

Evaluation of Accountability and Transparency Management of Village Fund Allocations

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ABSTRACT

The purpose of this study is to explore the evaluation of the accountability of existing village fund allocation management and formulate the most possible accountability improvement. This study uses a case study strategy, namely qualitative data analysis of the results of interviews and direct observation. Informants involved in this study include village heads, village secretaries, and maranatha village communities. The results showed accountability and transparency of village fund allocation management in maranatha village, sigi sub-district, sigi city, has been running well. Transparency the management of ADD in maranatha village runs transparently this can be seen from the existence of information that is easily accessible by the community and the existence of good communication between village officials and the community so that the management of ADD is considered transparent.

Keywords: Accountability, transparency, allocation of village funds.

1. Introduction

Government Accounting is experiencing rapid growth as part of the rapidly growing field of Accounting Science in keeping up with increasingly modern times. Both central and local governments, including at the rural level, are now required to use Government Accounting in preparing financial management accountability reports to ensure the smooth running of the process. Self-government accounting aims to achieve three main things, namely accountability (accountability), managerial, and supervisory.

Village governments must manage village finances and assets with the principles of accountability and transparency. Accountability includes the responsibility of the village government in managing village finances in accordance with the duties and trust given, while transparency requires the village government to run financial management openly and honestly, given that village finances belong to the community and must be known by them.

Statutory regulations regulate the granting of financial rights through the village fund allocation policy (ADD), with the main legal basis of Law No.6 of 2014 concerning villages and their implementing regulations, such as Government Regulation No.43 in 2014. The distribution of village fund allocation must comply with certain provisions, and ADD is also regulated by Permendagri No. 113 in 2014. The process of managing ADD by the village government must be carried out with accountability and transparency from planning to accountability.

Permendagri Regulation No. 113 of 2014 stipulates that the management of Village Fund Allocation (ADD) by the village government must be implemented with the principles of accountability and transparency, which begins from the planning stage, implementation stage, administration stage, reporting stage, and accountability stage. Mahmudi (2010: 23) explained that accountability is the responsibility of the government in managing resources, reporting, and disclosing all activities related to the use of resources from the community or individual to the Mandator. Mahmudi (2015: 9) divides public accountability into two parts, namely vertical accountability, which is the responsibility for financial management to higher authorities, such as from Heads of agencies to local governments, and horizontal accountability, which is the responsibility to the wider community.

Ideally, the allocation of village funds should be managed effectively and efficiently in accordance with the directions given in the distribution of funds. The allocation of village funds is an implementation of the fulfillment of the village's right to exercise its autonomy, aims to achieve equitable growth and development between villages, and to obtain budget support to exercise its authority and support development activities. The importance of providing budgets to villages becomes a necessity, given that without financial support, Village governments cannot properly exercise their authority and functions.

But no less important is the existence of Village Fund Allocation (ADD) to continuously improve the capacity of village government officials in managing village finances, including in aspects of planning, implementation, and accountability of village budgets. Because local financial management must be based on the interests of the community and development, this is evident not only from significant budget allocations for the benefit of the community and development, but also from the high level of community participation in the planning, implementation, and supervision of local finance, as well as budget accountability. Various aspects or dimensions in the accountability of Village Fund allocation management (ADD) involve the dimension of community empowerment, the dimension of village development, the dimension of village fund allocation, and the dimension of financial planning or village funds.

Accountability, according to Mahmudi, is the obligation of the government to manage resources and report all activities to the Mandator. Public accountability is divided into vertical accountability (accountability to higher authorities) and horizontal accountability (accountability to the public at large). Villages are given the authority and resources to improve the economy and welfare of the community, with the central government allocating village funds annually.

Transparency is a principle that guarantees the right of every individual to obtain information about the conduct of government, including information about policies, decision-making processes, policy implementation, and results that have been achieved. In accordance with the provisions of Government Regulation No. 71 of 2010, transparency is defined as the provision of financial information openly and honestly to the public. It is based on the belief that the public has the right

to know openly and thoroughly about the responsibility of the government in managing the resources entrusted to them and their compliance with laws and regulations.

