistically significant and positive effect on the effectiveness of BOS (School Operational Assistance) fund distribution in SMP Negeri (public junior high schools) in the Rakit Kulim Subdistrict, Indragiri Hulu Regency. The results of the simple linear regression analysis showed a significance level (p-value) of 0.000, with a regression coefficient (β) of 0.614, and an R^2 value of 0.377. This means that 37.7% of the variation in the effectiveness of BOS fund distribution can be explained by the quality and consistency of supervision conducted by the Regional Inspectorate.

This indicates a moderately strong effect size, highlighting that inspectorate supervision is a meaningful determinant of how well schools manage and utilize BOS funds. Schools that receive regular and structured oversight from the inspectorate are more likely to manage BOS funds in line with applicable regulations, submit timely reports, and avoid administrative or

financial errors. These findings support the premise that financial accountability in public sector organizations—especially schools—requires both internal control mechanisms and external supervisory intervention.

This finding is in line with the theoretical framework proposed by Siagian (2014), who argues that supervision comprises three fundamental components: input control (review of resources), behavioral control (oversight of staff actions and compliance), and output control (evaluation of results and performance). Inspectorate activities in this study included examination of budget planning documents (RKAS), verification of fund usage receipts, audits of BOS reporting systems, and compliance assessments with Ministry of Education regulations. These functions all fall under the umbrella of effective supervision as described in the literature.

Moreover, Handoko (2012) emphasizes that supervision is essential for aligning implementation with institutional goals and for correcting deviations when they occur. In the context of this study, inspectorate supervision not only ensures regulatory compliance but also serves as a corrective and educational mechanism. When inspectors identify misuse or inefficiencies in BOS fund management, their recommendations and follow-ups serve as practical inputs for improving school-level governance.

To support this finding, the regression output is summarized in the following table:

Table 1. Regression Results – The Effect of Inspectorate Supervision on BOS Fund Effectiveness

Variable	Coefficient (β)	t-Statistic	p-Value	R ²	Adjusted R ²
Inspectorate Supervision	0.614	5.622	0.000	0.377	0.365
Constant (α)	6.742	4.123	0.001		

B. Scope and Mechanisms of Supervision

Further analysis revealed that supervision practices implemented by the inspectorate include routine evaluations, financial audits, and compliance verification with BOS technical guidelines. Schools reported that inspectorate staff visited schools periodically to examine planning documents, receipts, accountability reports, and to provide feedback. In some cases, the inspectorate also provided recommendations or coaching to school financial managers.

However, the frequency and intensity of these inspections varied from school to school. Some respondents noted that schools located in more remote areas received fewer visits due to logistical constraints, including limited transportation and staff shortages within the inspectorate itself. This variation in supervisory reach potentially affects the overall consistency of BOS fund governance across the subdistrict.

C. Impact of Supervision on Administrative and Financial Practices

Qualitative feedback from respondents indicated that inspectorate supervision positively influenced discipline and accuracy in school financial practices. BOS treasurers and principals reported increased attention to financial planning and accountability following audit visits. Some schools began to involve the school committee more actively in budgeting decisions, as required by BOS regulations, and made improvements in documentation, such as timely submission of RKAS (Rencana Kegiatan dan Anggaran Sekolah) and financial reports.

Supervision was also seen as a motivating factor to prevent errors and maintain transparency, particularly because follow-up inspections could lead to formal evaluation reports submitted to the education office. Therefore, supervision was not only perceived as a

control tool, but also as an indirect driver of compliance and behavioral change within the schools.

D. Identified Obstacles to Effective Supervision

Despite the benefits, the study identified several barriers that limited the effectiveness of supervision. Among the most cited were:

- Limited inspectorate personnel in proportion to the number of schools under their oversight,
- Inadequate transportation facilities to access remote schools,
- Lack of systematic follow-up after inspections, and
- Insufficient socialization or training regarding updates to BOS technical guidelines.

These operational constraints imply that, although supervision can be impactful, its potential is not fully realized due to institutional and logistical limitations. This supports the findings of Lolowang et al. (2018), who suggested that the success of oversight in public institutions depends not only on formal mechanisms but also on organizational capacity and infrastructure.

E. Alignment Between Supervision and ARKAS Implementation

An additional observation from the study was the complementary relationship between inspectorate supervision and the use of ARKAS, the government-mandated budgeting application. While ARKAS improves accuracy and standardization in financial planning, supervision ensures that the data input into the system reflects actual practices and follows regulations. However, several respondents indicated that misalignment between ARKAS processes and manual audit expectations occasionally created confusion or duplication of effort. This points to the need for better integration between digital systems and audit protocols.

