

ANALYSIS OF THE EFFECTIVENESS AND EFFICIENCY OF VILLAGE FUND ALLOCATION MANAGEMENT IN OELTUA VILLAGE, TAEBENU DISTRICT, KUPANG REGENCY

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ARTICLEINFO

Keywords: Village Fund Allocation Management, Effectiveness and Efficiency

ABSTRACT

The purpose of this study was to measure the level of effectiveness and efficiency of village fund allocation management in Oeltua Village, Taebenu District, Kupang Regency. To improve empowerment, welfare and equitable development in rural areas, the government provides financial support to villages, one of which is the Village Fund Allocation which is given to villages of at least 10% of the balancing funds received by districts/cities in the APBD after deducting the Special Allocation Funds. From 2019 to 2021, Oeltua Village receives Village Fund Allocations in a larger amount than the previous year or has increased. The use of funds that have been provided by the government for villages is not maximized. In addition, the amount that has been allocated is not in accordance with its realization. The formulation of the problem in this study is how the level of effectiveness and efficiency in managing village fund allocations is. This study aims to determine the level of effectiveness and efficiency of village fund allocation management. This research was conducted in Oeltua Village, Taebenu District, Kupang Regency for the 2017 to 2021 fiscal year. The type of data used in this research is quantitative data. The data sources used are primary data and secondary data. Data collection techniques used are observation, documentation, and interviews. Data analysis techniques used are the ratio of effectiveness and efficiency ratio. The results of the study show that the level of effectiveness of managing the allocation of village funds in the village government of Oeltua, Taebenu District, Kupang Regency in 2017 reached 100% within the effective criteria, in 2018 it reached 94,2% was in the quite effective criteria, in 2019 reaching 92,8% are in the moderately effective criteria, in 2020 reaching 98,2% are in the moderately effective criteria, and in 2021 reaching 99,2% are in the moderately effective criteria. If we look at the effectiveness assesment criteria, it can be said that the average level of effectiveness in managing village fund allocations in 2017-2021 reaches 96,9% which is in the fairly effective. While the level of efficiency in managing village fund allocations in 2017 reached 51,2% it was in the inefficient criteria, in 2018 it reached 52,6% it was in the inefficient criteria, in 2019 it reached 45,3% it was in the inefficient criteria, in 2020 it reached 70,9% are in the inefficient criteria, and in 2021 reaching 68% are in the inefficient criteria. When viewed from the efficiency assesment criteria, it can be said that the average level of efficiency in managing the Village Fund Allocation in Oeltua Village in 2017-2021 reached 57,8% which was in the inefficient criteria.

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1. INTRODUCTION

The enactment of Law Number 6 of 2014 concerning Villages aims to provide recognition and clarity to villages of their status and position in the constitutional system of the Republic of Indonesia. One aspect of the implementation of the regional government law is the management of regional finances, which is a regional program in the financial sector to achieve certain goals and objectives and develop a mission to realize a strategy through various activities.

According to Wahjudin (2011) a village is a group of people who live together or in an area, which has a government organization with a series of self-determined regulations, and is under the leadership of a village that is chosen and determined by itself. While the village government based on Law Number 72 of 2005 concerning Villages, article 6 states that the Village Government is the administration of government affairs by the Village Government and the Village Consultative Body in regulating and managing the interests of the local community based on local origins and customs that are recognized and respected in system of Government of the Unitary State of the Republic of Indonesia.

Wasitiono and Tahir (2006) suggested that in general villages have weaknesses in the following: (1) the quality of human resources who become village officials is still low; (2) policies or regulations related to village government are still not perfect; (3) capacity in terms of development planning at the village level is still low; (4) limited facilities and infrastructure that can support village administration operations. This weakness is a limitation that can interfere with the effectiveness and efficiency in carrying out the work. In addition, it can also reduce the motivation of village officials so that in the end it will hinder the achievement of village government goals.

The aim of the village government is to overcome these weaknesses according to the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 113 of 2014 namely the Village Fund Allocation given to the village at least 10% of the balancing fund received by the district/city in the Revenue and Expenditure Budget after deducting the Allocation Fund. The use of the Village Fund Allocation Budget is 30% for village government apparatus and operational expenditures, 70% for community empowerment costs. There are several studies that examine the effectiveness and efficiency of village fund allocation management. The results of research from Felitia Banobe and Ahid Papareng (2019) indicate that effectiveness and efficiency significantly affect the quality of human resources related to village administration, village apparatus work discipline and village apparatus transparency. In contrast to the results of research from Khadlirin Ali (2020) it shows that the level of effectiveness and efficiency has a positive effect on the role and support of the village community regarding the management of village funds.

