

## **ANALYSIS OF THE MANAGEMENT OF VILLAGE FUND ALLOCATIONS (ADD) IN THE 2021 BUDGET YEAR IN JIRLAY VILLAGE, ARU ISLANDS DISTRICT**

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### **Abstrack**

This research is to analyze the management of village fund allocations in Jirlay Village which has not been implemented properly due to problems, namely: lack of transparency in the management of village fund allocations. this research aims to find out the Management of Village Fund Allocations in Jirlay Village, Aru Islands Regency 2021. this researcher uses the concept of the regional financial cycle management cycle from the deputy field of regional financial management supervision, 2015. the research methods used are observation, interviews, documentation with a qualitative approach. The data analysis technique uses Prastowo analysis, 2012: 241 The results of the Research Analysis of the Management of Village Fund Allocation (Add) for Fiscal Year 2021 in Jirlay Village, Aru Islands Regency are that the management of village fund allocation in Jirlay Village in 2021 is not good. Because planning in Jirlay village does not involve all communities. The allocation of village funds is prioritized for non-infrastructure development, disbursement of funds is not on time, there is no information board, lack of supervision from BPD and the community.

**Keywords:** *Analysi Management of Village Fund Allocation, Regional Financial Management Cycle*

### **1. INTRODUCTION**

The Unitary State of the Republic of Indonesia or (NKRI) is divided into provinces, then the provinces are divided into regencies and municipalities. Then each Provincial Region, Regency, and City area has a local government that regulates the law. The Provincial, Regency and City governments regulate and manage their own government affairs according to the principles of autonomy and assistance tasks.

Local governments exercise the widest possible regional autonomy, except for government affairs which by law are determined to be the affairs of the central government. The regional government has the right to establish regional regulations and other regulations to implement autonomy and assistance tasks. The structure and procedures for organizing regional governments are regulated by law. The relationship of authority between the central government and the regional governments of provinces, regencies, cities or between provinces and regencies and cities, is regulated by law with due regard to regional specificities and diversity.

Financial relations, public services, utilization of natural resources and other resources between the central government and local governments are regulated and implemented in a fair and harmonious manner based on the law. Local government is the administration of government affairs by the local government and DPRD according to the principles of autonomy and assistance tasks with the principle of the widest possible

autonomy within the system and principles of the Unitary State of the Republic of Indonesia.

As referred to in the 1945 Constitution, each region is led by the head of the regional government called the regional head. The head of the region for the province is called the Governor, for the regency is called the Regent and for the city is the mayor.

The regional head is assisted by one deputy regional head, for the province called the deputy governor, for the regency called the deputy regent and for the city called the deputy mayor. The head and deputy head of the region have duties, authorities and obligations as well as prohibitions. Regional heads also have an obligation to provide reports on the implementation of regional government to the public. The regional apparatus consists of a regional secretariat, DPRD secretariat, regional offices and regional technical institutions. Regency or city regional apparatus consists of a regional secretariat, DPRD secretariat, regional offices, regional technical institutions, sub-districts and villages.

The regional autonomy policy in Law Number 32 of 2004 concerning Regional Government, explicitly provides broad autonomy for regional government heads to manage and manage various interests and welfare of regional communities. This means that local governments must optimize community-oriented regional development. Regulations on the organization of sub-districts in terms of their formation, position, duties and functions are legally regulated by Government regulations. As a regional apparatus, the sub-district head gets a delegation of authority which means community service affairs. The implementation of regional autonomy as contained in Law number 32 of 2004 is for the realization of.

Regional independence is based on the empowerment of local potential although the focus of autonomy is placed at the lowest level, namely the village so that regional development should be more focused on empowering the village community. To date, village development has been largely dependent on village own-source revenues and community self-help, the amount and nature of which are unpredictable. In addition, villages receive development assistance from the Regency government, where the determination of programs is determined by the agency or agency itself(*topdown*).

