

The Effectiveness of Village Financial Management in Sukabakti village, Tambelang District, Bekasi Regency

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ABSTRACT

The purpose of this research is to determine how well finances are managed in Sukabakti Village, which is located in the Tambelang District of the Bekasi Regency. The approach that has been taken is one that is descriptive and qualitative, and the data collection methods that have been utilised include interviews, observations, and documentation studies. Participants in the research included village heads, village administrators, as well as other members of the community who were actively involved in the management of local finances. According to Presidential Regulation Number 43 of 2014, village financial management should include planning, budgeting, administration, reporting, and accountability. The findings of the study indicate that village financial supervision/Village Financial Management in Sukabakti Village is quite effective, with good integrity from the village head and all village officials, transparent and accountable financial governance, as well as active community participation in supervising. Nevertheless, there are still a few roadblocks, such as a dearth of high-caliber human resources and difficulties in the compilation of financial reports. As a result, it is recommended that the government of the Bekasi District provide assistance in the form of training for human resources and the establishment of a more complex accounting system in order to enhance the efficiency of financial management in villages.

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INTRODUCTION

Because the majority of Indonesia's territory is made up of rural areas, the village, in its capacity as a government that is in direct contact with the community, is the primary focus of development efforts made by the central government (Kirowati & Sugiharto, 2017). In both the Law Number 32 of 2004 Concerning Regional Government and the Law Number 33 of 2004 Concerning Financial Balance between the Central Government and Regional Governments, it is stated that an essential component of these two laws is that regional authorities, specifically governors, regents, or mayors, should be more accountable to the people living in their respective areas. Greater autonomy in financing and managing regional development is given to regional governments, and this autonomy is based on the regional governments' own budget priorities. It is envisaged that as a result of this, there will be more room for local officials to establish and implement development policies based on their own specific requirements (Arina et al, 2021; Achmad et al., 2023).

A village is a legal community unit that has territorial boundaries that are authorised to regulate and manage government affairs, local community interests based on community initiatives, origin rights or traditional rights that are recognised and respected by every government of the Unitary State of the Republic of Indonesia (Kurniawan et al, 2020). This

information is according to Kurniawan et al., who state that a village is a legal community unit that has territorial boundaries that are authorised to regulate and manage government affairs. According to "Raras, 2017," the administratively lowest unit of government is the village, which is led by the Village Head, who is elected by the People directly through the election of the Village Head, also frequently referred to as Pilkades. The person in charge of governing the village is aided in their duties by the people who work for the community. These members of the village staff carry out their duties in accordance with the responsibilities associated with their posts, which include Head of Hamlet, Head of People's Welfare Affairs, Head of General Affairs, Head of Development Affairs, Head of Finance Affairs, Head of Government Affairs, and Head of General Affairs (Amelia, 2018).

According to Law No. 6 of 2014 addressing villages, villages are entitled to a 10% disbursement of cash from the State Revenue and Expenditure Budget (APBN) (Hanifah & Praptoyo, 2015). This is stated in the law. In article 1 point (2) of Government Regulation Number 60 of 2014 concerning village funds originating from the APBN, it is stated that village funds are funds that originate from the State Revenue and Expenditure Budget (APBN) intended for villages and are transferred through the Regional Revenue and Expenditure Budget (APBN). This regulation was passed in 2014. APBD district or city and is utilised to finance governance, the implementation of development, community development, and the empowerment of community members (Rahmadsyah, 2017).

These funds are provided in the form of allotments from the village fund, which are also commonly known as ADD. Village Fund Allocations (ADD) are monies allotted by the Government of the Regency for villages. These funds originate from the portion of the central and regional financial balance funds that the Regency receives (Dethan, 2019). According to Ruru et al. (2017), Village monies (ADD) are monies that are allotted by the District Government for villages. These funds come from the portion of central and regional financial balance funds that the District receives (Ruru et al, 2017).