Financial accountability is an important component of public accountability, including responsibility for financial integrity, disclosure, and compliance with applicable regulations. Transparency, as a principle, gives everyone the right of access to information about governance. Government Regulation No. 71 of 2010 stipulates that transparency includes providing open and honest financial information to the public.

The State Financial Accountability Board (BAKN) of the House of Representatives found several problems in managing village funds, especially related to incomplete village government accounting regulations and village apparatus development. Supervision of Village Fund Management also faces obstacles, including lack of planning and mapping problems in supervision activities by local governments.

2. LITERATURE REVIEW

2.1 Village Fund

Village funds are part of the state budget that is specifically intended for villages. These funds are allocated through the district/city budget, with a primary focus on the implementation of development and empowerment of rural communities. The objectives of the Village Fund include improving public services in the village, village economic progress, overcoming development gaps between villages and overcoming poverty, as well as strengthening the role of rural communities as subjects of development.

2.2 Village Fund Allocation

The allocation of village funds is a component of village Finance derived from the distribution of local tax revenues and part of the financial balance between the central and regional funds. The district received this allocation for the village at 10% of the total. This 10% allocation of village funds received by the village is divided into two parts in the fund utilization plan (RPD), namely 70% for Community Empowerment spending and 30% for village government apparatus and operations spending.

2.3 Source Of Village Income

Through the village law, the village has strengthened its authority in governance, development implementation, Community Development, and Village Community Empowerment. In addition to strengthening its authority, the village is also given sources of income. In law No.6 of 2014 on the village Article 72 paragraph (1), Village income derived from:

- a) village original income: business results, asset results, self-help and participation, mutual aid, and other village original income.
- b) village funds from the village budget.
- c) part of the results of local taxes and levies District/City (at least 10%).
- d) Village Fund Allocation (ADD) which is part of the balance of funds received by kabuapten/kota (at least 10% of the Revenue Sharing Fund and General Allocation Fund).
- e) financial assistance from Prov regional budget and Regency/City Regional budget.
- f) grants and donations from third parties.
- g) other legitimate Village income.

2.4 Accountability Indicators

To evaluate the extent to which the successful implementation of village financial management, especially related to the allocation of village funds, can be used several indicators that have been adjusted in accordance with the provisions of Permendagri regulation number 113 of 2014. These indicators include the stages of Planning, Implementation, Administration, reporting, and accountability.

2.5 Transparency

Transparency refers to the openness of access for the community in obtaining information about planning, implementation, Administration, reporting, and accountability related to the allocation of village funds (ADD). According to Abdul Halim (2011), transparency is defined as openness and honesty to the community. This principle is based on the belief that people have the right to know openly and thoroughly the responsibilities of government regarding the management of resources entrusted to them and their adherence to regulations legislation. Transparency ensures that people can access information about governance, including policies, decision-making processes, implementation, and outcomes.

2.6 Previous research

Puji Astuti (2021) in his research entitled "Transparency and accountability of Village Fund Management in achieving Good Governance Case Study of Cepogo Village, Boyolali regency" presents the results of a study showing that the planning and implementation of village fund programs in Cepogo village reflects accountable and transparent management. From the perspective of accountability, both in terms of physical and program management, the implementation proved to be accountable and transparent.

A Majid (2022) raised the topic "the role of stakeholders to realize accountability and transparency in the management of Village Fund allocation case study in Tunggang Village, Mukomuko Regency." The results of the research indicate that the role of stakeholders in Tunggang Village is not optimal, with the finding that transparency has not been fully implemented. There are obstacles in mastering the technology for making reports, lack of service from stakeholders to the community, and low community participation in the implementation of village fund programs, as well as delays in making village reports.

Pande Gede Cahyana (2021) in his research entitled "accountability for Village Fund Management in Peliatan Village, Gianyar" presents research results that show that accountability for village fund management planning is carried out in a participatory and transparent manner. The implementation of the village fund follows APBDes guidelines and uses the ngayah system. Accountability for the realization of village funds is reported to the Regent, PMD, and the community, while information to the community is conveyed through regional heads, billboards, and social media.

Enos Paselle (2018) in his research entitled "accountability of Village Fund allocation management for Development" shows that village fund planning is carried out through village deliberations, and village fund allocation considers aspects of transparency and relevance to community needs.

