

Financial Management Accountability In Allocation Of Village Funds (Case Study In Village X)

Sari Mustika Widyastuti¹ Syahri²

Accounting Department, Faculty Economic, Universitas Tamansiswa Palembang, South
Sumatera, Indonesia¹

Government Science, Faculty of Social and Political Sciences, Universitas Tamansiswa
Palembang, South Sumatera, Indonesia²

Email: sari@unitas.palembang.ac.id¹

Abstract

The economic development program in Indonesia can be realized by starting from the smallest part. This can be done by adequately implementing accountability for managing village funds from small villages. This study then aims to see how the implementation of village fund management accountability in village X follows regulations from PERMENDAGRI Number 20 of 2018. This research will be conducted with a qualitative methodology and data obtained from numerous research results and prior studies that are still pertinent to this research. The results of this study found that the implementation of village programs and financial management in village X already had a transparent and accountable nature. However, there are still some obstacles to implementation, such as delays in disbursing funds from local governments. Although it has several shortcomings, the village fund allocation management process has been running following PERMENDAGRI Number 20 of 2018.

Keywords: Village Fund Allocation, Accountability, Village Financial Management.



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INTRODUCTION

Developing and empowering villages is one of the government's goals to achieving economic parity in Indonesia. As stated in the third point of Nawacita by President Joko Widodo and Vice President Jusuf Kalla: "Building Indonesia from the periphery by strengthening regions and villages within a unified framework" (Girsang, 2021). In carrying out development for the realization of Nawacita from President Joko Widodo and Vice President Jusuf Kalla, development cannot be separated from the management process, both human resources or other resources such as financing and the implementation of the financing process requires good governance, and following the statutory procedures that have been regulated, to manage the financing, this cannot be separated from the government sector financial management process (Darmawan & Kusumaningrum, 2021).

In order to establish effective governance at all levels of government, from the federal to the state and municipal level, government accounting plays an important role in the management of public finances. Local governments, including towns and cities, require the same transparency and accountability in public finance as their national counterparts (Bakhtiar, 2021). The village is an important governmental unit because of the many ways in which it serves the community's varied demographics, lifestyles, and needs. This is because the progress of a village greatly impacts the progress of a nation. No developed nation lacks developed provinces, developed provinces lack developed districts, and developed districts lack developed villages and subdistricts (Gurtler et al., 2021).

A good district implements the principles of regional autonomy by optimizing the village's potential for implementing good, clean, and growing governance. The sum set aside for the villages in the district will rise as a result of this. Each community has the ability to flourish

to the extent that its budget is allocated adequately (Maolani, 2019). Because of its magnitude, village governments must be competent in village financial management as outlined in Minister of Home Affairs Regulation 20 of 2018 on Village Financial Management (Ash-shidiqqi & Wibisono, 2018). Based on the brief explanation above, the researcher then intends to look at how accountability is in managing the allocation of village funds in village X.

LITERATURE REVIEW

Definition of Village

Unitary State of the Republic of Indonesia Law No. 6 of 2014 defines a legal community unit with territorial boundaries with the authority to regulate and manage government affairs in accordance with the interests of the local community as determined through community initiatives, origin rights, and traditional rights (Suryawati & Syaputri, 2021). The village, in the general sense according to Sujarweni, is a universal phenomenon, found anywhere in the world, as a small community, which is bound to a particular locality both as a place to live and to fulfill their needs, and primarily dependent on the agricultural sector (Bahagia et al., 2022).

Allocation Of Village Funds

District/city government provides funding for villages under the Village Fund Allocation program. This comes from the district's or city's share of central and regional financial balance funds and is used to support village government programs that help to carry out government activities, foster development, and empower village communities by strengthening the ability of community institutions to plan, implement, and control development (Rasmini & Mimba, 2021). The use of village fund allocations of 30% of the village income and expenditure budget is for village government operational costs in budget items relating to village government honoraria such as village head honorarium, village secretariat honorarium consisting of village secretary, village treasurer, section head, the head of affairs and the head of the hamlet, as well as the BPD honorarium, while the village community empowerment of 70% is used for the use of village economic facilities and infrastructure, empowerment in the fields of education and health, community economic empowerment and financial assistance to village community institutions (Siafu et al., 2020).

Village Financial Management

The villagers' funds are managed in accordance with best practices in governance. Minister of Home Affairs Regulation No. 20 of 2018 outlines the principles of village financial management as follows: openness, accountability, participation, and disciplined adherence to a set budget.

