**THE EFFECT OF ASSET MANAGEMENT TOWARDS OPTIMIZATION OF FIXED ASSETS IN PANDEGLANG DISTRICT**

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***ABSTRACT***

*One of the problems faced by the Pandeglang Regency Government in managing asset management is a disorder in managing goods (asset) data in its use and utilization. This condition makes it difficult for regional governments to know how much assets they have so that they are not optimal in their use and utilization. This research aims to measure and analyze and together the effect of asset inventory, legal audit, asset valuation, supervision, and control of assets on optimizing fixed assets in the Pandeglang Regency. This research uses quantitative methods by using multiple linear regression analysis methods. The polls consist of authorities and involved in managing regional assets, including the local secretariat, the local development planning agency, the financial management agency and local assets, and the national land agency as many as 103 people. The sample was selected using a purposive sampling technique, and 80 respondents were obtained. The classical assumption test analysis result indicated that the data used in the study were normally distributed so that hypothesis testing with multiple linear regression models could be performed. The results showed a partial effect of asset inventory of 13.15%, legal audit of 15.75%, asset valuation of 21.84%, supervision and control of assets of 20.59% on optimizing the utilization of fixed assets. Furthermore, together there is a significant influence of 71.3%. The local government’s advice to establish or implement an asset management information system in the utilization of fixed assets and can routinely carry out an inventory every five years so that the data of regional property both in its use and utilization can be more seriously accounted for.*

**Key words**; *Asset Management, fixed asset, supervision, and control.*

**INTRODUCTION**

Indonesia is a unitary state that is very diverse and has two systems of government, namely central and regional. The enactment of Law number 23 of 2014 concerning the latest local government and Law number 33 of 2004 concerning the financial balance between the central and regional governments provide open opportunities for regions to develop and develop areas according to their individual needs and priorities. The law’s issuance offers a logical contribution for each area to be responsible for allocating funds and assets owned effectively and efficiently.

In the implementation of regional autonomy, related to the policy implications of local property management, the local government has an essential role in managing assets. This is by Government Regulation Number 71 of 2010 concerning Government Accounting Standards, which must be implemented by all district/city governments in 2015.

Thus the regional government is demanded to have independence in financing most of its development budget. Therefore, local governments must direct and utilize existing resources efficiently and effectively and be able to optimize the sources of the regional revenue, including the optimization and utilization of existing assets.

Government Regulation Number 6 of 2006 concerning Management of State / Regional Property is the government's primary reference in the management of regional assets, which is also following the Decree of the Minister of Home Affairs Number 12 of 2003 concerning Guidelines for Appraisal of Regional Goods and is affirmed by Minister of Domestic Regulation Number 17 of the Year 2007 concerning Technical Guidelines for the Management of Regional Property. Regional assets is economic potential and resources that are absolute for each local government. Good asset management will contribute significantly to local governments; on the contrary, if the rule is terrible, it will also harm the local government.

Management of goods/assets belonging to the region carried out based on the principle: (Pangabean, 2002: 36)

1. Fun Functionality
2. The principle of legal certainty
3. The principle of transparency
4. The principle of efficiency
5. The principle of accountability
6. The principle of value certainty

Pandeglang Regency Government has a broad enough area, and the Pandeglang Regency regional government must be able to manage its local asset inventory so that it is following Government Regulation No.6 of 2006 concerning the management of state / local property so that it can be accountable to the central government, in this case, facilities and infrastructure which are fixed assets of land, buildings, roads, bridges, installations and networks, buildings, large equipment, transportation equipment, workshop tools and measuring devices, agricultural equipment, office equipment, and household equipment, tools studios, medical devices, laboratory equipment, library books, art, and cultural items. However, in practice, Pandeglang Regency has not been able to carry out an inventory properly; this can be seen from the large number of assets that have not yet been identified.

The development of the original income of the Pandeglang Regency in the past five years also shows the positive trends shown in the table below as follows:

**Table 1. The Development of Local Revenue Realization (PAD)**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Year** | **Local Revenue** | **Local Revenue Realization** |
| 1 | 2013 | 77.266.681.626 | 80.520.587.139 |
| 2 | 2014 | 133.616.950.725 | 141.836.251.390 |
| 3 | 2015 | 152.738.318.922 | 163.921.272.579 |
| 4 | 2016 | 193.616.153.452 | 198.750.877.114 |
| 5 | 2017 | 351.285.642.716 | 386.349.713.761 |

*Source: Local revenue Agency, 2013-2017*

For this reason, the regional government must really understand what needs to be done so that it can optimize its assets to increase the Local Revenue (PAD), especially in this case, the fixed assets of land and buildings.

