

Voluntary Disclosure Practices At University Of Bangka Belitung By Using Non Profit Organization Reporting Index

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Abstract–In the fulfillment of public trust, nonprofit organizations are required to provide information on the source of funds obtained and the use of such funds in a financial statement which will ultimately be assessed the financial performance of nonprofit organizations. Nonprofit organizations and contributors will always agree on a set of financial management and reporting rules that will be an attachment of the cooperation agreement at the time of signing the collective agreement document. Non profit organizations need to provide information that may reflect a company's capabilities over a period so as to guide the performance of the organization by stakeholders (PSAK No. 45): First, the services provided by nonprofit organizations and their ability to continue providing such services, how managers carry out their responsibilities for the performance of nonprofit organizations. This study aims to analyze the perception of Bangka Belitung University employees about the level of voluntary information disclosure conducted by Bangka Belitung University as measured by Non Profit Organizations Reporting Index.

The results of this study say that most stakeholders want information disclosure about some important things related to information needed by the public. Like financial information, some items shown by Non-Profit Organizations are very important for the public to know such as funding for social activities (student affairs). This is not to criticize an institution, but for nonprofit organizations public trust is very important because it affects the credibility of the institution.

Keywords–*Voluntary Disclosure, Non Profit Organization, Non Profit Organization Reporting Index, University of Bangka Belitung*

I. INTRODUCTION

Non-profit organization is an organization that aims to support an issue or subject in attracting the public for a non-commercial purpose, without any attention to things that are profit-seeking (monetary)..

According to PSAK No. 45 a non-profit organization must publish some information related to financial usage

and other information. Non-profit organizations need to provide information that can reflect the company's ability in a period so that it can be used as a guide to assessing organizational performance by stakeholders (PSAK No.45): First, services provided by non-profit organizations and their ability to continue to provide these services, and second, the way managers carry out their responsibilities towards the performance of non-profit organizations.

This public oversight is related to financial reporting and disclosure by non-profit organizations that have implemented rules that are in accordance with the standards that have been implemented or not. As Calabrese (2011) stated in his research which said that the majority of non-profit organizations are recurrently not subject to public audit mandates, the majority of these organizations still report financial statements on an accrual basis. Baber and Gore (2008) state that financial disclosure regulations have the potential to increase public benefits. Given this opinion, the non-profit organization regulates financial disclosures by auditing the benefits and costs of the disclosure and informing the funders and other stakeholders.

II. LITERATURE REVIEW

A. Resource Dependence Theory

Resource Dependence Theory is the study of how organizational external resources influence organizational behavior. This theory has implications for the optimal organizational division structure, recruitment of board members and employees, production strategies, contract structures, external organizational relationships, and many other aspects of organizational strategy.

B. Stakeholder Theory

Disclosure of information by non-profit organizations is based on stakeholder theory and legitimacy theory. In stakeholder theory, it is explained that

a company or an organization will try to disclose information that is compulsory or voluntary, so that stakeholders continue to place trust in the company or organization. Disclosure of mandatory information is financial statements. Whereas voluntary disclosures such as sustainability report are needed by stakeholders who influence or do not influence the economic activities of the company.

C. Non Profit Organizations.

A non-profit organization or non-profit organization is an organization that aims to support an issue or issue in attracting the public for a non-commercial purpose, without any attention to things that are for profit (monetary).

D. Characteristics of Nonprofit Organization

Non-profit organizations have very different characteristics compared to business organizations. The specific characteristics that underlie these differences according to PSAK 45 on financial reporting of nonprofit financial organizations mainly lie in the way non-profit organizations obtain the resources needed to carry out various operations. Non-profit organizations obtain resources from donors who do not expect repayments or returns on economic benefits that are comparable to the amount of resources provided (Indonesian accountant ties, 2012).

