

The Analysis of Budget for International Curriculum to Get Affordable School Fee

Kikis Megowanto¹ Abubakar²
University Pendidikan Indonesia
Bandung, Indonesia
infokikis@upi.edu abubakarditrana@upi.edu

Abstract— The purpose of this research is to analysis budget for international school to get affordable school fee. The methodology used is qualitative and case study at Singapore International School in Kelapa Gading, Jakarta. As a result, teacher salary is the most critical budgeting, and local teacher personal development is the key factor to optimize the budget. Cashflow and school fee payment system are the key factors for saving to prepare new school building. The number of students enrolled indicating that the School fee adjusted is affordable. Quality teachers maintain quality education, improving local teacher will raise up school standard lead to increasing the number of students. Preparing new building for school development need 5-10 years before actual year, the cost is collected from saving which depend on cash flow management and school fee payment system. This research can be used to evaluate school budgeting at international curriculum to provide high quality education lead to increasing students number.

Keywords— Budget, cost, education, affordable, competitive.

INTRODUCTION

Budget for international curriculum are fantastic right now. In 2022, the annual school fee for high schools at the Jakarta Intercultural School (JIS) was 245-667 millions rupiah, British School Jakarta (BSJ) 114-375 million rupiah. However, many students enrolled to these schools.

There are large number students enroll to both of schools. More than 2000 students enroll at JIS and 1360 at BSJ. It means the schools budget of international curriculum are affordable for people at that areas. The students coming from 60 countries at JIS and 54 at BSJ.

Indonesia has the most registered international schools in Southeast Asia, with 195 international schools in 2018. Due to the revival of the education sector, Indonesia has become a popular destination for establishing international schools. In addition, wealthy local parents and expatriates in Indonesia have a consistent demand for secondary education with an International curriculum [2].

The very high cost of the international schools mentioned above did not reduce the public's interest in enrolling their children in the school. This condition is a challenge as well as an opportunity for education business, to compete in a healthy manner, and even be able to seize the market with the advantages offered and school fees that are more affordable.

[3] found “the budget in private schools has not been based on vision, mission and school goals. The funds mostly used to finance the daily activities in teaching and learning. The most dominant role in determining the budget post was the treasurer and the board of the foundation, it because of the lack of human resources”

The novelties of this research are the budget analysis to international school instead of local private school.

Focus or problem formulation

1. Knowing the budget of international schools
2. Knowing a more efficient budget to obtain a quality education that is at least the same as competitors.

Purpose

Analysis of school budget for International curriculum budgeting to obtain affordable School Fee.

METHODOLOGY

The methodology used is qualitative and case study at Singapore International School in Kelapa Gading,. Literature study of several international schools in Jakarta from the cost of education, the number of students, the number of teachers, and the nber of education personnel.

FINDING AND DISCUSSION

FINDING

Capital costs in the form of buying/leasing land, building construction are the biggest basic costs. Schools that do not own land, find it difficult to survive, because

the value is getting increase. Margin in the early years always deficit, this happens in other business fields.

A benefit for reputable schools when they open a new school they will get a financing with no installment in the early years. However, in subsequent years (after 3 years) it is necessary to pay up to three times.

The most common teacher-student ratio is 1:9. A balance of expatriate and local teachers is needed to maintain a balance between quality, selling value, and budget efficiency as well as to meet requirement from government. The expenditure budget for teachers is the largest budget. This is key in budgeting.

A minimum number of students is required to meet operational costs and capital loan payments.

DISCUSSION

The past researcher found the budget are not match with the vision and mission, and lack of resources who know about budgeting but SIS Kelapa Gading run school with the budget match with school vision and mission and the head teacher has very good knowledge about budgeting and financial councillor.

Schools that have their own lands have the convenience of business sustainability, and can even obtain financing from local or international sources. Maintaining quality is the key to the sustainability of the education business. The demand for good corporate governance, both public and private, is increasing, the management must be professional, transparent and accountable. School Budget expected to be prepared with a performance approach that prioritizes the achievement of goals.

The budget is an important element in management that functions as a planning tool for leaders to lead the organization well. The first function of the budget is as a planning tool in a broader sense, it includes activities to predict economic resources allocate them for operational.