One of the problems faced by the Pandeglang Regency Government in managing asset management is a disorder in managing goods (asset) data in its use and utilization. This condition makes it difficult for local governments to know how much help are owned, which purchases have been controlled, or the opportunity to have the high investment. According to Siregar (2004: 518-519), several stages of asset management can be done to improve the assets owned, namely asset inventory, legal audit, asset valuation, asset control, and control as well as asset optimization, where if this stage of asset management is well run it will provide significant benefits for the government inefficiency, effectiveness and create added value in managing assets that are more orderly, accountable and transparent.

Asset management carried out by the Pandeglang Regency Government to date, starting from asset inventory, legal audit, asset valuation, asset control, and supervision, including the improvement of ownership documents, evaluation, and review of asset conditions, are inseparable from previous findings—submitted by the Supreme Audit Agency (BPK).

The Supreme Audit Agency (BPK), on September 21, 2016, released a report on the financial statements of the local government (LKPD), which was quoted in the media of Radio Republik Indonesia. The BPK found that the management of fixed assets in the Pandeglang District Government was inadequate or identified. Problems such as these lead to control of asset management and asset conditions that are not yet fully supported by evidence of ownership and inventory records that are in shambles, even though the assets are under the control of the Regional Government. There are thousands of hard assets, including 433 vehicles that do not have BPKB, seven motorized vehicles controlled by other unauthorized parties, and 1,587 locations of land not yet certified, 83 buildings standing on ground whose status is unclear, and 4,437 road networks and irrigation on land the group is unclear. This, if left unchecked, will cause the asset to feel more in an idle position, namely a condition where assets whose ownership status is controlled by the government but not in terms of location control so that other parties can seized it .

Pandeglang District Government released that the management of regional property needs to be improved because this will affect the opinion of Banten's Supreme Audit Board (BPK-RI). The current WTP opinion obtained cannot be separated from the management of regional asset management. At this time, it might be better, but it needs a lot of improvement. The problem that often occurs in the management of the regional property is the lack of understanding of regional property managers in each local apparatus organization (OPD).

The author formulates several vital issues that will be studied further and following the title above, namely as follows:

1. How much influence is the asset inventory on optimizing the utilization of fixed assets in the Pandeglang Regency?
2. How much influence the legal audit has on optimizing the utilization of fixed assets in the Pandeglang Regency.
3. How significant is the effect of asset valuation on optimizing the utilization of fixed assets in the Pandeglang Regency?
4. How much influence the supervision and control of assets on the optimization of the utilization of fixed assets in Pandeglang Regency
5. How much influence the asset inventory, legal audit, asset valuation, supervision, and control of assets on optimizing the utilization of fixed assets in the Pandeglang Regency.

The definition of assets, in general, is goods are goods (things) or something goods (anything) that have economic value (economic value), commercial value (commercial value) or exchange value (exchange value) owned by a business entity, agency, or individual/individual (Siregar, 2004: 178). Meanwhile, according to Hariyono (2007) in the Regional Asset Management Technical Training module argues, assets (assets) in the legal sense are called objects consisting of movable and immovable objects, both tangible and intangible, which are included in assets/wealth or assets of an agency, organization, business entity or individual.

Assets are classified based on their shape divided into two types, namely tangible assets (intangible assets):

**Table 2. Types of Assets**

|  |  |  |
| --- | --- | --- |
| **No.** | **Types of Asset** | **Assets** |
| 1 | Tangible | Building, infrastructure, tools/machine, facility. |
| 2 | Intangible | Goal, vision, and mission of the organization, copyright, quality, image/right name, culture, attitude, knowledge, law, contract, and motivation |

*Source: Doli D. Siregar, (2004)*

**Asset Management**

Whereas Siregar (2004) states that asset management is a profession or expertise that is not yet fully developed or popular in government circles or work units or agencies.

Sugiama (2013) states that asset management is a science and art to guide wealth management that includes planning asset needs, obtaining an inventory, legal audit, assessing, operating, maintaining, renewing/eliminating, and transferring assets effectively and efficiently.

