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Building Accountability In Religious Organization Through Accounting Changes

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The purpose of this study was to develop a more modern church management and professional organizations considering that generally have less attention to corporate governance, especially in financial transparency and accountability. It is a qualitative research that explore people understanding who give his life in church services, i.e preacher, church volunteer, church assembly and churchgoers. Participative observation is gathered to keep rich data in Javanese local church of East Java. This research helps create tranquility and comfort in social life because it is able to realize the good governance of the church. It was found an insight in church knowledge capital. It also found that there is an importance of governance of nonprofit organizations both in terms of the church's religious organizations and the importance of managing financial accounting. As local traditional church, people give full commitment in transparency, give detail of any information in church offering, revenue and expense.

Keywords: Accounting Changes, Accountability, Church, Faith, Transparency.

1. INTRODUCTION

Accounting research in religious organizations especially church get increase recently^{4,2}. In an era of democratic reform and now the management / stewardship of financial and property good church⁵ into the needs and requirement in order to implement Church obligation (Marturia, Koinonia and Diakonia). This is in line with the growth, complexity and dynamics of church organization and the demands of the church is increasingly critical. The development of the church from time to time the ups and downs experienced growth. In Indonesia, the development of Christianity in line with the Dutch colonial¹ presence with the mission of the Dutch Christian organizations, including the forerunner of East Java Christian Church, led by the village Mojowarno⁹.

church to manipulate budgets. c. Service activities require funding in the end become a burden to the church because of a calculation error at the time of budget planning⁶. On the sidelines of the shortcomings and weaknesses of the financial management of potential problems more complex, required the involvement of all the congregation of his mandate to control the management of a sensible and polite, so as not to offend others and not with the motivation to find fault but correct the deficiencies. The financial problem could lead into financial accountability of the church⁶

To realize the management / good financial stewardship must be supported by two main principles, namely transparency and accountability.⁶ This principle will be a guide for financial managers (Chairman and Treasurer) in the elaboration of actions and measures performed well in drafting the budget, the organization of administrative /

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Some of the financial problems that often occur in churches, is ¹⁰: a. Misappropriation of church services and fund the construction of the church by the church, even pastors. b. The device's internal collusion unscrupulous church and outside the

bookkeeping, acceptance / use of funds and the accountability and oversight of financial and property. All interested parties, including the church has the right to know, supervise and inspect all circuit use of the budget. Therefore officer / financial managers (Chairman and Treasurer) to be thoughtful, responsive, open and honest. As a response and commitment will make accountability reports finances and possessions are reliable and trustworthy.

The principle of transparency and accountability are not contrary to honesty and trust given to the manager of finance (Chairman and Treasurer) but not more than the demands of the office itself in the organization as a form of service to the church.

East Java Christian Church '(GKJW) is a fellowship of churches based in East Java which was declared on December 11, 1936 in one of the leading Java Christian Church at the time, namely Mojowarno, Jombang. Now there is scope GKJW 12 regional assemblies (MD), 147 congregations and 131.337 church members, which is spread in East Java. Mulyosari church is one church located in Surabaya East region which has become independent since five years ago.

Based on the observations of researchers who are also GKJW Mulyosari member after discussions by following some PHMJ meeting, the following problems occur. First, Church do not have clear systems and procedure. Second, church financial statements still simple. PHMJ, (the Executive Committee of the Church Council) financial transparency has been done by PHMJ through weekly announcements in the church bulletin. However, because they do simple financial records, the church member could not obtain a comprehensive picture of the entire church wealth. The financial statements report the financial position of the church just received from the offering and use. Though a good financial report should reflect all the positions of assets, not only in the form of cash, but also mobile assets such as land, houses, buildings and other assets. On the other hand the growing congregation greja and more program activities resulted in a growing number of financial transactions that need to be accountabled. Still the manual bookkeeping makes it difficult for the church accountability to the church. Third, the weak administrative and accounting system causes unreliable and trust information. Accountability requires management support in a professional and competent as well as their internal processes check. Fourth, the absence of an inventory list of assets, as a key condition for the preparation of the initial balance. It is difficult to know how many, where the sum of its assets. Fifth, there is no integration of the Annual Work Program as complicate budgeting and financial system supervision. It affected the program which could not obtain successly and lead in complicated supervision.