1. The notion of openness and transparency permits the community to know and access as much financial information as possible. The practice of not obstructing the public's access to lawful information concerning village governance while still respecting the public's right to that information (Taufiqurokhman & Andriansyah, 2018);
2. Accountability refers to the duty to account for one's actions in managing and controlling resources and enacting rules delegated for the purpose of achieving predetermined goals. According to the principle of accountability, the village community has a right to know about and be informed about all official village government actions taken in conformity with the law (Suwito & Jannang, 2022).
3. The term "participatory" refers to a method of village administration that involves the local populace and their local institutions (Kadir & Idris, 2021);

4. Orderly and budgetary discipline, i.e. village financial management, must refer to its underlying norms or principles (Moonti & Ahmad, 2019). The following budget disciplines must be considered for Village Financial Management:
5. Budgeted expenses are the absolute maximum that can be spent, whereas projected revenue is a rational estimate of what can be made from each source of income.
6. In the Village APB / Village APB Amendments, expenditures must be backed by the certainty of sufficient receipts, and it is not permissible to carry out activities for which there are no or insufficient budget credits.
7. In the appropriate fiscal year, all regional revenues and expenditures must be accounted for in the Village Budget and incurred through the Village Cash Account.

Accountability

According to Djalil, accountability is a closely related ethical idea to government public management (government executive institutions, parliamentary legislatures, and judicial institutions). It is sometimes used interchangeably with notions such as accountability, responsibility, and culpability in an attempt to explain one aspect of public/government management (Haque, 2020). Implementing accountability must also adhere to the notion of openness. Transparency is the transparency of financial management that permits the public to know and access the most comprehensive information available (Farnaghi & Mansourian, 2020).

Koppel highlighted that accountability has multiple dimensions, including transparency, responsibility, control, and response. First, transparency refers to the availability of information about an organization's functions and performance. Second, accountability refers to ensuring that individuals and organizations are held accountable for their actions and activities, that misbehavior is punished, and that good performance is rewarded (Rajala & Kokko, 2021). The third is control, which refers to the condition in which the organization executes all commands precisely. Fourth is a responsibility, so the organization should be limited by the applicable law. Fifth, responsiveness refers to the organization having an interest in and attempting to meet the substantive expectations of stakeholders by communicating their requests and requirements (Grillner & El Manira, 2020). These five dimensions assist determine the extent to which a public sector institution can fulfill its responsibility. More simply and safely. Al-Shbail and Mohammed determine some of the critical determinants of each of these dimensions (Lee-Geiller & Lee, 2019).

RESEARCH METHOD

This research will be carried out using a qualitative approach the method. The data used in this research come from different research results and previous studies still relevant to this research. Research data that has been successfully collected will be processed by researchers so that later the results of this study can be found.

RESULT AND DISCUSSION

Planning

In implementing a program or development, planning is vital and has a big impact on the future because the results of development depend on the planning process because planning determines the direction of work in carrying out a program or development (Bag et al., 2020). Before carrying out the Village Development Planning Deliberation (Musrembangdes), the village secretary has drawn up and prepared a draft village regulation on APBDes based on the Village Government Work Plan for the current year. Then the village secretary submits a draft

village regulation on APBDes for the Village Consultative Body to be discussed and mutually agreed upon. In village X, this Musrembangdes has always been the center of attention of the village community. This is because, through these Musrembangdes, the community can become a forum for conveying aspirations, complaints, and submitting proposals related to the development or implementation of village X government programs and become a forum for joint decision-making. Implementation of the Village Fund Allocation (ADD) program in village X is also conducted within the context of community empowerment and promotes participation in village development.

Implementation

The Village Implementation Team executes all ADD-funded activities. To promote transparency and exact information transmission to the general public, every physical activity must have an activity information board displayed at the activity venue. The information board must include the activity's name, volume, budget from ADD and non-governmental organizations, and duration. In addition to the activity nameplate, the village office must display information on all ADD programs that the community can use. These two measures are taken to implement the transparency principle in village development, so that the community can freely learn about the ADD program and submit feedback and recommendations to the Village Implementation Team for the improvement of ADD management (Houde et al., 2022).

Administration

The Village Treasurer is responsible for village financial administration, which entails recording transactions involving village expenditures and revenues. In addition, the Village Treasurer must be conscientious in his documentation of any activity that leads to a change in the Village Revenue and Expenditure Budget (APBDesa) in the form of either revenue or expenditure. When the Village Treasurer receives cash receipts, he documents the transactions in the General Cash Book using receipts as evidence. The village administrator must select the village treasurer in order to carry out financial administration. The decision of the village chief should be communicated to the village treasurer well before the start of the relevant fiscal year so that the treasurer can make the appropriate preparations. In the context of enforcing the Village Budget, a treasurer is an apparatus of the village selected by the village chief to receive, store, deposit, administer, pay, and account for village finances. Meanwhile, suppose the village treasurer receives income in the form of a transfer. In that case, the treasurer will receive information in the form of a note recorded as a credit in the bank book for the money that goes into the Village Bank Cash Account.