Hastings further (2010: 17) states asset management is a series of activities related to:

1. Identify what assets are needed
2. Identifying funding requirements
3. Obtaining assets
4. Provide a logistical and maintenance support system for assets
5. Remove or renew assets so that they can effectively and efficiently meet their objectives

**Basic Principle of Asset Management**

Britton et al. (1989 in Siregar 2004) that asset management itself has developed quite rapidly. Start with a static orientation, then develop into the dynamic, initiative, and strategic. The flow of development of asset management can be described as follows:

**Table 1. The Development of Asset Management**

**POST WAR-STATIC MANAGEMENT**

**POST WAR-STATIC MANAGEMENT**

**DYNAMIC MANAGEMENT**

* Economic, efficient & effective management
* Asset Monitoring Operasionalisasi
* Work Monitoring operational and investment
* Corporation or privatization
* Proactive management
* Asset Vallue
* Land audit
* Property review
* IT application in management
* Optimation of asset management
* Cost Control
* Unused property control

*Source: The Development of Local Authority Management, RICS, 1998 Dalam Doli D. Siregar (2004:517)*

The above display explains that the process of transforming asset management is in a substantial perspective. After World War II, asset management has the main scope to control the cost of managing or assets to support the Regional Government's operation. Besides, there are also efforts to make an inventory of the Regional Government assets, which are not used. But in the future development, the scope of asset management is more developed by including aspects of asset values, asset management accountability, land audits, namely land management audits, property surveys in the context of monitoring property market developments, application of information systems in asset management and optimizing asset management.

**Concept of Asset Inventory**

Sugiama (2013: 173) states that asset inventory is a series of activities to collect data, record, report the results of asset data collection, and document it, both tangible assets and intangible assets at a specific time. In comparison, Siregar (2004: 518-520) states that asset inventory consists of two aspects, namely physical and legal/legal inventory. Physical aspects consist of shape, area, location, volume/number, type, address, etc. Simultaneously, the juridical aspects are the status of mastery, legal problems that are owned, the deadline of skill, and others. The work process carried out is data collection, coding, grouping, and accounting/administration following asset management's objectives.

In the orderly administration of regional goods management, in particular the implementation of inventory based on the Decree of the Minister of Home Affairs Number 152 of 2004 concerning Regional Goods Management Guidelines, can be divided into two activities, namely: recording activities and reporting activities. The books and cards used are as follows:

1. Inventory Main Book (BII).
2. Inventory Book (BI).
3. Goods Inventory Card (KIB).
4. Room Inventory Card (KIR).

In the implementation of reporting, a list is used, namely:

1. List of Recapitulation (number of census goods, list of mutations of goods)
2. List of mutations of goods.

**Concept of Legal Audit**

Sugiama (2013: 173) states that asset inventory is a series of activities to collect data, records, report the results of asset data collection, and document it, both tangible assets and intangible assets at a certain time. Whereas Siregar (2004: 518-520) states that asset inventory consists of two aspects, physical and legal/legal. Physical aspects consist of shape, area, location, volume/number, type, address, etc. While the juridical aspects are the status of mastery, legal problems that are owned, the deadline of skill, and others. The work process carried out is data collection, coding, grouping, and accounting / administration in accordance with the objectives of asset management.

In the orderly administration of regional goods management, particularly the implementation of inventory based on the Decree of the Minister of Home Affairs Number 152 of 2004 concerning Regional Goods Management Guidelines, can be divided into two activities, namely: recording activities and reporting activities. The books and cards used are as follows:

1. Inventory of Main Book (BII).
2. Inventory Book (BI).
3. Goods Inventory Card (KIB).
4. Room Inventory Card (KIR).

In the implementation of reporting, a list is used namely:

1. List of recapitulation (number of census goods, list of mutations of goods)
2. List of mutations of goods.

**Concept of Asset Appraisal**

SPI 2007 (2007: 5) states the notion of value is an economic concept that refers to prices that are very likely to be agreed upon by buyers and sellers of an item or service available for purchase. Whereas Siregar (2004) states that asset valuation is a work process for conducting an appraisal of the assets under control. For this reason, local governments can outsource professional and independent appraisal consultants. The results of this value will be used to determine the value of wealth and information for the determination of assets to be sold.

Based on the Decree of the Minister of Home Affairs No. 12 of 2003 concerning the Evaluation of Regional Goods, it states that the object of valuation of regional goods includes all regional goods owned / controlled by the Regional Government and has economic value. Valuation criteria are determined for land valuation using market prices and the Selling Value of Tax Object (NJOP), building valuation using economic age, physical factors, materials, construction and building characteristics.

**Concept of Asset Monitoring and Control**

Siregar (2004) states that supervision and control of asset utilization is a problem that is often blasphemous to current local governments. One effective means to improve the supervision and control of regional government assets is the development of SIMA (Asset Management Information System). Through SIMA, it is expected that work transparency in asset management is guaranteed without the need for fears of weak supervision and control. In this SIMA all four aspects of asset management (inventory, legal audit, asset valuation and optimization) are accommodated in the system by adding aspects of supervision and control. In a Supervision there is a process of determining the size of success and taking an action that supports the achievement of expected results in accordance with the objectives set according to applicable rules in order to contribute to the realization of good asset management.