Although the programs are good, they do not meet the principle of benefit because they are not in accordance with what is needed by the village, so it is often found that the community does not care about supporting the program or maintaining it. Village governments have the authority to regulate and manage their own households in accordance with their original and granted authority. To carry out this authority, the village government has sources of revenue that are used to finance the activities carried out.

An important thing to consider in supporting the process of implementing development in each village is the certainty of its financing. Development financing can come from various sources, such as the government, the private sector and the community. This is also stipulated in PP 72/2005 on Villages. This PP also regulates the sources of financing for villages in terms of providing services to the community, the obligation for the Government from the central to the Regency or City to provide fund transfers for villages in the form of grants or donations. Several districts have innovated by allocating funds directly to villages from their APBD to support development in rural

areas. The allocation of funds to villages has proven to be able to encourage the handling of several problems faced by village communities independently, without having to wait long for programs from the Regency Government. With the allocation of funds to the village, participatory planning will be more sustainable because the community can directly realize some of the needs contained in the planning documents in the village.

## 2. LITERATURE REVIEW

### 1. Agency Theory

(Agency theory arises due to the existence of a work contract by mutual consent that occurs between the *agent* and the *principal*. The agent is the party who performs certain tasks for the principals, while the principal is the party who rewards the agent. The relevance of agency theory in this study can be seen through the relationship between the village government (*agents*) and the community (*principals*). This relationship creates a contract between the community and the village government. This contractual relationship allows for *conflicts* of interest (*conflict to finterest*) between the community and the village government.

According to Ismail et al (2016) Agency theory is a concept that explains the contractual relationship between *principals* and *agents*. The *principals* are the parties who mandate other parties, namely *agents*, to carry out all activities on behalf of the *principals* in their capacity as decision makers. *Agency Theory* will be relevant to explain the relationship between principals and agents in the management of village funds. Mahayani (2017).

### 2. Village

According to H.A.W. Widjaja (2003:1), a village is a legal community unit that has an original structure based on special origin rights. The cornerstones of village governance are diversity, participation, autonomy, democratization and community empowerment.

The village government consists of the Village Head and village officials. The village head is an organizing element of the village government (Sukriono, 2008: 35). Meanwhile, the village apparatus is part of the village government element consisting of the village secretary and other village officials who are the village apparatus under the auspices of the village head (Gunawan, 2013: 67).

Hanif Nurcholis (2011: 3) says that villages and villages are the lowest government units with different statuses, villages are governments that are given customary autonomy rights so that they are legal entities while villages are administrative government units that are only an extension of the district or city government. Kelurahan is not a legal entity but only a place for the operation of services from the regency or city government in the local kelurahan area. A village is an area with certain boundaries as a legal community unit (*adat*) entitled to regulate and manage local community affairs based on its origins.

Meanwhile, according to the Big Indonesian Dictionary (KBBI), a village is a unit of territory inhabited by a number of families that has its own government system (headed by a village head) or a village is a group of houses outside the city which is a unit.

The definition of a village according to Hanif Nurcholis (2011: 4) R. Bintarto village is a geographical manifestation that gives rise to physiographic, socio-economic, political, and cultural elements found there in the relationship and mutual influence with other areas.

### **3. Village Autonomy**

Village autonomy is the right, authority and obligation to regulate and manage its own government affairs and community interests based on origin rights and socio-cultural values that exist in the community to grow and develop following the development of the village. Village autonomy is the original, unanimous, and complete autonomy, because the village authority has existed since long ago based on the right of origin (Widjaja, 2012).

According to Law No.6 of 2014 concerning Villages, Article 18, village authority includes authority in the field of organizing village governance, implementing village development, fostering village communities, and empowering village communities based on community initiatives, rights of origin, and village customs. And according to Article 19 of Law No. 6 of 2014 concerning Village authority includes:

- a. Authority based on the right of origin
- b. Village-scale local authority
- c. Authority assigned by the government, Provincial Government, or Regional Government
- d. Regency or City
- e. Other authorities assigned by the Government, Provincial Government, or Regional Government.