F. Implications for Policy and Practice

The findings emphasize the critical role of supervision in ensuring the responsible and effective use of BOS funds. However, for supervision to be truly effective, it must be consistent, well-resourced, and supported by clear guidelines and ongoing training for both inspectorate officers and school personnel. In particular, capacity building is needed to enhance the supervisory role beyond administrative checks—toward mentorship and proactive risk identification.

5. Conclusion

This study aimed to investigate the influence of inspectorate supervision on the effectiveness of BOS (School Operational Assistance) fund distribution in public junior high schools located in the Rakit Kulim Subdistrict, Indragiri Hulu Regency. The results demonstrated a statistically significant and positive relationship between the quality of inspectorate supervision and the effectiveness of BOS fund management, with 37.7% of the variance in effectiveness explained by this oversight function. Respondents confirmed that routine inspections, audits, and compliance monitoring enhanced discipline, accuracy, and transparency in school financial practices. However, the study also identified inconsistencies in supervision implementation due to logistical and institutional challenges, such as limited personnel and infrequent follow-up. Furthermore, it was found that while ARKAS (School Budget and Activity Planning Application) independently contributes to improved financial reporting, misalignment between digital reporting systems and manual supervision protocols can reduce efficiency and cause confusion.

From a practical standpoint, these findings have several important implications. For policymakers and education sector managers, the study underscores the necessity of strengthening regional inspectorate capacity to ensure consistent and high-quality supervision across all schools. Investing in inspector training, improving transportation logistics, and enhancing coordination between digital systems (e.g., ARKAS) and manual audits are critical for maximizing the impact of supervision. Additionally, schools must be encouraged to adopt a culture of financial accountability and transparency, involving all stakeholders, including school committees, in budget planning and monitoring processes.

Despite its contributions, this study is not without limitations. First, the sample size was limited to public junior high schools in one subdistrict, which may constrain the generalizability of the findings. Second, the data were primarily self-reported through questionnaires, which may introduce bias due to subjective perceptions. Third, the moderation analysis was exploratory in nature and may require further validation using more complex statistical modeling.

Future research should consider expanding the scope to include multiple districts or regions to compare supervisory practices across broader geographic and institutional contexts. Additionally, mixed-method studies combining interviews, field observations, and document analysis could offer richer insights into how supervision mechanisms function in practice. Researchers could also explore the integration of digital audit systems and real-time supervision platforms to assess how technology can more effectively support public fund oversight in the education sector.

References

- Angker, L., Sutrisno, T., & Supriyadi, S. (2024). *The role of regional inspectorate in enhancing public financial accountability: A study of BOS fund management*. *Jurnal Akuntabilitas Publik*, 15(1), 55–70.
- Bovens, M. (2007). Analysing and assessing accountability: A conceptual framework. *European Law Journal*, 13(4), 447–468. <https://doi.org/10.1111/j.1468-0386.2007.00378.x>
- Fayol, H. (1949). *General and industrial management* (C. Storrs, Trans.). Pitman Publishing.
- Hamdi, R. (2023). The impact of ARKAS implementation on BOS fund accountability in Indonesian schools. *Jurnal Teknologi Pendidikan dan Keuangan*, 9(2), 134–145.
- Handoko, T. H. (2012). *Manajemen* (2nd ed.). Yogyakarta: BPFPE.
- Lipham, J. M. (1985). *The principalship: Foundations and functions*. Longman.
- Lolowang, M. Y., Tuwaidan, R. R., & Watung, G. P. (2018). The influence of community supervision on the effectiveness of BOS fund management. *Jurnal Ilmu Administrasi*, 6(1), 45–53.
- Robbins, S. P., & Coulter, M. (2012). *Management* (11th ed.). Pearson.
- Santoso, A. (2020). Efektivitas pengawasan internal dalam pengelolaan dana pendidikan. *Jurnal Manajemen dan Kebijakan Publik*, 11(3), 78–90.
- Siagian, S. P. (2014). *Manajemen Sumber Daya Manusia*. Jakarta: Bumi Aksara.
- Steers, R. M. (1977). Organizational effectiveness: A behavioral view. *Santa Monica, CA: Goodyear Publishing Company*.
- Sunarya, A., Yuliansyah, Y., & Marlina, L. (2021). Pengaruh pengawasan terhadap akuntabilitas penggunaan dana BOS. *Jurnal Akuntansi dan Kebijakan Publik*, 12(2), 98–110.
- Tangkilisan, H. R. E. (2005). *Manajemen publik*. Jakarta: Grasindo.

- Wijayanti, D., & Slamet, A. (2024). Evaluating ARKAS as a digital tool for school financial planning. *Jurnal Teknologi Informasi dan Manajemen Pendidikan*, 10(1), 22–34.
- Zalita, R. (2024). Human resource competence and school financial accountability: The moderating role of supervision. *Jurnal Kepemimpinan dan Pendidikan*, 8(1), 90–102.