Suwanda (2015: 404) states that in general supervision is a business activity to find out and assess the actual reality regarding the implementation of tasks and activities, whether carried out in accordance with laws and regulations. Supervision of the implementation of the procurement of goods and maintenance of regional assets is a function of control of the process and product of the procurement and maintenance work. Supervision also reflects the performance of the work unit / agency concerned in implementing good governance.

Based on the Regulation of the Minister of Home Affairs Number 17 of 2007 concerning Technical Guidelines for the Management of Regional Property, supervision is any effort or activity to find out and assess the actual reality regarding the implementation of tasks and or activities, whether they are appropriate or not. Supervision of the management of regional property is carried out by the Minister of Home Affairs and Regional Autonomy, such as the Governor / Regent / Mayor. Control is any effort or activity to guarantee and direct that the work being carried out can run in accordance with a predetermined plan and or desired results in accordance with all applicable provisions and policies.

**Concept of Asset Optimum**

Siregar (2004) states that asset optimization is a work process in asset management that aims to optimize the asset’s physical potential, location, value, amount / volume, legal and economic assets. The general purpose of optimization is as follows:

1. Optimizing / Increasing the utilization of assets, whether the assets are in accordance with their designation or not.
2. The creation of an information and administration system so as to achieve efficiency and effectiveness in asset management.

Optimal use of regional goods / assets will create a source of Regional Original Revenue. Based on Regulation of the Minister of Home Affairs Number 17 of 2007 concerning Technical Guidelines for the Management of Regional Owned Property, utilization is the utilization of goods owned / controlled by the region by an agency and / or third party in the form of a lease-to-use, leasing, and business without changing ownership status. Business is the utilization of regional goods by third parties in the form of BOT, BTO, BT, KSO, and other documents (Decree of the Minister of Home Affairs Number 11, 2001: 249-250).

Suwanda (2015: 244) states that in principle, the use of the regional property is to carry out the main tasks and functions of government agencies/agencies. The forms of utilization referred to in article 32 paragraph 2 of Domestic Regulation Number 17 of 2007 concerning technical guidelines for the management of regional property are 5, namely:

1. Rent
2. Borrow to use
3. Cooperation in utilization
4. Wake up to deliver
5. Build up in order

**METHOD**

The research design used is a quantitative method with a correlation test approach that explains how the variables studied to explain the explanatory/explanatory survey. The analysis technique used is descriptive analysis technique and uses data transformation, classic assumption test, t-test, f test, hypothesis testing models of multiple linear regression analysis and augmented analysis using SPSS version 21 for windows. The location of the research was carried out in Pandeglang Regency.

X1

Asset Inventory

ε

X2

Legal Audit

Y

Asset Optimum

X3

Asset Value

X4

Monitoring and Control Aset

**Picture 2. Relationship of Independent and Dependent Variable**

**Population and Sample**

Sugiyono (2008: 215) states that the population is a generalization area consisting of objects or subjects with specific qualities and characteristics determined by researchers to be studied and then drawn conclusions. This study’s population are all BMD users in the regional work unit (SKPD), which includes the Regional Secretariat, the Regional Development Planning Agency, the Regional Financial and Asset Management Agency, the National Land Agency and the Regional Asset Management Staff. Thus in this study taken as a population of 103 people taking into account the involvement of respondents in this case the management of regional assets.

The sample is a small part of the population that is used as a small sample of research which will then be generalized after going through the management process. The research uses Nonprobability sampling method and while the sampling technique uses purposive sampling technique. Research in this case uses a tolerance of 10% with a confidence level of 90% of the population. Then, the total population obtained by researchers based on the above Slovin formula is as follows:

1. Regional Secretariat : 32 persons

=

= = 25,37

Rounded to : 25

1. Regional Development Planning Board : 30 persons

=

= = 23,07

Rounded to : 23

1. Regional Fiscal and Asset Management Agency : 29 Orang .

=

= = 22,48

Dibulatkan menjadi :22

1. National Defense Board : 12 persons .

=

= = 10,71

Rounded to :10 persons

Then the overall sample size with an error rate of 10% is 80 samples that will be given a questionnaire. So the sample used in this study was 80 people covering related management of regional assets.