Regulations regarding villages experienced a new phase after the law was signed. No. 6 of 2014 concerning Villages by President Susilo Bambang Yudoyono, in January 2014, there were several significant changes to the administration of village government. The substance that is different from the previous law is the Law. No. 32 of 2004 concerning Regional Government as outlined in PP No. 72 concerning Villages is as follows:

- 1) The Village Head can serve up to 3 terms of office (18 years)
- 2) Village Head elections are held simultaneously for one district or city.
- 3) Villages receive budget allocations directly from the APBN in addition to village fund allocations from the APBD
- 4) It is mandatory for BPD to be elected based on regional representation
- 5) The village secretary and village head are dismissed at the age of 60
- 6) BPD's term of office is up to 3 terms of office (18 years)
- 7) BPD is constitutionally no longer administering village government, but only carries out 3 functions of legislation, aspirations and supervision
- 8) Open space for the existence of traditional villages
- 9) Open space for the establishment of a Village Information System
- 10) Space is open for the formation of Village Traditional Institutions.
- 11) Village secretaries no longer come from civil servants but from residents of the village concerned who meet the requirements.

#### **4. Village Finance**

Hanif Nurcholis (2011) village finances are all desires and obligations in order to carry out village government which can be valued in money, including all forms of wealth related to the rights and obligations of the village. Village finances come from the village's original income, APBD and APBN. Village income sources come from:

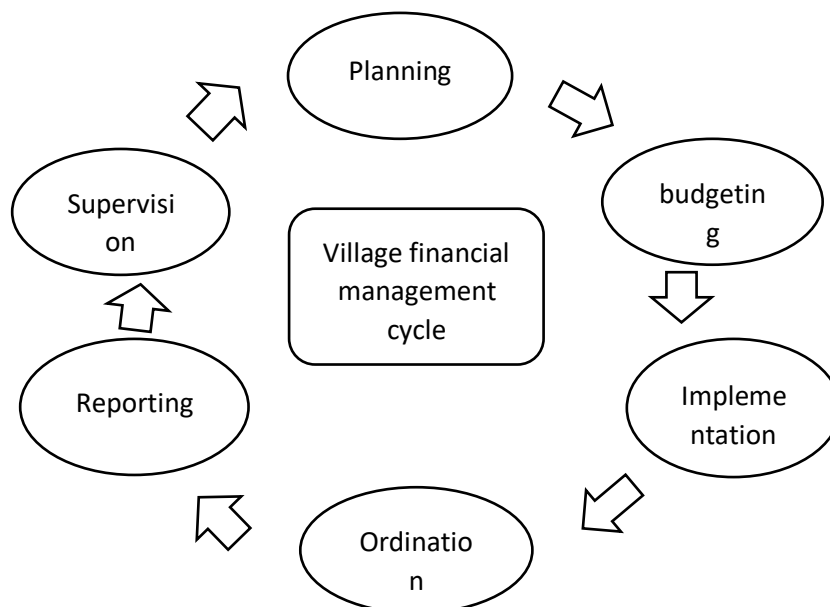
- a. Original village income comes from village businesses, village wealth resulting from selfhelp and participation, the results of mutual cooperation, and other legitimate village original income.
- b. District/city regional tax revenue sharing of at least 10% (ten percent) for villages and from district/city levies, part of which is intended for villages.
- c. Part of the central and regional financial balance funds received by the district or city is at least 10% (ten percent), which is distributed to each village proportionally, which is the allocation for the village.
- d. Financial assistance from the government, provincial government, district or city government in the context of carrying out government affairs.
- e. Grants and donations from authorized third parties.

The definition of government or government is the process, method, act of governing based on democracy, the Governor holds the reins of the first level regions, all affairs carried out by the State in carrying out the welfare of the community and the interests of the State. Village Government is part of the national government, whose administration is directed to the Village. Village governance is a process where the efforts of the village community concerned are combined with the government's efforts to improve the community's standard of living.