These five issues need to be addressed, because that will not result in a church congregation motivation will decrease. Transparent and accountable information will make people feel comfortable in the knowledge that the offerings that faith is an obligation has been used with full responsibility by ministers and church officers. Distrust in religious organizations are particularly vulnerable because it may result in a decline in motivation to the unchurched to relocate to another church beliefs or even move could menyebabkan declining religiosity of the congregation. At the macro level, it could jeopardize a country, because of faith and religiosity is a bastion of citizens to confront crime and demoralization in society.

2. METHODOLOGY

This research use participatory research. Researcher involved in daily church activity as treasury controller. As an active participant, it is easier for researcher to get connected with church management and church goers i.e. preacher, ecclesiastical courts and church goers. Data were observed and collected during two years audit period. Semi structured interviewed conduct for preacher, treasury, church employees. There are 9 participants and conducted 7 interviews. Participants are selected using purposive sampling, 7 of them are members of budget committee and 2 church employees. Interviews are semi-structured, recorded, transcribed and subsequently validated with interviewees. Information acquired in this way is supported by document analyses and observations of formal and informal board meetings, staff meetings and day-to-day operations. Printed documents reviewed include the Churchs annual reports and weekly news. Data is also collected by attending board and staff meetings, and just 'being around' the offices listening to and having informal conversations with people.

3. RESULT AND DISCUSSION

The characteristic of East Java christian church (GKJW). GKJW is a territorial church located in East Java. GKJW will not make a branch or representative elsewhere though this church congregation grew and changed in many places. This is because GKJW want to respect the existence of churches elsewhere. In addition, if church member spread over a relatively very far geographically it is technically difficult to arrange. GKJW is the church of movement of citizens, not focusing on the figure of pastors, who obtain theological education while emphasizing growth to those who are faithful and obedient conduct scriptural command. It is different with church in common that usually build by certain figure. " *Patunggilan kang nyawijif*, the church credo have inspiring church member to get connected each other in Christian faith, caring each other in daily life based on the word of God.

GKJW was established on 11 December 1931 in one of the oldest Javanese Christian congregations at the time, Mojowarno. A General Assembly (*Majelis Agung*) united the 29 ecclesiastical courts (*Majelis Jemaat*, in Indonesian or *Raad Pasamuwan Alit*, in Javanese dialect) in East Java. The church was under was socio-political pressure from growing Indonesian nationalism, alongside anti- Christian pressure in the country¹². At present, GKJW has around 153,000 members, divided into 136 congregations across East Java. These congregations are coordinated under ecclesiastical courts (*Majelis Daerah*), under the GKJW MA.

Budget cycle in non profit organization devide in three cycles, preparation, implementation and controlling^{3,11}. The first step in formulating budget involve planning phase for the future church activities. Accountability buggeting process of the chิร์ch based on east java christian regulation called "Tata Pranata". The existence of this church regulatory basis has

been created since the beginning GKJW was established in 1931. Essence of rules and institutions of the Church are made to be guidelines in the arrangement of life and the pursuit of the church as organizations, in order to realize the life and progress of the church in accordance with the word of God and keep update the world in reality. This rules of the church made to expedite and support growth of the church, so the church knows what should be done and keep on track of the church goals and direction.

East Java Christian church financial management are regulated in Tata Pranata Chapter II Article 2 Paragraph (2) "Implementation of financial management include: 1. Preparation Budget, 2.Revenues, expenditures, and storage / security money; 3. Bookkeeping; 4. Implementation of supervision and control functions; 5. Reporting and evaluation.