**Data Collection Technique**

Data collection was carried out with three techniques, namely:

1. Questionnaire technique

2. Documentation techniques

3. Study the document

As in this study the research instrument used was a questionnaire / questionnaire distributed to the employees who manage the existing asset management in Pandeglang Regency and using a Likert Scale.

**Table 3. Rating Likert Questionnaire Answers**

|  |  |  |  |
| --- | --- | --- | --- |
| **No** | **Answer Choices** | **Scoring** | **Note** |
| 1 | Strongly Agree | 5 | Strongly Positive |
| 2 | Agree | 4 | Positive |
| 3 | Doubtful | 3 | Neutral |
| 4 | Disagree | 2 | Negative |
| 5 | Strongly Disagree | 1 | Strongly Negative |

*Sources: Sugiono (2008:93)*

**Hypothesis Testing**

Hypothesis testing of this study uses statistical tests of multiple linear regression analysis, including Adjusted R-Square test, F test, and t test.

1. H0: β = 0, There is no significant influence between asset inventory and optimizing the utilization of fixed assets in Pandeglang Regency.

H0: β ≠ 0, There is a significant influence between asset inventory and optimizing the utilization of fixed assets in Pandeglang Regency.

1. H0: β = 0, There is no significant influence between legal audit and the optimization of the utilization of fixed assets in Pandeglang Regency.

H0: β ≠ 0, There is a significant influence between legal audit by optimizing the utilization of fixed assets in Pandeglang Regency

1. H0: β = 0, There is no significant effect between asset valuation and optimizing the utilization of fixed assets in Pandeglang Regency.

H0: β ≠ 0, There is a significant effect of asset valuation by optimizing the utilization of fixed assets in Pandeglang Regency

1. H0: β = 0, There is no significant influence between the supervision and control of assets by optimizing the utilization of fixed assets in Pandeglang Regency.

H0: β ≠ 0, There is a significant influence between asset supervision and control by optimizing the utilization of fixed assets in Pandeglang Regency

1. H0: β = 0, There is no significant effect between asset inventory, legal audit, asset valuation, supervision and control of assets by optimizing the utilization of fixed assets in Pandeglang Regency.

H1: β ≠ 0, There is a significant influence between asset inventory, legal audit, asset valuation, supervision and control of assets by optimizing the utilization of fixed assets in Pandeglang Regency

**RESULTS AND DISCUSSION**

**Variable Descriptive Statistics**

Descriptive statistics of variables are a description of the summary data from the testing process, the purpose of which is to make it easier to understand data, starting with the amount of data (N), the mean value (mean), and data storage standards (standard deviations). One descriptive approach can be seen through the frequency to find out or explain data groups based on group’s the central tendency (tendency central).

Descriptive statistics that explain that from a total of 80 respondents, on the asset inventory variable, the minimum total answer of respondents is 45 and the maximum is 65 with an average total answer for asset inventory is 54.91 and then the standard deviation of the asset inventory variable is 5,441. In the legal audit variable the minimum total respondent's answer is 20 and the maximum is 30 with an average total answer for legal audit is 25.31 and then the standard deviation of the legal audit variable is 2.504. In the asset valuation variable the minimum total respondent's answer is 12 and the maximum is 20 with an average total answer for legal audit is 16.49 and then the standard deviation of the asset valuation variable is 2,075. On supervision and control of assets the minimum total answer of respondents is 18 and the maximum is 30 with an average total answer for supervision and control of assets is 24.69 and then the standard deviation of the variables of supervision and control of assets is 2,809. In the asset optimization variable, the minimum total answer of the respondent is 18 and the maximum is 30 with an average total answer for asset optimization is 25.39 and then the standard deviation of the asset optimization variable is 2.735

**Validity Test**

Based on the results of data management that the instrument values ​​of all asset inventory items are valid because the value of r count is greater than r table = 0.2199 (in the statistical table with df = n-2 = 80-2 = 78), all legal audit items are valid because the value r count is greater than r table = 0.2199 (in the statistical table with df = n-2 = 80-2 = 78), all asset valuation items are valid because the r count value is greater than r table = 0.2199 (in the table statistic with df = n-2 = 80-2 = 78), all asset monitoring and control items are valid because the value of r is greater than r table = 0.2199 (in the statistical table with df = n-2 = 80-2 = 78), all asset optimization items are valid because the calculated r value is greater than r table = 0.2199 (in the statistical table with df = n-2 = 80-2 = 78).

**Reliability Test**

The reliability test in question is an index that shows the extent to which a measuring instrument can be trusted or reliable. If a measuring device is used twice to measure the same symptoms and the measurement results obtained are relatively consistent, then the gauge is reliable (Mulyadi, 2013: 166). Based on the results of data management it can be seen that Cronbach's Alpha on each variable's value> 0.6, it can be concluded that all questions in this research variable can be used for further analysis in the study.