In order for the village administration to be eligible to receive funds for the village, it must be prepared and able to manage village funds based on principles of transparency, accountability, and participatory governance, and the management of village funds must be carried out in an orderly and budgetary manner in accordance with Permendagri No. 37 of 2007 concerning Guidelines for Village Fund Management (Dewanti, 2015). Village finances are managed by the Village Head with assistance from the Technical Implementation of Village Financial Management (PTPKD), according to Husna and Abdullah (2016). These activities include planning, budgeting, administration, reporting, accountability, and supervision of village finances.

The Government of Indonesia is aggressively pursuing an increase in the implementation of national development, despite the fact that both the rate of regional development and the rate of national development in its implementation are hampered by fundamental development issues, such as development disparity between villages and cities in Indonesia. Inequality in development is caused by the numerous factors that contribute to the irregular development of Indonesia and have an effect on the country's extreme poverty. Because the funds that join the village are not small, but very large sums that must be managed by the village government, village financial management must be conducted with good and accountable management.

METHODS

This research uses qualitative research as its methodology. This qualitative method is used to collect descriptive data in the form of written words from research respondents (Sugiyono, 2011). In order to collect the data used in this study, qualitative research was employed (Yulianah, 2022). This qualitative method is employed to collect descriptive information regarding the effectiveness of village financial administration in Sukabakti, Tambelang District, Bekasi Regency. This study's respondents are knowledgeable about financial management issues. Allocation of village funds, including the village chief and village administrators, as well as the participation of multiple communities in the management of village finances.

This research makes use of interactive analysis; in this model, there are three components of analysis, namely data reduction, data presentation, and deriving conclusions or verification, all of which are conducted in an interactive manner, with the data collection procedure functioning as a cycle. After the data has been collected in the form of a data presentation, the next stage is to reduce the data, as not all of the data obtained from the interviewees is pertinent to the problem. After the data has been reduced, the verification phase can commence. These steps are repeated in a cycle and are only terminated if preceding data collection has occurred.

RESULTS AND DISCUSSION

1. Village Financial Management

According to Law Number 6 Article 71 Paragraph (1) of 2014, village finances consist of all village rights and obligations that can be valued in money, as well as all money and goods related to the implementation of village rights and obligations that generate income, expenditure, financing, and financial management. In order to support good governance for village administration, village management is conducted based on transparent, participatory, accountable governance principles and in an organized and budgetary fashion. The fiscal year for the administration of village finances is from 1 January to 31 December.

In accordance with Presidential Regulation Number 43 Article 93 of 2014, Village Financial Management encompasses planning, budgeting, administration, reporting and accountability, and oversight of village finances.

a) Planning

According to Yabbar and Hamzah (2015) and Zuhriatusobah et al (2023), the definition of development planning is the process of phases of actions for the utilization and allocation of resources within a set length of time in order to increase the welfare of people throughout the course of a specific amount of time. The village is required to create a work plan and budget (RKA) as part of the planning process. This plan must include the programs, activities, and budgets that will be carried out over the course of one fiscal year. Both the Village Medium-Term Development Plan (RPJM-Desa) and the Village Government Work Plan (RKPD) are required to be used as the basis for the preparation of the RKA. In addition, the village is responsible for conducting a financial analysis, which must contain projections of future income and expenditures, in addition to a discussion of any necessary sources of funding. The purpose of this is to establish the order of importance of the programs and activities that are to be carried out, as well as to make certain that the village has adequate resources to finance the aforementioned programs and activities.

b) Implementation

Following planning, the village will conduct financial management in accordance with the prepared Village Revenue and Expenditure Budget (APBDesa). Implementation of village financial management is the second phase of village financial management and entails the execution of the previously prepared work plan and budget. The implementation of village financial management includes a variety of activities, such as the payment of village employee salaries, the payment of operational expenses, the development of infrastructure, and the implementation of other budgeted programs. This implementation must be conducted in a transparent and accountable manner so that its use can be accounted for.