3. RESEARCH METHODS

3.1 Types Of Research

The research method applied in this study is a descriptive method with qualitative data analysis. Qualitative approach is a problem-solving procedure that explores the issue of research through observation and describe the state of the object of research at the moment based on existing facts. Sugiyono (2011: 11) emphasized that, theoretically, qualitative research involves researchers as

research instruments. In its implementation, this study will follow cultural assumptions while simultaneously adjusting to the existing data. This approach aims to gain imaginative insights into the social world of information, where the flexibility and relativity of the researcher take precedence, while maintaining the ability to control and maintain distance.

3.2 Time And Place of Research

The research was carried out for 2 months, namely in november to December 2023 and this research took place in maranatha Village, Sigi Regency.

3.3 Types, Sources and Methods of Data Collection

The type of data used in this study is qualitative data obtained through interviews with village governments, such as village heads, village secretaries, and some community leaders. Data collection methods used include interviews and documentation. To obtain data and information from the speakers, the researchers used the following data collection techniques:

- a. Primary data collection technique, which involves collecting data directly at the research site through the interview method. Interviews are conducted by conducting questions and answers directly to related parties or asking questions to individuals who have a relationship with the object of research.
- b. Documentation as a data collection technique that involves the use of records or documents available at the research site, as well as sources relevant to the object of research.

3.5 Data Analysis Techniques

The method of data analysis carried out in this study is to use descriptive data analysis methods that collect data, process data and analyze data and how the accounting treatment applied is in accordance with the current legislation. The process of data analysis will be conducted in this study as follows:

- a) In the first phase, the researcher submitted a request letter to conduct research on Maranatha Village.
- b) In the second phase, the researcher conducted interviews with the parties given responsibility in Maranatha Village (Village Head, Village Secretary and village treasurer) in managing the village administration and also requested data in the form of a draft budget (RAB), and a program of activities in 2023.
- c) The third step is to process the data obtained from interviews and documentation by looking at the guidelines in the regulations that have been set so that the financial management of village fund allocation can be accountability and transparency.
- d) The fourth stage, the researchers analyzed the data by looking at the pre-established regulatory guidelines regarding financial management accountability and transparency in terms of Planning, Implementation, Administration, reporting and accountability.
- e) The fifth stage, researchers will re-examine all the data that has been collected with the results of data analysis to review if there are still deficiencies in the results of the data analysis.
- f) The sixth stage, researchers draw conclusions from the discussion.
- g) Seventh stage, researchers provide suggestions if found something that can be improved

4. RESEARCH RESULTS AND DISCUSSION

4.1 General description and object of research

Maranatha village is one of the villages located in Sigi Biromaru District, Central Sulawesi province. The village is located 4 Km from the District Capital Center, 17 Km from the District Capital Center and 25 Km from the Provincial Capital Center which can be accessed by road using both motor vehicles and cars with a travel time of 10-15 minutes to the district capital, 20-25 minutes to the district capital and 25-30 minutes to the provincial capital where the road conditions are paved and there are also road lines that are still under repair.

4.2 Village Fund Allocation Management

The allocation of village funds is part of the village finances obtained through the distribution of local tax revenues and part of the financial balance between the center and the regions, received by the district for the village of 10%. The village fund allocation (ADD) management process involves the stages of Planning, Implementation, Administration, reporting, and accountability to ensure that the ADD managed can be accounted for. Maranatha village, for example, gets a village fund allocation of Rp. 395,569,723.00 in fiscal year 2023. Accountability of village fund management planning in this village follows the rules of the Minister of Home Affairs, starting with the preparation of documents such as the village Medium-Term Development Plan (RPJMDes), Village Government Work Plan (RKP Desa), village budget (APBDes), and Village regulations. The process of village governance begins with the preparation of the village RKP, which is a breakdown of the village RPJM, as a guide in one fiscal year.

The implementation of Village Fund allocation management in Maranatha village, as described in an interview with the village head and village treasurer, includes the management of funds through the village Cash Account. This village does not use accounts belonging to other parties, because it has its own village Cash Account which is supported by a complete and valid record book.