In implementing the church rule and regulation of preparing annual budget, church forming a team budget. It is part of suggestion action in reactive planning of the church⁷. The budget team have an obligation according the church rule of Tata Pranata i.e : "Set expenditure and income budget (Ps 5 paragraph 1 letter d) and Meet the cost of living Revangelist congregation according to applicable regulations (Ps 5 Paragraph 4 letter e) "Moving the congregation that through their respective offerings to meet the needs and costs required for the implementation of the church assembly, local assembly and general assembly. (Ps 5 Paragraph 4 letter f). There are 8 members of budget team. In formulating the annual budget, expenditure item was discussed first. It is a characteristic of non profit organization, especially

church. It is fundamental in determining the expenditure first. Pastor salary and church employee have formulated righteous. So they can serve congregation well. Of course, people programme also mainly formulated in church budget.

In setting up the church programme, people are involved in "Temu Warga" an annual meeting member participation The first step is to follow the provisions of the Assembly of the Church on "Directions and objectives" that will be conducted in the year (some years) to come. In order to determine the "direction and purpose" activities will come Assembly of the Church draws on the deliberation residents as a reference. Having found "direction and purpose" is, then PHMJ / MJ together with Komperlitbang (church research commission) hold coordination meetings with the commissions. The contents of the meeting was to explain what will be done and expected by the Assembly of the Church (after accommodating the result of deliberation residents). All of the concepts activity coming year which have been resolved by the commission then hammered by PHMJ (church assembly) cooperation with komperlitbang. The results taken to the Church Assembly proceedings to be explored once again, and then passed. This become a proof of accountable budget process in East Java Christian church.

Accountable bookkeeping is hold on day today operation. Majority income in Javanese church is offering called *pisungsung*¹⁰). There are many kind of these offering. The table 1 showed the kind of offerings.

Table 1. Type of church revenue

Pasal	Budget Code	Budget t (IDR)	Budget (t-1) (IDR)
I	Sunday Offering	xx	xx
	a. Adult	xx	xx
	b. Children	xx	xx
	c. Youth	xx	xx
	d. Senior citizen	xx	xx
II	Youthactivities offering	xx	xx
III	Woman Activities Offeringd	xx	xx
IV	Others ofeering	xx	xx
V	Monthly Offering	xx	xx
VI	Holy Communion Offerings	xx	xx
VII	Offerings Holy Baptism	xx	xx
VII	Sidhi offerings	xx	xx
IX	Marriage Ecclesiastical Offerings	xx	xx
X	Undhuh-Undhuh Offerings	xx	xx
XI	Offerings for Church Development	xx	xx
XII	Crops	xx	xx
	a. Rice field	xx	xx
	b. Field(others)	xx	xx
XIII	Others		xx
TOTAL REVENUE			xx

There are fully transparency and accountability in reporting church revenue. Every Sunday after church, church council calculating offerings. Calculations made by all assemblies on duty on that day. They wrote the official report which is known by the counters of money, corvee and PHMJ. After all verified then handed over to the treasurer. Treasurer save then set aside in part for operational activity weekly and the rest deposited in a bank account belonging to the church. Treasure also record daily operation and make financial reporting weekly, quarterly and yearly. In PHMJ meeting, the financial weekly reporting is dicussed.

For surveillance, there are other commissions that control and auditing commission of the church. The Commission is tasked every quarter to check the cash and other assets of the church in order to ensure the safety guarantee all church assets.

Items of expenditure in annual budget consist of three items, routine expenditure, supporting programme and church development programme. Routine expenditures used to fund church activities a day - the day as a guarantee pastors and church workers, treatment, payment of electricity, water, phone,

daily administration, meetings and activities of religious holidays.

4. CONCLUSION

Summarising, we would like to note that easy to apply the principles of transparency and accountability in East Java church. Obedience to God facilitates accounting reform becomes easier. Spirit of transparency is larger. Eventhough it is a small item in pity money, it is reported in church bulletin. Fear of the word of God that every offering is belong to the Lord have reported and accounted for to the congregation's financial reports to be very detailed and detailed. The process in budget planning involved budget team, that preparing annual budget in discussion on expenditure and revenue plan.

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