The provision of Village Fund Allocations is a manifestation of the fulfillment of the village's right to organize its economy so that it grows and develops following the growth of the village itself based on diversity, participation, genuine autonomy, democracy, community empowerment and increasing the role of the village government in providing services and improving welfare as well as accelerating development and growth of strategic areas, so that this can develop disadvantaged areas in a system of development areas. One of the villages that received the village fund allocation was Oeltua Village. Oeltua Village is one of the villages in the Taebenu District, Kupang Regency. Oeltua village has 11 RW, 27 RT, 812 KK and has a population of 3,945 people. Oeltua Village is also one of the villages that uses village funds for spending on development implementation and community empowerment.

Based on the pre-study, the target data and the realization of Village Fund Allocation in Oeltua Village, Taebenu District, Kupang Regency for the 2017-2021 Fiscal Year are as follows:

Table 1. Target and Realization of Village Fund Allocation in Oeltua Village, Taebenu District, Kupang Regency Fiscal Year 2017-2021

Year	Village Fund Allocation Target (Rp)	Realization of Village Fund Allocation (Rp)
2017	443.633.000,00	443.633.000,00
2018	427.537.894,00	403.102.400,00
2019	439.982.035,00	408.641.900,00
2020	433.722.991,00	426.069.991,00
2021	455.848.210,00	452.295.380,00

Source: Oeltua Village Office, Taebenu District, 2022

From 2017 to 2021, Oeltua Village received a Village Fund Allocation with a different amount from the previous year. The use of funds that have been provided by the government for villages is not maximized. In addition, the amount that has been allocated is not in accordance with its realization. If village funds are really managed properly and honestly, it is not impossible that this program will improve public services in rural areas, development participation will increase, and of course it will lead to the welfare of rural communities. Based on this description, the researcher is interested in conducting a study with the title "Analysis of the Effectiveness and Efficiency of Village Fund Allocation Management in Oeltua Village, Taebenu District, Kupang Regency".

2. METHOD

This study uses a qualitative method. The research was conducted at the Oeltua Village office, Taebenu District, Kupang Regency. Data were obtained by using semi-structured interviews. Interviews were conducted with three respondents who are village officials with the following details:

Table 2. Research Respondents

No.	Name	Position	Information
1	DM	Village head	This is because the village head has full control over village financial management.
2	VG	Head of Development	This is because the Kaur for Development assists the Village Head in preparing materials for the formulation of village community economic development policies, managing community services and preparing proposed activity materials.
3	YN	Finance Officer	Because the Head of Finance carries out the treasury function in the affairs of village financial administration services.

3. RESULT AND DISCUSSION

Effectiveness Level

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According to Mahmudi (2011: 21) effectiveness is a comparison between the expected results (targets) and those actually achieved. Expected results or targets are inputs while the results achieved are outputs. Effectiveness compares outcomes with outputs, effectiveness focuses more on outcomes (outcomes). The formula used is as follows:

$$\text{Efektivitas} = \frac{\text{Realisasi Alokasi Dana Desa}}{\text{Target Alokasi Dana Desa}} \times 100\%$$

Table 3. Target and Realization of Village Fund Allocation in Oeltua Village, Taebenu District, Kupang Regency Fiscal Year 2017-2021

Tahun	Village Fund Allocation Target (Rp)	Realization of Village Fund Allocation (Rp)
2017	443.633.000,00	443.633.000,00
2018	427.537.894,00	403.102.400,00
2019	439.982.035,00	408.641.900,00
2020	433.722.991,00	426.069.991,00
2021	455.848.210,00	452.295.380,00

Source: Oeltua Village Office, Taebenu District, 2022

Table 4. Oeltua Village Fund Allocation Management Effectiveness Level Year 2017-2021

Year	Effectiveness Level	Criteria
2017	100%	Effective
2018	94,2%	Effective enough
2019	92,8%	Effective enough
2020	98,2%	Effective enough
2021	99,2%	Effective enough
Average	96,9%	Effective enough

Table describes the total level of effectiveness in managing the Village Fund Allocation in Oeltua Village in 2017 reaching 100% within the effective criteria, because the budget was used up, in 2018 it reached 94.2% was in the fairly effective criteria, in 2019 it reached 92.8% was in the criteria are quite effective, in 2020 reaching 98.2% are in the criteria for being quite effective, and in 2021 reaching 99.2% are in the criteria for being quite effective. If we look at the effectiveness assessment criteria, it can be said that the average level of effectiveness in managing village fund allocations in 2017-2021 reaches 96.9%, which is in the criteria of being quite effective. This is because the use of the budget has not reached the expected target. Therefore, the Oeltua Village government must increase the effectiveness of the allocation of

village funds by using the existing budget for village development and community empowerment in Oeltua Village.