Implementation of village financial management typically occurs over the course of a single fiscal year, beginning on January 1 and ending on December 31. At the end of the fiscal year, villages must prepare complete and accurate financial reports and submit them in an open and transparent manner to the regional government and village communities.

c) Administration

The third stage in village financial management is village financial administration, which includes collecting, recording, processing, and reporting village financial information. This

administration must adhere to established principles, standards, and procedures in order to obtain accurate and accountable financial information. Administration of village finances must adhere to sound financial principles, such as openness, transparency, accountability, and compliance with applicable regulations and accounting standards. Procedures for administering village finances must also be explicitly regulated and standardized, so that all financial management activities can be conducted consistently and in accordance with applicable regulations. This is intended to ensure that village financial information is adequately managed and can be used to make the best financial management decisions.

To implement the implementation of the village financial system (Siskeudes), the Bekasi Regency Government has established a companion group. Siskeudes is utilized by Bekasi Regency's village financial administration in the preparation of village financial reports, with nearly all respondents stating that this application is very useful for village officials in reporting finances for each reporting period.

d) Reporting

As a means of holding oneself accountable for duties assigned, reporting is the process of disseminating information about the outcomes of work performed over a specific time period. Not many people got it right when I asked if there were ever any hiccups in the reporting process when it came to the village government reporting how village funds were spent. time in reporting village finances, some of the challenges include the following: a. filling in the data in a lot of forms, which takes time; b. reporting that is not timely; c. delays in the process of making SPJ and delays in the disbursement process; d. lack of coordination with the implementation team, who had issues with siskeudes due to the complexity of the plot, resulting in the input process sometimes having to be repeated.

e) Accountability

Administrators in village governments are held responsible for their actions based on how well their services correspond to societal norms and the expectations of their constituents. However, the process of creating village financial accountability reports is complicated by the following issues: The accountability process is often hampered by factors such as the following: a. the frequency with which reports are requested; b. a location that is out of sync with the nature of the project's work; c. a lack of documents or evidence to back up claims; d. a plethora of conflicting reporting formats and formats that frequently change; e. f. The flow in producing SPJ is impeded by the complexity of the siskeudes.

2. The Effectiveness of Village Financial Management in Sukabakti Village, Tambelang District, Bekasi Regency .

Village funds are a new policy for the village itself, many people in the community doubt the success of this policy because of the unpreparedness of the government apparatus itself, especially in financial management, where the business process is almost the same as that of the local government level. According to Jhon P (2015), in order to build accountability for village financial management, especially related to village funds, there is a need for joint commitment and intensive supervision from stakeholders. Based on the results of the author's observations, the management of village finances carried out in the village of Sukabakti, Tambelang District, Bekasi Regency has been running effectively, which can be seen from the following:

a) There is good integrity from the village head and village officials

The first quality that village leaders and authorities must possess is integrity. If you are honest, the village head will regard village funds as a trust that must be administered as efficiently as possible for the benefit of the inhabitants. Good integrity from the village head and village officials in Sukabakti Village, Tambelang District, Bekasi Regency, can mean that they carry out their duties and responsibilities in managing village finances wholeheartedly while upholding

integrity values such as honesty, transparency, accountability, and responsibility.

strong integrity is essential in village financial management because it ensures the formation of strong financial governance and the avoidance of actions that are destructive to village communities. Village leaders and officials with high integrity will be able to keep the village community's trust and the village government's good name. The presence of good integrity from the village head and village officials can also have an impact on the overall success of village finance management. They will be able to carry out their tasks and obligations optimally if they have high integrity, including in the planning, implementation, and administration of village finances.

b) Transparent and accountable financial governance

The second requirement for transparent and responsible village financial management is the existence of a simple but solid financial management system, as compiled by the government in Permendagri No. 113 of 2014 addressing village financial management. The new method is simpler than the previous system (Permendagri No. 37 of 2007), and it is envisaged that it will be easier to execute by village heads and village officials with varying capacities.

