

PROVINCE ANALYSIS OF FINANCIAL MANAGEMENT OF VILLAGE FUNDS IN IMPROVING THE COMMUNITY ECONOMY IN FATUULAN VILLAGE, KIE DISTRICT, SOUTH CENTRAL TIMOR DISTRICT – NTT

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ABSTRACT

The implementation of autonomy at the lowest level of government is the Village. Villages can be said to be the spearhead of national development because they are sources of strength and resilience for the national government. Managing Village Funds is regulated based on Minister of Home Affairs Regulation Number 113 of 2014 concerning Village Financial Management. Village funds are one component of transfer income which is part of village finances so that their management follows the village financial management mechanism. Village funds are a tool to help implement village governance, village development and community empowerment in an effort to improve the community economy. With this village fund, it is hoped that it can help the community in terms of needs, development of facilities and infrastructure, and can develop local economic potential based on the conditions and potential of the village.

This research was conducted using qualitative descriptive analysis methods. This method is carried out by creating a systematic, factual and accurate picture or painting of the facts, properties and relationships between the phenomena being investigated. Data collection was carried out by interviews and collecting factual data in accounting information data processing procedures and connecting with existing theoretical data.

The results of the research show that the management of village funds has been running quite effectively, although the allocation is not yet 100% effective, where there are many village development activities (physical) carried out which help farmers and the community in carrying out daily activities, where the poverty level has begun to decline in Fatuulan Village. Community empowerment programs and activities to improve the community's economy have been implemented but are still not on target, but in general the community in Fatuulan Village has felt an improvement in the community's economy. The output of this research is the implementation of financial management of village funds in improving the economy of the people of Fatuulan Village, Kie District, South Central Timor Regency, NTT. Which will be published in the proceedings of the 2023 International Conference on Applied Science and Technology (iCAST) or SINTA accredited national journal articles with a minimum rank of 4. The proposed research TKT is TKT 3.

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1. INTRODUCTION

Government Accounting has a role in managing public finances to realize good governance, starting from central, regional and village financial governance. Principles in government accounting such as accountability and transparency in public financial management are not only a form of obligation for the central government, but also for regions such as villages. Villages as government organizational units that deal directly with the community with all their background interests and needs have a very strategic role.

Because the progress of a country is basically determined by the progress of the village, this means that the basis of a country's progress is determined by the progress of the village.

Village Funds are an inseparable part of the Village Revenue and Expenditure Budget (APBDesa) structure which is managed using the principles of village financial management. Village Funds are fully intended to facilitate village development and empowerment as mandated by the Law and regulations stipulated by the Indonesian Government. Village Funds are used to finance Village development to improve community welfare, improve the quality of life, and overcome poverty. With the issuance of Law No. 6 of 2014 [17] concerning villages, the position of village government has become stronger. The presence of the law on villages not only strengthens the status of villages as community governments, but also serves as a basis for advancing society and empowering village communities. For this reason, the government issued a policy, namely the formation of Village Fund Allocation (ADD) as an embodiment of financial decentralization towards independent villages.

Village Fund Allocation is funds allocated by the Regency/City government to villages, sourced from the portion of central and regional financial balance funds received by the district or city to support all sectors in society, as well as to make it easier for the government to carry out government, development and empowerment activities. [1]. However, the use of village funds is prone to fraud by parties entrusted with managing village funds. The current reality is that there are several problems that arise regarding village funds .

Every village that receives the village fund assistance program also has various obstacles that are complicated, these indications are usually seen in the print media, online, that there are still several obstacles related to village funds, such as, starting from low absorption of village funds by the village government to the authorities. a government that has not been able to manage village funds, such as government officials who have no experience in managing large enough finances to the extent that their officials are ready. This is caused by the inability of the fund management actors involving village officials who in fact do not have sufficient competence to manage the funds. Apart from that, development in the Village has not been implemented optimally based on community proposals or has not been included in the category of participatory development as is the aim of Law Number 6 of 2014 concerning Villages [17].

The aim of this research is how to manage village funds in Fatuulan Village, Kie District, South Central Timor Regency, NTT. and how the village government is trying to improve the community's economy through managing village funds in Fatuulan Village, Kie District, South Central Timor Regency, NTT. The urgency of this research is related to the management of Village Funds which originate from the State Revenue and Expenditure Budget which is intended for villages. It is hoped that this will become a source of village income to support development in the village and the implementation and accountability of village funds must be in accordance with Permendagri No. 113 of 2014 concerning Village Financial Management.

2. METHOD

Types of research

The type of research carried out in this research is qualitative descriptive research, namely research that aims to obtain an overview, to understand and explain Village Fund Financial Management in improving the economy of the community in Fatuulan Village, Kie District, South Central Timor Regency, NTT.

Data collection technique

Data collection techniques are steps to obtain data that is tailored to the problem being studied. The data collection techniques in this research are observation, interviews and documentation.