The administration of Village Fund allocation management in Maranatha village shows that the village treasurer has a key role in recording each receipt and expenditure of funds, and is responsible for the village financial record book. Accountability is made to the village head at the end of each month or no later than the 10th of the following month.

The reporting and accountability phase of village fund allocation management in Maranatha village involves the Village Head, Village Secretary, and village treasurer. Although there is a delay in reporting the realization of the APBDesa implementation report, Maranatha village is trying to adjust the report format according to the regulations, because it is still in the learning stage in preparing reports according to the rules.

Discussion

4.3 Accountability Of Maranatha Village Fund Allocation Management

Maranatha village, located in Sigi Regency, receives aid funds in the form of Village Fund Allocation (ADD), and therefore, has the responsibility to manage the village fund allocation (ADD) in accordance with the regulations set forth in Permendagri No. 113 in 2014. Financial management, especially the allocation of village funds (ADD), is considered the right means to realize good governance. On the principle of accountability, proper management of the allocation of village funds (ADD) can be a reference for the performance of village governments in carrying out their duties, especially in financial management. Evaluation of Maranatha Village Government Accountability in managing Village Fund Allocation (ADD) can be seen through several stages, namely Planning, Implementation, Administration, reporting, and accountability, with an explanation of each stage.

4.4 Village fund allocation management planning (ADD) in Maranatha Village

In the planning phase of Village Fund Allocation (ADD) Management in Maranatha Village, the accountability aspect is seen when the village Secretary prepares the village income and expenditure budget (APBDesa) based on the village Government Work Plan (RKPDesa) for 2023. Maranatha village, in that year, had an income of Rp. 1,495,794,302.39 derived from Transfer income (Village Fund (DD), Village Fund Allocation (ADD), part of the results of local taxes and levies), as well as other income. After the APBDesa is compiled, the village secretary then submits it to the village head, and together with the village consultative body (BPD), they discuss and approve it collectively, no later than October of the current year.

4.5 Implementation of Village Fund Allocation (ADD) Management in Maranatha Village

The implementation phase is a very vital component in an activity or program execution, and this also applies in Maranatha village in the context of managing Village Fund Allocation (ADD). In the implementation phase of Village Fund Allocation (ADD) Management in Maranatha Village, the ADD funds received in 2023 amounted to Rp 257,195,785. 00, the budget was changed to Rp 395.569.723,00. This budget change was caused by modifications to several activities, which had an impact on the adjustment of the village fund allocation budget.

The results of the interview showed that in the implementation of Village Fund allocation management (ADD), the progress of the implementation of activities is regularly reported by the ADD manager at the village level. The report specifically covers aspects of physical activities and the use of funds. Thus, it can be concluded that the responsibility of village fund allocation (ADD) managers at the village level has complied with the requirements for the preparation of village fund allocation (ADD) activity reports which are gradual, including final activity reports. Responsibility for the implementation of the Village Fund Allocation program (ADD) is carried out to the Regent/mayor through the Sub-District Head.

4.6 Administration of Village Fund allocation management (ADD) in Maranatha Village

The administrative process in managing the allocation of village funds (ADD) in the Maranatha village government focuses on accountability. The initial stage in the administration of Village Fund Allocation (ADD) in Maranatha village involves the election of the village treasurer, who aims to manage village finances. Within the framework of the administration of the allocation of village funds (ADD), the village treasurer has the main responsibility. Each receipt and expenditure of ADD funds for Community Empowerment spending and village government apparatus and operational spending must be carefully recorded by the village treasurer. In addition to noting, the village treasurer is also required to account for any funds received and issued for the benefit of the village, with the aim of preventing fraud.

Administration by the treasurer of Maranatha village involves recording in the General Cash Book, Tax Assistant Cash Book, and Bank book. All records are submitted to the village head, with a deadline no later than the 10th of the following month, as a step of transparency and accountability for the management of village funds.