Apart from the authority and rights of the Village Head, in the context of Law Number 6 of 2014 concerning Villages, the Village Government is the Village Head who is assisted by other Village officials and the Village Consultative Body (BPD) in carrying out their duties. Article 26 paragraph (2) states that in carrying out the duties of the Village Head, he has the authority to:

#### **5. Stages of Village Financial Management**

Village finance is one of the rights and obligations that can be assessed in money. Village financial management is also an activity that includes planning, budgeting, administration, accountability reporting and also supervision of village finances.

**Figure 2. 1 Village financial management cycle**

Source: *(Deputy for supervision of regional financial management, 2015)*

## 6. Village Fund

Village funds are funds sourced from the State revenue and expenditure budget intended for villages and traditional villages which are transferred through the district or city Regional Revenue and Expenditure Budget and are used to finance government administration, development, and community and community empowerment. The important focus of this fund distribution is more related to the implementation of the Village Fund allocation so that the ideas of the initiators can be perfected. The initial scenario of village funds was provided by replacing the government program which was previously called PNPM, but with the enactment of the Village Fund, it could close the opportunity for several foreign parties to channel funds to regions in Indonesia with programs that could actually also be a trigger for regional development.

## 7. Village Fund Allocation (ADD)

Village Fund Allocation (ADD) is a balancing fund sourced from the APBD which must be allocated by the Regency government to villages. In managing Village Fund Allocations, the district forms a facility team, which facilitates the management of Village Fund Allocations and then forms an accompanying team in the sub-district which accompanies the management of Village Fund Allocations and then forms an implementation team in the Village which has responsibility for implementing the management of Village Fund Allocations. (Sanusi 2014: 78).

## **8. Legal basis**

The policy for regulating and managing Village Fund Allocations (ADD) includes the formula for the amount handed over to each village, the funds for which come from the sharing of regional taxes and levies as well as parts of the Central and regional Financial Development Funds, referring to the circular letter of the Minister of Home Affairs dated March 22 2005 Number: 140/640/SJ regarding Allocation and Village guidelines from the Regency/Village Government to the Village government, which was then first followed up with a Regent's Regulation. The granting of authority to formulate policies at the Regency or City government level does not mean that it is an investment that goes too far in the authority that has been given to villages, but is merely intended as an effort so that the management of Village Fund Allocations (ADD) can be efficient and successful. to be used in accordance with the directions for which the funds are provided. However, efforts are no less important to always improve the capacity of village government officials in managing or administering village finances, both in planning, implementation and budget accountability.

### **RESEARCH METHODS 1. Types of research**

According to Sugiyono (2005), this type of research is qualitative descriptive research, namely a type of research that describes a situation or research carried out to determine the value of independent variables, either one or more variables without making comparisons or relationships between one variable and another.

This research uses a qualitative method, namely examining the condition of the object in question (Sugiyono, 2018). This research was conducted in Jirly Village, Aru Islands Regency.

### **2. Research Objects and Subjects**

Sanusi (2012) states that objective criteria in the scientific method require that all phenomena captured by the senses are then observed and analyzed must occur objectively. Then the researchers in carrying out this research used Financial Management of Village Fund Allocation in Jirly Village, Islands Regency Aru. The research subjects who were used as sources of information for this research were the village head, village secretary, village treasurer, chairman of the BPD, and community shop , the village community in Jirly Village, Aru Islands Regency.

### **3. Types and Sources of Data**

Sanusi (2012: 103) explains that the type of data is more likely to understand what kind of data the researcher must collect. Meanwhile, Indriantoro (2012: 145) states that the type of research data is related to the data source and the selection of methods used by researchers to obtain research data. Determining the data collection method is influenced by the type and source of research data required. The data collected and used to support writing are primary and secondary.