**Classic Assumption Test Results**

**Normality test**

Based on the Kolmogorov-Smirnov results it can be concluded that the data is normally distributed because the Kolmogorov Smirnov significance value is 0.773 or greater than 0.05. Thus it can be concluded that the regression model meets the normality assumption.

**Multicollinity Test**

Based on the test results that the VIF and Tolerance values ​​indicate there is no multicollinearity where the VIF value is less than 10 and the Tolerance value is more than 0.10, it can be concluded that there is no multicollinearity between variables so that the data is better used in the regression model.

**Heteroscedasticity Test**

The heteroscedasticity test used in this study is the glacier test that is by applying a residual absolute value to the independent variable with a regression equation. If the significance value is greater than 0.05, the conclusion is that heteroscedasticity does not occur and if the significance value is less than 0.05, the conclusion is that heteroscedasticity does not occur.

**The Effect of Inventory of Assets on the Optimization of Utilization of Fixed Assets in Pandeglang Regency**

Based on the test results it can be seen the magnitude of the partial correlation coefficient of 0.204 because it is positive, then the relationship is a positive or unidirectional relationship, then the partial correlation coefficient of 0.204 above, lies between 0.20 to 0.399, which means the correlation is low. The coefficient value of 13.15% means that the effect of the inventory of assets (X1) partially on the optimization of assets (Y) is 13.15% while the remaining 100% - 13.15% = 86.84% is influenced by other factors. Significance level of 2,569 t count> t table (2.569> 1.992), it can be concluded that there is a rejection of H0, then the magnitude of the coefficient Sig 0.012 <α (0.05), it can be concluded that there is an influence of Ha received.

The results of this study are in line with the results of research by Syukri (2014). Where the results of his research said that the inventory of assets proved to significantly influence the optimization of fixed assets (land and buildings). Inventory which in its work process is regulated by Permendagri Number 17 Year 2007 gives confidence to the perpetrators in this case the Manager, User, Assistant Manager, and Management of BMD that after the inventorying activity is carried out, it will bring benefits to the local government. In addition, of course, it can provide convenience for local governments to make use of existing assets, both for the purpose of being used by local governments to support the main tasks and functions in running the government and providing excellent service to the community, or can also make use of assets in an effective manner. optimally by leasing it to third parties and increasing local original revenue. This writing refers to the theory of asset management concepts proposed by (Siregar, 2004).

The results of this study indicate that the asset inventory has been carried out properly in accordance with the regulation of the Minister of Home Affairs No.19 of 2016 concerning Guidelines for the Management of Regional Property. These results indirectly prove that asset inventory must be done periodically because assets are an important resource for local governments. Asset inventory needs to be carried out so that the regional government, especially in Pandeglang Regency can know with certainty about the amount and value of the area's assets owned, both those currently controlled and those that are still in the form of potentials that have not been mastered or utilized as expressed (Mardiasmo, 2004)

**The Effect of Legal Audit on the Optimization of Utilization of Fixed Assets in Pandeglang Regency**

Based on the test results it can be seen the magnitude of the partial correlation coefficient of 0.232. because it is positive, then the relationship is positive or unidirectional, then the partial correlation coefficient of 0.232. above, located between 0.20 to 0.399 which means that the correlation is low. The coefficient value of 15.75% means that the influence of legal audit (X2) partially on the optimization of assets (Y) is 15.75% and the remaining 100.0% - 15.75% = 84.24% is influenced by other factors. The significance level of 2.780 t count> t table (2.780> 1.992), it can be concluded that there is a rejection of H0, then the magnitude of the coefficient Sig = 0.007 <α (0.05), it can be concluded that there is the influence of Ha received.

This study is in line with research conducted by Nasution (2013) that legal audits bring local governments to be more alert and more sensitive to complete documents and proof of ownership of local government assets. The regional government certainly wants the assets used and utilized by the regional government to be at a safe point and does not provide opportunities for other parties who want to control these assets in an irresponsible way.

The Pandeglang Regency Govern-ment certainly wants a change for the better the validity of asset ownership documents, and it is expected that the number of assets with complete ownership documents will increase every year and the problem of asset disputes due to smaller ownership documents with other parties. This writing refers to the theory of asset management concepts proposed by Siregar (2004).