1. Efficiency Level

According to Mahsun (2016: 189) efficiency (usefulness) is related to the method of operation. The process of operational activities can be said to be efficient if a certain product or work uses the lowest possible resources and funds. Efficient is a comparison between output and input. Measuring the level of efficiency in managing finances is by looking at the comparison between the realization of the revenue budget and the realization of the expenditure budget. So the cost of obtaining village fund allocations is taken from government personnel and operational expenditures. The formula used is as follows:

$$\text{Efisiensi} = \frac{\text{Biaya Pemerolehan Alokasi Dana Desa}}{\text{Realisasi Alokasi Dana Desa}} \times 100\%$$

Table 5. Cost of Obtaining Village Fund Allocation and Realization of Village Fund Allocation in Oeltua Village, Taebenu District, Kupang Regency Fiscal Year 2017-2021

Year	Cost of Obtaining Village Fund Allocation (Rp)	Realization of Village Fund Allocation (Rp)
2017	227.162.000,00	443.633.000,00
2018	212.182.700,00	403.102.400,00
2019	185.290.800,00	408.641.900,00
2020	302.377.591,00	426.069.991,00
2021	308.330.880,00	452.295.380,00

Source: Processed by the Author

Table 6. of Efficiency Level of Oeltua Village Fund Allocation Management Year 2017-2021

Year	Efficiency Level	Criteria
2017	51,2%	Not efficient
2018	52,6%	Not efficient
2019	45,3%	Not efficient
2020	70,9%	Not efficient
2021	68%	Not efficient
Average	57,8%	Not efficient

Source: Processed by the Author

Table describes the total efficiency level of Village Fund Allocation management in Oeltua Village in 2017 reaching 51.2% in the inefficient criteria, in 2018 reaching 52.6% in the inefficient criteria, in 2019 reaching 45.3% in the inefficient criteria efficient, in 2020 it reaches 70.9% in the inefficient criteria, and in 2021 it reaches 68% in the inefficient criteria. When viewed from the efficiency assessment criteria, it can be said that the average level of efficiency in managing the Village Fund Allocation in Oeltua Village in 2017-2021 reached 57.8%, which is

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in the inefficient criteria because it cannot produce the lowest possible output and input. This is due to the difference in the unit price of the Budget Plan (RAB) goods with the real price on the market and an increase in fixed income and village apparatus allowances. Based on interviews that researchers have conducted with officials from Oeltua Village, this price difference is due to the Oeltua Village Activity Implementation Team (TPK) not conducting a market survey beforehand. The price stated in the RAB is only an estimate from the Activity Implementation Team. The difference between the price between the RAB and the real price on the market has resulted in increased spending, which has implications for the inefficient management of the Village Fund Allocation. Therefore, the Oeltua Village government needs to make efficiency in its spending, where the Oeltua Village government needs to make a priority scale in its spending activities. Spending is only done for things that become priority needs of the community and village government, so that spending is right on target and more efficient.

4. CONCLUSION

The Effectiveness Level of Village Fund Allocation Management at the Oeltua Village Government, Taebenu District, Kupang Regency in 2017 reached 100% within the effective criteria, because the budget was used up, in 2018 it reached 94.2% which was in the fairly effective criteria. This is because the activities that have been programmed for the field of village administration have not been realized, in 2019 reaching 92.8% are in the criteria of being quite effective. This is because the activities that have been programmed for the field of village administration have not been realized, in 2020 reaching 98.2% are in the criteria of being quite effective. This is because the activities that have been programmed for the field of community development have not been realized, and in 2021 it reaches 99.2% which is in the criteria of being quite effective. This is because the activities that have been programmed for the field of village administration have not been realized. The Efficiency Level of Village Fund Allocation Management at the Oeltua Village Government, Taebenu District, Kupang Regency in 2017 reached 51.2% in the inefficient criteria, in 2018 it reached 52.6% in the inefficient criteria, in 2019 it reached 45.3% in the inefficient criteria, in 2020 reaching 70.9% in the inefficient criteria, and in 2021 reaching 68% in the inefficient criteria. This is because the price of the Budget Plan (RAB) does not match the market price and there is an increase in fixed income and allowances for village officials.

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