#### 4. Method of collecting data 1. Direct Observation

This is a method of collecting data by direct observation of the object under study. In this case the author will directly observe how funds are managed in Jirlay village, Aru Islands district.

#### 2. Interview

Interviews are a method of collecting data that is carried out by holding a direct communication process by asking respondents questions about the information they need.

#### 3. Documentation

Documentation is a technique for collecting data through written materials published by institutions that are the object of research, in the form of procedures, regulations, reports, as well as photographs.

### RESULTS AND DISCUSSION

#### 1. General Description of Research Locations

Jirlay village is one of the villages in the Aru Islands Regency, where there are 117 villages and one of them is Jirlay village. Jirlay Village is the capital of Benjina District which is located in the middle of Benjina District. Jirlay Village began to expand on October 10 1965, the village government at that time was led by a village head named Yohanis Sirlay. Now the population in Jirlay Village is 458 people.

The topographic conditions in Jirlay village, Aru Islands Regency are generally lowland so the land is very fertile and suitable for use as agricultural land. This can be seen from several areas in Jirlay village where there are rice farms, and also other garden products such as cassava, taro, fruit. fruits and vegetables which are the main livelihood for local village communities.

**Table 4. 1** Based on gender in Jirlay village

No	Gender	Amount
1	man	227 souls
2	Woman	231 souls
3	Number of family heads	105 kk
	Total population	458 people

*Data source Jirlay village office*

From table 4.1 we can see that the total population in Jirlay village is 458 people, consisting of 227 men, 231 women, and 105 heads of family (KK). So it can be concluded that the growth rate in Jirlay village is still very small.

**Table 4. 2** The livelihood of the residents of Jirlay village



No	Livelihood	Amount
1	Farmer	220 people
2	Pns	12 people
3	TNI	8 people
4	Midwife	2 persons
5	Craftsman	14 people
6	Trader	7 people
7	Others	195 people

*Source Jirlay village office*

From table 4.2 above, it can be seen that the number of livelihoods for farmers is 220 civil servants, 12 military personnel, 8 midwives, 2 craftsmen, 14 people, 7 traders, and 195 others.

**Table 4. 3** Educational facilities in Jirlay village

No	Education facility	Amount
1	kindergarten	1
2	Elementary school	1

*Source Jirlay village office*

Based on table 4.3 above, it shows that the educational facilities in Jirlay village are still classified as low or minimal in the sense that they do not fully support the people of Jirlay village because the educational facilities in Jirlay village only have 1 kindergarten unit and 1 elementary school unit, there are no middle and high schools for make it easier for people to obtain education.

To serve the community in the health sector, the Jirlay village government has established one pustu and one posyandu, which are open every Monday to Saturday for people who need health services. And the posyandu is opened once a month, if seen from the intensity of health services for the people of Jirlay village, the community still feels that it is lacking, one of the factors being the lack of available medical equipment.

Village potential is natural resources and resources for humans in the village and can be utilized for the survival and development of the village. Agricultural potential in Jirlay village Agricultural fields such as rice and other plantation products such as cassava, fruit and vegetables are plants that are very suitable for the land in Jirlay village. Because apart from maintaining the fertility of existing agricultural land, it can meet daily needs. And this can also provide capital for the Jirlay village community who want to save the results from agricultural management to save for their future .

The community in Jirlay village, Aru Islands district, adheres to a social system with a system of customs that regulate social procedures within the

village community. The people of Jirlay village also still use traditions from their ancestors, such as the implementation of dominant marriage ceremonies, which are still maintained today. Apart from the wedding ceremony, the people of Jirlay village also hold an agricultural thanksgiving ceremony which is carried out to increase the sense of togetherness and mutual cooperation in developing the village.

## **2. Research result Management of Village Fund Allocation (Add) in Jirlay Village, Aru Islands Regency**

The village fund allocation is a regional center financial balancing fund and is received by the district after which it is distributed through the village treasury. Village fund allocation (ADD) is a minimum of 10% (ten percent) of the balancing funds that the district or city will receive through the regional revenue and expenditure budget or (APBD) after all special allocation funds have been deducted .