Transparent financial governance requires that every decision and action taken in the management of village finances be freely explained, with nothing hidden. This means that the village community has the right to know in full about the quantity of village funds received, how village funds are allocated, and how village funds are used. In the meanwhile, accountable financial governance requires village financial management to adhere to accounting principles and maintain a stringent monitoring mechanism. Complete financial documentation and reporting, a strong internal control system, and effective monitoring of the use of village money are all part of this.

The complete village financial management process in Sukabakti, Tambelang sub-district, Bekasi Regency, may be accounted for clearly and openly to the village community with transparent and accountable financial governance. This will boost public trust in village financial management, strengthen strong village financial governance, and reduce non-transparent or corrupt village fund management practices.

c) Community Participation

In Sukabakti Village, located in Tambelang District, Bekasi Regency, the fact that the community has been actively participating in the supervision of the village's financial management is an indication that the village's financial management has been operating efficiently. It is possible to understand "community participation in village financial supervision" as community participation and activity in monitoring and supervising the management of village money by responsible parties such as the village head and village officials. This interpretation is consistent with the meaning of "community participation in village financial supervision."

Participation of the community in the supervision of the financial management of the village can be carried out in a number of different ways, including but not limited to attending village meetings, monitoring the implementation of programs sponsored by village funds, supervising the use of village money, and reporting on village finances.

The administration of village money is able to be regularly reviewed and managed in a transparent and accountable manner if the community is actively involved in supervising the village's financial management. This can help promote accountability and transparency in the management of the village's finances, and it can also urge those participating in the management of the village's finances to be responsible on both a professional and ethical level. As a result, the level of active engagement of the community in monitoring the administration of village finances is an essential factor to consider when evaluating the efficiency of village financial management in a given region.

In general, the village finance management in Sukabakti Village, which is located in the Tambelang District of the Bekasi Regency, has been operating efficiently. What continues to be a

barrier is the dearth of high-caliber human resources, as well as challenges associated with the preparation of financial reports. The absence of high-quality human resources has the potential to result in a dearth of financial management expertise and know-how inside a community. Therefore, it is necessary to make an effort to improve the quality of the human resources that are involved in the management of the village's financial resources by providing training and education related to the management of the village's financial resources. It is anticipated that this will assist in contributing to an increase in the efficiency of the financial management of the village.

In addition, difficulties in compiling financial reports are an additional barrier to effectively managing the financial affairs of the village in Sukabakti Village. Reports on the financial state of the village that are not accurate and transparent might put the village's financial management in jeopardy by sowing seeds of doubt and mistrust throughout the community regarding the administration of village funds. To find a solution to this issue, it is necessary to make efforts to improve the competence and skills of village officials in the area of preparing financial reports that are accurate and transparent. In addition, there is a requirement for stringent supervision and review of the process through which associated parties prepare financial reports. With the help of these efforts, it is hoped that the village finance management in Sukabakti Village, located in Tambelang District, Bekasi Regency, can continue to improve its efficiency and offer the greatest possible advantages to the residents of the village.

CONCLUSION

When evaluating the efficacy of village financial management, the first thing that we need to know is that it is based on Presidential Regulation Number 43 Article 93 of 2014, which defines village financial management as the entire activity that includes planning, budgeting, administration, reporting and accountability, and village financial supervision. Knowing this will allow us to measure the effectiveness of village financial management. Village financial management in Sukabakti Village, located in Tambelang District, Bekasi Regency, has been operating efficiently as a result of high levels of integrity exhibited by the village head and other officials of the village, as well as transparent and accountable financial management and active participation from the local community in the process of monitoring village financial management. Even so, there are still challenges involved in managing the financial affairs of the village, such as a deficiency in high-quality human resources and difficulties in the preparation of financial reports. As a result, it is necessary to make efforts to improve the quality of the human resources involved in the management of village finances and the ability of village authorities to prepare financial reports that are accurate and transparent. As a result, the efficiency with which the village of Sukabakti in the Tambelang District of the Bekasi Regency manages its monetary resources can continue to be enhanced, thereby maximizing the advantages enjoyed by the residents of the village.

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