The results of this study indicate that the legal audit has been carried out properly in accordance with Regulation of the Minister of Home Affairs No.19 of 2016 concerning Guidelines for the Management of Regional Property. The results of this variable analysis show some new findings that from the status of ownership of assets, especially land and buildings that have been well (legal issues related to control of the land and buildings) and the next is the supervision of the process of transfer of land ownership which is also good.

**The Effect of Asset Valuation on the Optimization of Utilization of Fixed Assets in Pandeglang Regency**

Based on the test results it can be seen the magnitude of the partial correlation coefficient of 0.294 because it is positive, then the relationship is a positive or unidirectional relationship, then the partial correlation coefficient of 0.294. above, located between 0.20 to 0.399 which means that the correlation is low. The coefficient value of 21.84% means that the effect of asset valuation (X3) partially on the optimization of assets (Y) is 21.84% and the remaining 100% - 21.84% = 78.15% is influenced by other factors. Significance level of 3,170 t count> t table (3,170> 1,992), it can be concluded that there is a rejection of H0, then the magnitude of the coefficient Sig = 0.002 <α (0.05), then it can be concluded that there is the influence of Ha received.

This research is in line with research conducted by Biological Assessment (2012) which states that Asset Assessment is a work process for evaluating controlled assets. This work process is usually carried out by an independent appraisal consultant. One of the objectives of the valuation is to use assets. In this case the assets that are utilized (leased) to a third party must first have a clear and reasonable value, so that in the process of leasing the value to be obtained can be in accordance with the uses provided by the asset. Assets that are utilized through leasing or cooperation with other parties will bring income to the region. This writing refers to the theory of asset management concepts proposed by (Siregar, 2004).

The results of this study indicate that the asset valuation has been carried out properly in accordance with the regulation of the Minister of Home Affairs No.19 of 2016 concerning Guidelines for the Management of Regional Property The findings through this variable are to determine the relative valuation of land and buildings that do not reflect the actual value because inventory and legal audit activities have not been optimally implemented. The accuracy of the valuation of assets will affect the value of assets, especially regarding the sale value and land compensation. The logical explanation regarding the valuation of these assets will be easily understood if we look at the process of preparing the government balance sheet. In order to compile a balance sheet the Pandeglang Regency Government needs to know how many regional assets are at the same time the value of these assets. To know the value of the state property periodically must be assessed both by the manager of the goods by involving an independent appraiser so that it can know the exact value of state property. For valuations in the form of land and buildings using the benchmark Tax Object Selling Value (NJOP).

**Effects of Supervision and Control of Assets on the Optimization of Utilization of Fixed Assets in Pandeglang Regency.**

Based on the test results it can be seen the magnitude of the partial correlation coefficient of 0.286 because it is positive, then the relationship is a positive or unidirectional relationship, then the partial correlation coefficient of 0.286. above, located between 0.20 to 0.399 which means that the correlation is low. The coefficient value of 20.59% means that the effect of supervision and control of assets (X4) partially on the optimization of assets (Y) is 20.59%, the remaining 100% - 20.59% = 79.40% is influenced by other factors. Significance level of 3,291 t count> t table (3,291> 1,992), it can be concluded that there is a rejection of H0, then the magnitude of the coefficient Sig = 0.002 <α (0.05), it can be concluded that there is the influence of Ha received.

The results of this study are in line with the results of research conducted by Fazatin (2013) who also saw that supervision and control of assets have an effect on optimizing the utilization of fixed assets which states that the higher the level of supervision and control of assets, the better the level of optimization of fixed assets. Control which in its work process is regulated by PP No. 60/2008 gives confidence to managers in the internal control system is an internal process in actions and activities carried out continuously by the leadership and all employees to provide adequate confidence in the achievement of organizational goals through effective and efficient activities. This shows that the Pandeglang Regency Government in the regional property management system has implemented an Asset Management Information System (SIMA) that promotes transparency. In addition, of course, it can provide facilities for the local government of Pandeglang Regency to make use of existing assets, both for the purpose of being used by local governments to support the main tasks and functions in running the government and providing excellent service to the community. This will be a measure of the government's success in managing regional property. This writing refers to the theory of asset management concepts proposed by (Siregar, 2004).

The results of this study indicate that the Supervision and Control of Assets has been carried out properly in accordance with the regulation of the Minister of Home Affairs No.19 of 2016 concerning Guidelines for the Management of Regional Property. These results prove that the supervision and control of assets must be carried out periodically because assets are important resources for local governments. Supervision and control of assets need to be carried out so that the local government, especially in Pandeglang Regency can know with certainty about the amount and value of the wealth of the region it has, and a success of the local government in managing regional assets with the examination and supervision will be a benchmark of success and better levels Optimizing the utilization of fixed assets.