E. Disclosure Items

Zainon et al (2014) revealed that the items contained in the Non-Profit Organizations Reporting Index consist of 88 items which include voluntary disclosure of information or must be disclosed by a non-profit entity. These items consist of:

1. *Basic Background Informations* (BBI) relating to information about data about the organization consisting of 13 items.
2. *Financial Information* (FI) relating to the disclosure of mandatory non-profit entities consisting of 30 items.
3. *Financial Information* (NFI) which deals with voluntary disclosure of organizations regarding what programs are in the list of activities of the organization consisting of 19 disclosure items.
4. *Governance Information* (GI) relates to voluntary disclosures about data on administrators, sponsors, member qualifications and so on which consists of 18 disclosure items.
5. *Future Information* (FTI) relating to information about what plans will be carried

out by a non-profit entity consisting of 8 disclosure items.

III. RESEARCH METHODS

This research is a type of research using an exploratory study approach with qualitative descriptive. The population that will be used in this study are all employees and students at Bangka University.

The sample used is the entire academic community of the Faculty of Economics, University of Bangka Belitung using probability sampling, which is a sampling technique that provides equal opportunities for each element (member) of the population to be selected as members of the sample with the Slovin formula, namely:

$$n = \frac{N}{1 + N(e^2)}$$

$$n = \frac{1}{1 + 1(0.02^2)}$$

$$n = 2, \quad 5 = 2$$

TABLE 1. NUMBER OF STUDY SAMPLES

No	Position	Ukuran Sampel	Sampel
1.	Lecturer	3,42% x 288 = 9,85	10
2.	Administration Staff	0,98% x 288 = 2,82	3
3.	Student	95,60% x 288 = 275,33	275
	Total		288

Source : Data processed, 2018

IV. RESULTS AND DISCUSSION

This study uses a questionnaire method to obtain the respondents' perceptions of some of the items asked questions or disclosure items that have been stated previously by Zainon et al (2014) in his research entitled "An Empirical Study on Determinants of Information Disclosure of Malaysian Non-Profit Organizations " The number of respondents used in this study are:

A. Basic Background Informations

Basic Background Informations (BBI) contained in the Non-Profit Organizations Reporting Index relate to information about data about the organization consisting of 13 items.

TABLE 2. BASIC BACKGROUND INFORMATIONS ITEMS

Item of Disclosure	Standards of disclosure	Agree	Disagree
Name of the organization	UU No 17 th 2013 pasal 12 ayat 1	237	0
Registered address of the organization	UU No 17 th 2013 pasal 12 ayat 1	237	0
Nature of the organization services	UU No 17 th 2013 pasal 12 ayat 1	237	0
List of office bearers' name	Voluntary	228	9
Name of associated or affiliated society, association, trade union, or any other body persons, incorporated or unincorporated, outside Indonesian	Voluntary	209	28
Address of associated or affiliated society, association, trade union, or any other body persons, incorporated or unincorporated, outside Indonesian	Voluntary	164	73
Minutes of Annual General Meetings (AGM)	Voluntary	192	45
Legal and regulator formation	Voluntary	213	24
Date of registration	UU No 17 th 2013 pasal 12 ayat 1	236	1
Registration Number	UU No 17 th 2013 pasal 12 ayat 1	235	2
Tax-exempt status	Voluntary	210	27
Governing act[e.g Societies Act 1966, Trustees (Incorporation) Act (Act 258)]	Voluntary	160	77
Category of organization	UU No 17 th 2013 pasal 18 ayat 3	237	0
		90,72%	9,28%

From the data in the table it can be concluded that from 13 (thirteen) items of disclosure used in the questionnaire as much as 90.72% of respondents answered agree respondents who answered did not agree as much as 9.28%. Thus as many as 90.72% of respondents agreed that the Basic Background Informations (BBI) item must be disclosed by the University of Bangka Belitung.

B. Financial Informations

Financial Informations (FI) contained in the Non-Profit Organizations Reporting Index relate to information about organizational financial data consisting of 30 items. From the existing data it can be concluded that from 30 (thirty) items of disclosure used in the questionnaire as much as 95.71% of respondents answered agree respondents who answered did not agree as much as 4.29%. Thus as many as 95.71% of respondents want the University of Bangka Belitung to reveal the items of Financial Informations (FI) must be disclosed transparently and accountably.