Performance-based budgeting is a budget whose organizational attention is directed at achieving goals. Therefore, the organization must be able to explicitly link the allocation of resources or expenditures to achieve organizational goals to be achieved. The critical issue faced by institutions is how to allocate resources based on activities to achieve specific measurable results, through strategic planning, considerate processes, agency capabilities, and stakeholder input.

In Indonesia and most countries in the world, financial management in private schools and public schools is different. In public schools, budget planning always involves parents, school committees and compliance with education financial budgeting procedures in accordance with regulations issued by the government but is not fully optimal. Meanwhile, private schools have different

implications depending on the foundation that oversees it and the environment of the students' parents/community as stakeholders.

Empirical phenomena show that the implementation of school management planning and budgeting is still not optimal and faces several difficulties. Many educational institutions, especially private schools, are closed and cannot survive because of financial management. Hermawan's research also made the same report that there is a university's financial reporting using the traditional budget report model.

Other issues related to budgeting such as participation rates, budget gaps, and performance indicators have been the focus of many researchers. Other researchers have studied budgets by adopting a contingent approach. Therefore, budgeting that functions as a school, management planning tool is very strategic and important for the situation and condition of education decentralization policies where educational institutions are required to improve their accountability, and financial performance, efficient management of organizational resources to produce productive results for all stakeholders.

Budget Overview

Budget as a management tool plays an important role in management because it functions to plan, organize and evaluate programs and activities of an organization. The things that need to be considered in preparing the budget are as follows:

- Knowledge of the company's organizational goals and policy.
- Past time series data.
- Possible development of community conditions.
- Knowledge of techniques, competitor strategies and competitor movement.
- Possible changes in government policies.
- Research for the development of the company's organization.

Characteristics of Performance-Based Budgets

The characteristics of performance-based budgets are as follows:

- Classify accounts in the budget by function and activity
- and also by organizational unit and shopping details.
- Investigate and engage in activities to achieve
- maximum efficiency and to obtain cost standards.

- Base budgets for future periods on standards

The cost of each unit is multiplied by the number of units of activity expected to be carried out in a given period.

In the framework of implementing a performance-based budget, there are main elements that must be determined in advance, namely: vision, mission, goals, objectives, programs, and activities.

10 Steps for school budgeting

- a. Appoint a school business manager to help make better use of resources and facilities, take advantage of third-party funding, and save principals time.
- b. Hire a free consultant. The Value for Tuition Consulting Program offers maintained schools in the UK one day of free independent advice from Avail Consulting.
- c. Examine the costs of your school development plan of all significant activities, determine your financial strategy and provide a basis for monitoring progress. Also check for financial surpluses – excessive balances mean the money isn't being used to improve outcomes for children.
- d. Use the Valuable Lessons Audit Commission Guide to help improve the economy and efficiency of the school.
- e. Use the national Financial Comparison website to compare expenses with other schools and identify potential savings
- f. Use OPEN's e-procurement tool to help save money.
- g. Use your staff to the best effect. Deploy teachers and teaching assistants where they have the greatest impact. Create new support roles to reduce staff absenteeism costs. Consider new retention strategies to reduce staff turnover, associated workload levels, and recruitment costs.
- h. Check the service meets your goals. Compare board services with other providers. Consider switching energy and telephone suppliers and bringing in-house catering to save costs.

Careful monitoring of your energy and stock material usage can also reduce your bills. Make ICT work for you. Invest in the most energy efficient equipment. Choose a virtual server to save on storage space and software costs. Save teacher time by using digital resources for lesson preparation and replacing manual student lists with automated ones.

- i. Collaborate with other local schools, share information on best value goods and services and achieve economies of scale.

CONCLUSION AND RECOMMENDATION

a. Conclusion

Professional management are needed for planning and budgeting. Investment returns/capital costs of at least 30% of the total budget and quality assurance must be maintained to ensure business sustainability. School fees of around 150 million per year for high school are still affordable and competitive.

b. Suggestions/recommendations

Quantitative and qualitative research with a large number of schools needs to be carried out to obtain a more accurate budget framework.

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