Based on the note as a reference, the village treasurer must record it in the bank book. All receipts, whether cash or sourced from transfers, must be recorded correctly and orderly (Suryani, 2022). Expenditures for cash activities issued by the Village Treasurer must provide proof of transactions in the form of expenditure receipts and be recorded by the Village Treasurer in the General Cash Book (BKU). While the expenditure is a direct transfer to a third party, the Village Treasurer records it in the Bank Book (not recorded in the BKU because the BKU is for cash transactions). Recording of cash and transfer income receipts must be accompanied by complete and valid evidence and recorded correctly and in an orderly manner. In addition to recording transactions in the General Cash Book or Bank Book, the Village Treasurer also records the tax obligations withheld/collected on the shopping transactions made. For the withholding/collection of taxes made, the Village Treasurer shall record it in the Tax Book in the receipt column. The value of tax deductions/collections is based on receipts, as previously discussed. When the Village Treasurer deposits to the State Treasury within the time

limit stipulated in the tax provisions through the Tax Deposit Letter (SSP), the Village Treasurer records it in the Tax Assistant Book in the credit (Expenditure) column.

Reporting

In order to fulfill their responsibilities, authorities, rights, and duties in managing the community's finances, the village chief must produce reports. The Regent/Mayor receives semi-annual and annual reports, whereas the BPD receives portions of the information. The village government X reports an Activity Realization Report in which the results of this Activity Realization Report are reported between the comparison between the previously budgeted budget plan and liquid funds compared to the results of the activity work whether it has been carried out following the previously planned budget or not. This dramatically affects the performance of the village government and whether the funds spent are absorbed adequately following the development plan planned at the village development meeting the previous year (Apostolopoulos et al., 2020).

Accountability

ADD accountability in Village X is integrated with APBDes accountability. This follows Regent Regulation No. 29 of 2018 about Financial Management Technical Guidelines. With this Regional Regulation, legislators hope to establish a uniform legal structure for village budgets, revenue and expenditures, and other financial matters. Transparency and accountability are bolstered through the strengthening of community finances. Management of the village's finances must be efficient and effective, open and accountable. One of the village's main revenue generators, ADD, must be held to the same high standards of openness and accountability as the government and other institutions from which it receives its power. Every three months, a forum led by the Village Head evaluates the implementation of ADD in order to demonstrate accountability to the community. The evaluation of the implementation of the ADD program also encourages the community to provide input and adjustments about the implementation of ADD. It is imperative that the village government respond to community feedback in the forum if ADD is to be implemented flawlessly (Purnama, 2020).

Discussion

Regarding accountability, the ADD implementation in Kampung X has mostly met the accountability theory. This is confirmed by the implementation on the ground, which demonstrates that every dollar spent has been physically accounted for, despite administrative imperfections. On the administrative side, ongoing efforts are made towards perfection in terms of learning, enhancing, and enhancing. Weaknesses in human resources are the primary impediment to enhancing the administrative accountability of ADD. This is the concept of accountability and the principle of accountability that requires the public bureaucracy to be a government responsible to the community. The gradual implementation of the accountability principle will eventually support community confidence in the implementation of village development which will ultimately achieve a level of village community participation that will cumulatively support the success of regional development. Community members are encouraged to provide input and suggestions for improving ADD's execution as part of the program's execution review.

The local administration of the village must respond to community corrections made in the forum if ADD is to be implemented perfectly. In addition, the evaluation forum has occasionally implemented the principles of transparency in ADD accountability as the notion of transparency, which many parties can know (are interested in) about the formation of

government, organization, and company policies (policies). Providing information openly to criticism is seen as participation in developing improvements. Consequently, it is necessary to continually develop the interaction management of all development stakeholders by adhering to the principles of participatory, responsive, transparent, and accountability beginning with the planning, implementation, administration, reporting, and accountability stages, so that the results of this level of participation are quite encouraging. However, applying these principles must continue to be evaluated from time to time to achieve the perfection of implementing the Village Fund Allocation program in general (Lu et al., 2021).

CONCLUSION

The community sees and feels the benefits of village funds in village X, especially in infrastructure development and empowerment, which is a priority for using village funds based on statutory provisions. Planning for the village fund is carried out through the Musrenbangdes forum, which has ensured that the program's development is accountable, transparent, and inclusive (Development Planning Consultation). The community openly proposes ideas for the development of the village in accordance with the RPJMDes, RKPDes, and APBDes, and the village government openly accepts proposals and is determined in collaboration with the BPD.

Its implementation has incorporated the concepts of openness, accountability, and participative engagement by including the community in activities, particularly physical development, and by having the community oversee development activities directly. In addition, the public has easy access to information through bulletin boards and information boards, despite the fact that they are boards. This analysis concludes that the accountability for managing village budget allocations in village X is based on Minister of Home Affairs Regulation No. 20 of 2018, however it does not strictly adhere to current regulations. Thus, it is necessary to carry out continuous improvement by adjusting the situation and conditions and developing the prevailing laws and regulations.

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