Management of village fund allocation (ADD) uses dimensions of the village financial management cycle from the instructions for implementing guidance and consultation on village financial management by the financial and development supervisory body in 2015 as follows:

### **1. Planning**

Financial planning is an activity in estimating income and expenditure within a predetermined time in the future in order to achieve a predetermined goal. Village planning is a process related to activities that will be carried out by the village government by involving the village consultative body and also all elements of society in a participatory manner, in order to utilize the allocation of village resources to achieve a development goal in the village. Therefore, program and activity planning is prepared through village development planning meetings (musrebangdes).

Musrebangdes is a discussion forum regarding proposed plans for development activities in the village and also requires community involvement in decision making and also determining what development will be carried out in the village concerned, so that it can truly respond to the needs or aspirations of the community.

The following statement was conveyed by the village head regarding the development planning mechanism in Jirlay village:

*" At first we held a village meeting before the village budget was disbursed , we planned in advance what things in Jirlay village would be prioritized . "*  
(interview on June 12 2023 at 10:00 at the village head's house)

Village Fund Allocation Planning can be briefly described as follows: (1) The Village Head as the person in charge of ADD leads a village meeting to discuss plans for using ADD, (2) The village meeting is attended by elements of the

village government, Village Consultative Body (BPD), village community institutions, and community leaders, and must be attended by the District Facilitation Team, (3) The Village Implementation Team presents the overall plan for using ADD to the deliberation participants. The ADD usage plan is based on the priority scale of the results of the previous year's village musrenbangdes, (4) The ADD usage plan agreed upon in the village meeting, is outlined in the ADD usage plan which is one of the materials for preparing the APBDes

## 2. Budgeting stage

In In making budgets and funding, there are steps that must be approved by the organizational court, which must go through fiscal and accounting planning. After determining the village RKP, the next stage is the process of preparing the Village APBD. Regarding activity planning and cost planning that has been determined in the RKP, it is used as a guideline in the implementation process. APBDesa is the village government's financial budget plan, which is determined to organize programs and activities that fall under the authority of the village.

Regarding making a budget, initially you have to determine what is really needed In implementing the management of village fund allocations, starting from the budget related to facilities and equipment and budget supplies are generally made simultaneously and also in a transparent manner. The main aim is to improve organizational activities. In managing the allocation of village funds, a budget is created in accordance with the determination of the amount of budget needed. So the process of making or determining the budget will be carried out before implementing the activities that will be financed by ADD, and at that time the details will be discussed and then compiled regarding what and how much funds are needed to carry out these programs. The village itself has price list of goods commonly used by the village.

As stated by the village treasurer as follows :

*"For the budget making process, those involved are the village head, village secretary, and also the village treasurer"* (interview on June 12 2023 at 01:00 at the village treasurer's house)

Before carrying out activities, of course every village needs a draft budget, just as Jirlay village needs an initial budget draft to serve as a guideline for running its budget. The budget plan needs to be carried out with a village fund allocation planning meeting in Jirlay village for the community to express their aspirations which is then called a work plan for the village government, but the results of the deliberation or RKPDesa must be synchronized with the village's long-medium term development plan (RPJMDesa) which is the foundation or beginning from the development strategy vision for Jirlay village. The draft budget was outlined in the RABDesa (village revenue and expenditure budget draft) for the 2021 fiscal year. It is stated that the village

fund allocation of 377,812,794.00 will be used for village government administration, village development and community development. The following is the RAB of Jirly village for the 2021 fiscal year.

