ABSTRACT

IDENTIFICATION OF FACTORS CAUSE OF DELAYS IN REGIONAL BUDGET MAKING
(Studies at Pesawaran Regency for Fiscal Year 2012)

By

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Local budget is a document that describes the financial condition of the area that contains information about the income, expenditure and financing. Local governments will not be able to manage their finances effectively if planning and budgeting system owned bad. In practice sometimes drafting regulations of local budgets is not accordance with a predetermined cycle in the applicable regulations. Local budgets as the main fiscal instruments in the area have a strong role in supporting economic growth in the region.

The purpose of this study was to identify the factors that cause delays in making and or endorsement of Revenue and Local Expenditure (Budgets) in the Pesawaran Regency for Fiscal Year 2012. This research is a descriptive study with qualitative methods, which explained the budget process making in the Pesawaran Regency. Data were collected using in-depth interviews and documentation.
The analysis showed that the making of the local budgets for Fiscal Year 2012 Pesawaran experiencing delays, because the endorsement held in June fiscal year for running. In the drafting process has been delayed because the relation of executive with legislative which charge of the local budgets process for Fiscal Year 2012 Pesawaran Regency is less harmonious, that cause the discussion of local budgets to be inhibited, so that the determination should be done one month before the new fiscal year can be set in June 2012 or six months into the fiscal year. Besides of that factor, delays in the making process is also influenced by Political Communication factor, Leadership of Head Regional, and Political Corruption.

**Keywords: local finance, local budgeting, Pesawaran Regency**