Data Analysis Techniques

Data analysis techniques are the process of systematically searching and compiling data obtained from interviews, field notes and other materials, so that they can be easily understood and the findings can be informed to others. The stages in research data analysis techniques using qualitative descriptive methods: (1) Collection (2) Reduction (3) Presentation of data

Testing and validity of the data in this research used triangulation. Triangulation is a data examination technique that utilizes something other than this data Moleong (2000:178) [9]. The data checking process in this research was carried out by checking and comparing interview data with observation data and other complementary data. The triangulation technique used in this research is theoretical triangulation, namely using theoretical data, primary and secondary data and researchers' perceptions, to make it clearer.

3. RESULTS AND DISCUSSION

Analysis of village fund management in Fatuulun Village

Village fund management is part of village financial management in the Village APBDes which includes planning, implementation, administration, reporting and accountability. After conducting interviews with the government and the community of Fatuulan Village regarding Village Fund Management in Fatuulan Village, Kie District, South Central Timor Regency, NTT according to Minister of Home Affairs Regulation No. 113 of 2014 [12] then the results of the interview and discussion can be described as follows:

Planning

Interview with the Head of Fatuulan Village, namely Mr. Imanuel. Natonis as Village Head at the Fatuulan Village Office regarding village financial management planning, stated that:

"In the process of planning the financial management of village funds, we carry out a musrenbangdes which involves village government officials, BPD, hamlet heads and village community leaders to allocate village funds in the form of village development and community empowerment so that village communities can provide activities that will be allocated in village funds"

Interviews with village communities, namely Mr. Oktovianus, stated that:

"In the village fund management planning process, we are involved through hamlet meetings and village meetings where we as village residents will provide input in the form of suggestions for implementing village fund planning and we hope that with the contribution of suggestions from Fatuulun village residents we will be able to improve the economy and welfare of us Fatuulun village residents." Furthermore, an interview with the Village Secretary Mr. Godlief at the Fatuulan Village Office explained that:

"Planning for village financial management starts from village development plan deliberations (musrenbangdes) where the initial stage will be discussed, namely, exploring ideas (potentials and problems) then the village head forms a special team to prepare (RANPERDES) regarding the Village APBD then this special team submits the RANPERDES to village head for research, then the RANPERDES was submitted to the BPD (however, the draft village regulations regarding APB were submitted by the village head to the BPD to be discussed and mutually agreed upon no later than October but the Fatuulan Village government only agreed on it in November for discussion) so there was a delay to be discussed, then after being discussed by the BPD, the BPD then holds a village deliberation to ratify the Village APBD. After being ratified by the BPD, the Village Head then submits it to the Regent for review. If the APBDesa is in harmony or appropriate, the Regent shall determine the APBDesa through a Regent's Regulation.

From the results of the interview above, it can be understood that the village fund planning scheme or flow in Fatuulun Village has followed existing regulations, namely Minister of Home Affairs Regulation Number 113 of 2014 articles 31 to article 42 and Minister of Home Affairs Regulation Number 20 of 2018, however There is still a delay in submitting draft village regulations regarding APB by the village head to the BPD for discussion and approval. (Minister of Home Affairs Regulation Number 113 of 2014 article 32 paragraph 3)

Implementation

Interview with Head of Finance of Fatuulan Village, Mr. Yeskial at the Fatuulan Village Office, who stated that:

"All income and expenditure must go through the village account. Such as DD and ADD which are transfer income into the village account. The village has one account as a deposit for funds owned by the village"

The results of the interview with the Fatuulan Village Secretary, Mr. Godlief at the Fatuulan Village Office, explained that:

"I verify all implementation activities proposed by the special implementation team and after the files are declared complete, the village head will approve and after that the special implementation team submits an SPP regarding the implementation of the activities, and I will verify the implementation data, if the data is complete, then the village head will approve and the village treasurer will make the payment."

From the results of the interview above, it can be understood that the scheme or flow of implementation of village funds in Fatuulun Village is guided by Permendagri No. 113 of 2014 articles 43 to article 62.

Administration

Interview with Fatuulan Village Finance Head Mr. Yeskial at the Fatuulan Village Office who explained that: "All forms of village income and expenditure are recorded and must go through the village account, even if the village funds are used again later, for example, when there is income from renting land from the village treasury, the village will receive income and the funds must be put into the village account, even though the funds will be transferred later. used again. Once a month I report finances to the village head."

Based on the results of an interview with the Village Secretary, Mr. Godlief at the Fatuulan Village Office, he explained that:

"The general cash book which is closed at the end of each month is reported by the Head of Finance to the Village Secretary no later than the 10th (tenth) of the following month, but it is often too late to report it." fund management in Fatuulun Village is guided by Permendagri No. 113 of 2014 articles 63 to article 67. However, general cash book reports are often late due to the limited human resources of the authorities. Fatuulun Village.