**Effect of Asset Inventory, Legal Audit, Asset Valuation, Asset Monitoring and Control Against Optimization of Utilization of Fixed Assets in Pandeglang Regency**

**Multiple Correlation Analysis**

Based on the test results, it can be seen the magnitude of the multiple correlation coefficient simultaneously (R) of 0.845. Because the value of R = 0.845 is positive, then the relationship is positive or direct. Furthermore, based on the criteria of high and low relationships, the double correlation (R) of 0.845 above lies between 0.80 to 0.1000, which means the correlation is solid. It means that together (simultaneously) there is a high positive relationship between asset inventory (X1), legal audit (X2), asset assessment (X3), asset control and supervision (X4) to optimize the utilization of fixed assets (Y) in Pandulang Kabuapaten.

**Significance Test (F)**

Based on the F value of 46.660 which is greater than F table = 2.494 and with a significant probability of 0.000 which is much smaller than 0.05, it can be said that the independent variables (asset inventory, legal audit, asset valuation, supervision and control of assets) together -same or simultaneous significant effect on the dependent variable (optimization of asset utilization). Then if the four independent variables are combined together, then the coefficient is 0.713.

**Determination Analysis**

The formula used in determining a magnitude of the coefficient of determination (D) is D = R2 X 100%. The amount of R2 can be obtained from the amount of R Square, the magnitude of = 0.713. Because the magnitude of R2 = 0.713 then:

D = R2 X 100%

= (0.713) X 100%

= 71.3%

The coefficient of determination of 71.3%, means the effect of asset inventory (X1), legal audit (X2), asset assessment (X3), supervision and control of assets (X4) simultaneously on optimizing the utilization of fixed assets (Y) of 71.3% . The rest of 100.0% - 71.3% = 28.7% is influenced by other factors.

Based on the calculation results, it can be concluded that the alternative hypothesis (Ha) which states there is an effect of asset inventory, legal audit, asset valuation, supervision and control of assets together to optimize the utilization of fixed assets in Pandeglang Regency is empirically proven in other words alternative hypothesis (Ha) can be accepted.

Thus a factual picture is obtained that an increase in optimizing the utilization of fixed assets in Pandeglang Regency can be done by prioritizing an increase in asset inventory, legal audits, asset valuation, asset monitoring and control as well as the optimization of assets where if this stage of asset management is carried out well it will provide great benefits for the government in efficiency, effectiveness and create added value in managing assets that are more orderly, accountable and transparent so that it will provide a very large contribution in increasing local revenue (PAD).

**CONCLUSION**

1. Based on the results of the partial analysis it can be concluded that there is a significant influence between the asset inventory variable (X1) on optimizing the utilization of fixed assets (Y) in Pandeglang Regency with a total effect of 13.15%.
2. Based on the results of the partial analysis it can be concluded that there is a significant influence between the legal audit variables (X2) on optimizing the utilization of fixed assets (Y) in Pandeglang Regency with a total effect of 15.75%.
3. Based on the results of the partial analysis it can be concluded that there is a significant effect between the asset valuation variable (X3) on optimizing the utilization of fixed assets (Y) in Pandeglang Regency with a total influence of 21.84%.
4. Based on the results of the partial analysis it can be concluded that there is a significant influence between the variables of asset control and control (X4) on the optimization of the utilization of fixed assets (Y) in Pandeglang by 20.59%.
5. Based on the results of the simultaneous analysis (together) on the five hypotheses there is rejection of H0 and Ha acceptance, meaning that it can be concluded that there is a significant influence between the asset inventory variables (X1), legal aids (X2), asset valuation (X3), supervision and control of assets (X4) to optimize the utilization of fixed assets (Y) in Pandeglang Regency with a total influence of 71.3%.

**Suggestion**

1. The Regional Government compiles or implements an asset management information system in the utilization of fixed assets in the form of information technology such as computers.
2. Pandeglang District Government needs an increase in human resources such as training and technical guidance in managing asset management.
3. The Regional Government of Pandeglang Regency, especially agencies related to managing regional property needs to prepare policies in the form of systems and procedures for asset management as outlined in the SOP for derivatives.
4. The Government of Pandeglang Regency, particularly the Regional Secretariat, the Regional Asset Financial Management Office, the Regional Development Planning Agency, and the BPN can carry out an asset inventory every 5 years so that they can find out the goods belonging to the region both in their use and utilization.
5. Academics are expected to be able to contribute to further research to test other variables that can affect the optimization of asset utilization.

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