**Table 4. 1 Summary of Cost Budget  
Plan Jirly Village, Aru Islands  
Regency, Fiscal Year 2021**

No	Description	Budget
1	(Village Fund Allocation Revenue)	377.812.794.00
2	Village Government Administration Sector.	430.881.821.00
	Payment of fixed income and allowances	
	Village government operational activities	325,532,794.00
	Office operational activities	
	BPD operational activities	65,887,194.00
		3,600,000.00
		1,003,000.00
3	Field of implementation of village development.	
	Support for poor/achieving students	25,000,000.00
4	Community development sector	
	Development of traditional institutions	12,500,000.00

(Source : *Jirly Village Budget Plan for 2021*.)

Based on table 4.5 above, it can be seen that the village fund allocation for the 2021 fiscal year is IDR. 377,812,794.00 which is used for village operational activities and also village development activities. In the final stage, the village fund allocation is used for village community development activities as stated in the Jirly Village Budget Plan (RAB), namely for the development of traditional institutions.

### 3. Implementation

In the implementation stage, there is a series of activities to implement the Village

APBDes within a period of one budget year starting from January 1 to December 31. Regarding the Village APBD, a budget plan (RAB) is prepared for each activity which is the basis for submitting a financing

request letter (SPP). And also related to the procurement of goods and services as well as the payment process, preparation of the activities subsidiary cash book and also changes to the Village APBD are activities that take place at the implementation stage.

In the field findings, the implementation of village fund allocation in Jirly village can be said to be appropriate or good because in this case the preparation of the Village APBD must be made from the end of the year before the next fiscal year and Jirly village is also in accordance with the specified time, namely as of 31 December. After completion of the preparation of the APBDesa, it is still related to disbursement in the first stage of the following year. If the preparation of the APBDesa is not completed in December of the previous year, the disbursement in the first stage will be postponed. As stated directly by the village treasurer, he admitted that:

*" Well, thank God, regarding the implementation of reporting, it can be said to be quite good, because if it's not good then we work but don't get paid. However, there are also obstacles from the old district. As a rule, phase 1 ADD disbursement falls in January, but in Jirly village, sometimes it takes until March or April before it can be disbursed . So sometimes we don't get paid for up to 4 months so the salary will be due in April. The inhibiting factor is that maybe the budget from the center is also tight, but it could also be from the village side because we are here which is still a problem, namely the equipment for making reports is still very minimal. "* (interview on June 12 2023 at 01:00 at the village treasurer's house)

The above statement was also reinforced by the village secretary, Jirlai, who said that:

*"Thank God, in Jirly village it has been implemented quite well and regarding the preparation of the Village APBD, we are always disciplined in completing it on time even though there are still a few problems regarding equipment such as laptops and so on"* (interview on 13 June 2023 at 10:00 at the secretary's house village)

In accordance with the two statements above, it has been explained that the implementation of the village budget preparation for Jirly village is quite good because it has been completed on time and is also in accordance with what has been determined, even though the Jirly village government still lacks office equipment such as laptops, they can still be precise. time . However, the disbursement was not appropriate because there was a delay of three to four months, so village officials could only be patient until the fourth month before they could receive their salary.

#### **4. Administration**

Permendagri no. 113 of 2014 in article 35 states that administration must only be carried out by the village treasurer whose task is to record every receipt and expenditure transaction and close the books at the end of each month in an orderly manner. The village treasurer records using a general cash book, tax assistant cash book and also a bank book to help with the recording. From all recording results, the village treasurer is required to carry out financial accountability through a cash accountability report to the village head as the highest authority holder, in this case the accountability report is submitted every month and no later than the 10<sup>th</sup> of the following month.

Administration carried out in Jirlay village through recording by the treasurer includes a general cash book, tax assistant cash book, and bank book to help with recording. In administering the management of village fund allocations in Jirlay Village, an interview conducted with the Jirlay Village Secretary revealed that:

*" When it comes to the administration of Jirlay village, it is considered quite good because it still adheres to government regulations"* (interview on 13 June 2023 at 10:00 at the village secretary's house)

The treasurer also emphasized the same thing as follows:

*"Regarding record keeping, we have carried out it in accordance with existing regulations, requiring a general cash book, tax assistant book and bank book"*

(interview on June 12 2023 at 01:00 at the village treasurer's house)

From the two statements above, it can be concluded that administration in Jirlay village has been said to be very good because it still refers to the government and the records have also followed the specified procedures. Because the village treasurer's job is to collect income tax (PPH) and other taxes, he is obliged to deposit all deductions and taxes collected into the state treasury account in accordance with statutory provisions. administration in Jirlay village, which relates to evidence of expenditure on implementation of village fund allocations, must be kept properly so that proof of expenditure becomes a supporting document for making reports and also accountability in Jirlay village.