Reporting

Interview with the Head of Fatuulan Village, namely Mr. Imanuel. Natonis as Village Head at the Fatuulan Village Office regarding village financial management reporting, stated that:

"I, as the village head, have submitted a report on the implementation of the first semester of the APBDesa in the form of a report on the implementation of the APBDesa and a report on the realization of activities to the Regent through the sub-district head, which was implemented on time."

Based on the results of research and interviews regarding the management of financial reporting of village funds in Fatuulan village, it is in accordance with Permendagri Number 18 of 2020 concerning village financial management and Permendagri No. 113 of 2014 articles 68 to article 69.

Accountability

Interview with the Head of Fatuulan Village, namely Mr. Imanuel. Natonis as the Village Head at the Fatuulan Village Office has submitted an accountability report on the realization of the Village Budget for managing village finances, stating that:

"I, as Head of Fatuulan Village, in the process of reporting accountability for APBDes realization to the Regent through the Subdistrict Head at the end of each year are also in accordance with Minister of Home Affairs Regulation No. 113 of 2014 article 70."

Based on the results of interviews and analysis, the accountability process for village financial management in Fatuulan village is in accordance with Permendagri Number 18 of 2020 concerning village financial management and Permendagri No. 113 of 2014 articles 70 to article 72. The accountability process for village financial management in Fatuulan village is in accordance with the applicable regulations, accountability of Fatuulan Village in terms of transparency has also been carried out by putting up APBDes transparency banners in a timely manner and providing clear information to the community.

Analysis of Village Fund Management in Improving the Community Economy

Improving the community economy is a method or effort carried out by the community in managing the household economy to become better with the aim of being able to meet life's needs. (Ismail, 2015). Economic improvement is a situation where there are efforts to increase income that occur due to increased production of goods and services. Regional economic development is a process in which regional government and the community manage existing resources and form a partnership pattern between regional government and the private sector to create new jobs and stimulate the development of economic activities (economic growth) in the region.

In improving the community's economy, of course it must also be supported by adequate facilities from the village itself. And it must be able to support all aspects of life with the aim of improving the economy of the village community so that it becomes more advanced. These facilities include road access to land, which is called Farming Business Road (JUT) and Irrigation.

Based on the results of an interview conducted with the General Head, Mrs. Devinia, Fatuulan village, she said that: village development carried out in Fatuulan village using village funds is very beneficial for the community, because the village funds used are for the construction of village roads, social physical infrastructure, and maintenance of facilities. and village apparatus infrastructure will make it easier for people to bring garden produce, wood, livestock to the market, and make it easier for people to garden because there is construction of clean water facilities. In Fatuulan Village, there is also forestry potential in the form of nature reserves, wildlife reserves and natural tourist parks. With the construction of village roads, outsiders can also come to Fatuulan Village to enjoy or visit natural tourist parks using smooth transportation. With the allocation of village funds such as the construction of village roads, the construction of clean water facilities, there will be convenience and benefits obtained by the community so that it will have an impact on improving the community's economy. Village funds in Fatuulan village enable the community to experience increased development in Fatuulan village.

an interview conducted with Mrs. Rosalinda, as a village road user, also said that "The development carried out by Fatuulan Village really helps the community in carrying out daily activities, so that I can easily go to work more quickly, because I use a motorized vehicle. "We also received training and counseling on child protection, training for farmers and fishermen groups, and received funds to increase food crop production, livestock production, posiyandu so that we felt an improvement in the economy in our village."

Based on data regarding the implementation of village development and empowerment in Fatuulan village, it can be seen that village officials have implemented and managed village finances in accordance with applicable regulations and Fatuulan village in implementing development activities is quite effective, transparent and fair in managing village finances regarding problems that occur in activities. Empowerment is a lack of government initiative towards underprivileged communities and unfairness in collecting data and providing assistance to the community.

4. CONCLUSION

The conclusions that can be drawn from the results of the research and discussion that have been discussed previously are as follows :

a. Fund management in the village of Fatuulan Village, Kie District, South Central Timor Regency, NTT has been implemented in accordance with Minister of Home Affairs Regulation No. 113 of 2014 concerning Village Financial Management where the budgeting process goes through Planning, Implementation, Reporting and Accountability procedures. In the planning stage of Village Fund management in Fatuulan Village, it begins with carrying out Musrebang activities which involve the community in making decisions and planning activities to be carried out. However, there is still a delay in submitting draft village regulations regarding APB by the village head to the BPD for discussion and approval. At the administration stage there was also a delay in submitting the general cash book report from the Finance Head to the Village Secretary. This delay was caused by the limited human resources of Fatuulan Village officials.

b. The use of Village Funds to improve the community economy in Fatuulan Village is very influential and has a positive impact on the economy and community income. Because the development carried out is very beneficial and helps the community in meeting their needs and also in carrying out daily activities. However, the problems that occur in empowerment activities are the lack of government initiative towards underprivileged communities and unfairness in collecting data and providing assistance to the community

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