Chart 1. Village income and expenditure budget (APBDesa)

No. Account	Description	Budget	Desc
1.	Transfer income	Rp. 1.495.794.302,39	
4.2	village funds	Rp. 1.083.785.000,00	
4.2.1	Tax and Levy Profit Sharing	Rp. 16.439.579,39	

4.2.2	Allocation of village funds	Rp. 395.569.723,00
	Total income	Rp. 1.495.794.302,39

Source: Maranatha Village Medium Term Development Plan, 2023

Seen from Table 1 of the village budget (APBDesa) above, it can be explained that Maranatha Village received Transfer funds in the form of Village Fund Allocation (ADD) of Rp. 395,569,723.00 so that the treasurer makes financial records. In the administration of Village Fund allocation management in Maranatha Village according to the results of an interview conducted at the village office with Mrs. Yuslin as the village treasurer on Friday, December 15, 2023, it was revealed that for the administration of Village Fund allocation management (ADD) in maranatha village we adjust to the regulations although sometimes we experience delays in making and submitting accountability reports to the village head.

4.7 Reporting and accountability of Village Fund Allocation (ADD) Management in Maranatha Village

In the reporting and accountability phase in the context of Village Fund Allocation (ADD) management, the Maranatha village government, represented by The Village Head, presents a report on the realization of the implementation of the village budget (APBDesa) to the Regent/Mayor. Although there is a delay in the delivery of the Accountability Report on the implementation of the APBDesa, the format for making the report is in accordance with the provisions in the regulations. This finding is in line with Nuraini's (2015) research, which reviewed the reporting process and accountability of Village Fund allocation management (ADD) by paying attention to accountability indicators in Permendagri number 113 of 2015 which emphasizes accountability and transparency.

4.8 Transparency Of Maranatha Village Fund Allocation Management

Transparency refers to the availability of open access for the community to obtain information related to Planning, Implementation, Administration, reporting, and accountability related to the allocation of village funds (ADD). The management of Village Fund Allocation (ADD) in Maranatha village can be categorized as Transparent, both for the village government and the local community. According to the results of interviews with village secretaries and Maranatha village heads regarding the management of Village Fund Allocation (ADD), it was stated that every time ADD funds were distributed, the information was announced to the community through official meetings or through media such as billboards. In addition, the nominal allocation of village funds received by the village is also listed so that it can be accessed together by the village community.

Conclusion

Based on the findings of the research that has been done, the author can conclude about the management of Village Fund Allocation (ADD) in Maranatha Village. The village fund allocation (ADD) management process includes the stages of Planning, Implementation, Administration, reporting, and accountability. The government of Maranatha Village, Sigi Regency, has followed the technical guidelines stipulated in Permendagri regulation number 113 of 2014 by paying attention to accountability indicators. The management of Village Fund Allocation (ADD) is carried out with accountability or responsibility for the tasks assigned, although in the process it has not yet reached the optimal level. This can be seen from the delay in the administration and reporting process, because the responsible parties are still in the learning stage to adjust the

preparation of Village Financial Accountability Reports in accordance with the format stipulated in the regulations. The process of reporting the realization of the use of Village Fund Allocation (ADD) is also not in accordance with the established schedule, causing delays in the disbursement of Village Fund allocation funds.

Advice

As explained in the background of the study, Maranatha village still faces obstacles in managing the allocation of village funds (ADD), which causes delays in submitting reports on the realization of the implementation of the village budget to the government. Some improvement recommendations that can be proposed are the following:

1. For the case when the village treasurer relinquishes his position before the end of the term, it is recommended that steps such as finding a replacement, providing information, and providing training on the duties to be carried out and how the accountability should be carried out before ending the term. The head of the village should also give firm directions to his subordinates to participate in socialization and training on Village Financial Management, and provide sanctions such as demotion for those who do not attend the event.
2. The next study is expected to deepen and detail the components of Village Fund allocation management (ADD), including the discussion of the stages of development, budgeting, supervision, and performance assessment of the government. This includes the evaluation of the value of work and the involvement of the village government in each stage of the process. Disclosure of the nominal value of money should be done in more detail to increase transparency.
3. The Maranatha village government is expected to improve discipline in preparing an accountability report on the implementation of the Sea one housing APBDesa, so that it is timely in accordance with the provisions set by the government. This process needs to be carried out with high accountability values, both to the village community and the government, in order to ensure transparency and compliance with applicable rules.

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