

## **ABSTRACT**

Aliefiah Arief Zuraidha. 2015, *THESIS*. Title: *Evaluation of the Application of Performance Based Budgeting System in the Regional Community Service Agency's (BLUD) Financial Management (Case Study in the RSUD Bangil Pasuruan Regency)*

Advisor : Drs. Abdul Kadir Usry, Ak., M.M

Keywords : *Performance Based Budgeting, BLUD, Budget*

---

*Budgeting is an important part of the accounting system, particularly in the government sector. The purpose of this study is to analyze and evaluate the implementation of performance based budgeting system. Besides, this study also illustrates the obstacles encountered in its implementation.*

*This research uses primary and secondary data because the techniques used in data collection are observation, interviews and document study. There are three stages in data analysis: data reduction, data presentation, and conclusion.*

*The results showed that, overall, the ideal system of performance-based budgeting has not been achieved, although generally, it has been good. There are several things that have not been optimally implemented: 1) the stage of determination of performance indicators, there is lack of benefits and impact indicators on each organized program / activity; 2) the cost of standard-setting stage, there is absence of Standards Analysis of Expenditure (ASB) as a reference for the preparation of the budget; 3) the stage of calculation of the budget, the calculation is mostly based on historical data and logical estimation; 4) the stage of accountability, a cash flow statement has not been presented as part of the BLUD financial statements. The obstacles encountered during the implementation are the lack of a cost accounting system which brings about estimation-based budget calculation; and the lack of human resources' capacity in understanding the performance-based budgeting system which leads to not-optimally-implemented systems.*