C. Non Financial Informations

Non Financial Information (NFI) contained in the Non-Profit Organizations Reporting Index which relates to voluntary disclosure of organizations regarding any programs that are in the list of activities of the organization consisting of 19 disclosure items. These items are contained in the questionnaire distributed to respondents to analyze the opinions of respondents on disclosure items conducted at the University of Bangka Belitung.

Of the 237 questionnaires used in the study, 80.44% of respondents answered agreed and respondents who answered did not agree as much as 19.56%. Thus as much as 80.44% of respondents want information disclosure regarding the programs implemented and stakeholder satisfaction in the activities (programs) carried out.

D. Governance Informations

Governance Informations (GI) contained in the Non-Profit Organizations Reporting Index are related to voluntary disclosures regarding data of administrators, sponsors, member qualifications and so on which consists of 18 items of disclosure.

TABLE 3. GOVERNANCE INFORMATIONS ITEMS

Item of Disclosure	Standards of disclosure	Agree	Disagree
Patron's message	Voluntary	29	208
Statement of principal officers (e.g chairman or president)	Voluntary	78	159
Statement of key committee members	Voluntary	123	114
List of name of major donors	Voluntary	233	4
Sponsorship	Voluntary	234	3
Calender of events	Voluntary	233	4
Community services	Voluntary	232	5
Internal audit	Voluntary	233	4
Audit certification by independent auditor	Voluntary	234	3
Corporate partnership involvement	Voluntary	196	41
Founder of the organization	UU No 17 th 2013 pasal 9	230	7
Patron of the organization	Voluntary	62	175
Committee member's background	Voluntary	37	200
Committee member's experience	Voluntary	21	216
Committee member's qualification	Voluntary	218	19
Race of the committee member	Voluntary	143	94
Gender of the committee member	Voluntary	177	60
Number of the committee member (Size of committee)	Voluntary	96	141

5,85 % 34,15 %

Information about governance or the structure or position and employment at Bangka Belitung University according to respondents is also quite important to disclose. Although in reality not all of these items were disclosed transparently by the University of Bangka Belitung. Seen in table 9 as many as 65.85% of respondents answered agree to the overall item being asked.

E.Future Informations

Future Information (FTI) is related to information about what plans will be carried out by a non profit entity (Universitas Bangka Belitung) which consists of 8 items of disclosure.

TABLE 4. FUTURE INFORMATION ITEMS

Item of Disclosure	Standards of disclosure	Agree	Disagree
Budget information for future	Voluntary	237	0
Strategic planning for organization development	Voluntary	218	19
Statement of future activities that benefit clients	Voluntary	103	134
Vision statement	Voluntary	237	0
Mision statement	Voluntary	237	0
Statement of objectives in a specific program	Voluntary	188	49
Core value of the organization	Voluntary	222	15
Next year coming target future donations	Voluntary	236	1
		88,50 %	11,50 %

From the table, it can be seen that the respondents answered agreeing to the 8 disclosure items regarding Future Informations which should be disclosed by the Bangka Belitung University as much as 88.50%. While the rest or 11.50% are disagreeable and not important to disclose.

V. CONCLUSION

The disclosure items used in this study are based on research conducted by Zainon et al (2014) which examined disclosures made by non-profit organizations in Malaysia. In this study, the items were adjusted to the sample used, namely University of Bangka Belitung, which included in the category of higher education in OTK is one of the entities or non-profit organizations.

A total of 83 items of disclosure were used in this study which were divided into 5 sub-items described previously.

Graph 1 shows the percentage of each sub-item that has been adjusted to the analysis of respondents' perceptions of the level of disclosure required by the University of Belitung.

After all questionnaires have been collected, the researcher will analyze the data starting with the tabulation of data that is still not summarized, then analyze the data to find out the perceptions of the employees of the University of Bangka Belitung regarding the level of voluntary information disclosure conducted by the University of Bangka Belitung as measured by Non-Profit Reporting Organizations The index proposed by Zainon et al (2014).

Of the five sub-items in the Non-Profit Organizations Reporting Index, it was concluded that the Financial Informations were the most important sub-items that must be disclosed by non-profit organizations. While what is quite important to disclose is the organization's future information that contains the target, future vision and mission strategies of non-profit organizations.

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