#### **5. Reporting and accountability**

Reporting is an activity carried out to convey important things regarding the results of work that has been carried out in one period, as a form of responsibility regarding the duties and authority that have been given. By looking at the number of reports that will be carried out in accordance with reporting standards. ADD accountability is integrated with APBDesa accountability, so the form of accountability is APBDesa accountability seen from the form of reporting regarding activities in the APBDesa which are paid for by ADD through periodic

reports, meaning that reports regarding the implementation of village fund allocations are made regularly every month. What is included in this report is the realization of ADD receipts and also the realization of ADD expenditure. There is even a final report on the use of ADD which covers the progress of implementation and absorption of funds, problems faced, and recommendations for completing the final results of using ADD.

## **6. Supervision**

Control in the implementation of village fund allocation is very important in order to ensure that activities are carried out in accordance with applicable rules and regulations. The purpose of controlling is to ensure that each process of implementing village fund allocation is in accordance with the aims, objectives and targets to be achieved and the effectiveness and efficiency of an accountable budget. The form of controlling the implementation of village fund allocation is through supervision and reporting. With supervision, it is hoped that the plans made can run and be carried out well. Because without supervision from the parties concerned, the plans that have been set will be difficult to implement so that the expected goals will be difficult to realize. Parties involved in ADD supervision include, among others, the provincial government is obliged to foster and supervise the provision and distribution of village fund allocations, the district or city government is obliged to foster and supervise the implementation of village financial management (Permendagri 113). Village communities can monitor the implementation of management and also the use of ADD and then report the results to the BPD. As stated by the community. That :

*"Yes, in terms of supervision, actually we all have to supervise, but we don't know how to monitor the budget, so it's the same as what we want to monitor . (interview on June 14 223 at 12:00)*

From the statement above, it is stated that in managing the allocation of village funds, everyone should be obliged to supervise it, but the community does not know the amount of ADD funds received by the village government, so they are not busy monitoring it.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **1. Conclusion**

Based on the results of the discussion and field findings that the researcher has described in CHAPTER IV, here the researcher concludes the results of the research regarding *"analysis of village fund allocation (ADD) management in Jirly Village, Aru Islands Regency"* based on the regional financial management cycle in general it can be said to be not optimal, p. This can be said because researchers in their findings still found problems in the planning, budgeting, reporting and monitoring processes. The researcher will

also reveal the form of community involvement in managing village fund allocation (ADD) in Jirlay Village, Aru Islands Regency. So the researcher can draw the following conclusions:

- a). In managing the allocation of village funds in 2021 in the planning process, the village government does not involve the community directly but only involves the BPD as representatives of the community. This will result in low community participation in the implementation of development planning deliberations.
- b). In the process of budgeting village fund allocations for 2021 in Jirlay village there is no community empowerment program because the village government itself is still prioritizing non-physical development first.
- c.) the implementation of village fund allocation in Jirlay village in 2021. It could be said that it has not gone well because the village government has not implemented the principle of openness or transparency to the community by not putting up pictures of penmpang or balio and also giving invitations to the community, not all of them, only a few people have present
- d). In the process of reporting village fund allocations in Jirlay village in 2021, only the village treasurer is working on the report so there is no responsibility from other parties. This causes frequent delays in submitting reports to the district, thus affecting delays in the disbursement of village fund allocations (ADD) in the next stage. And it is wrong One obstacle is that in the 2021 fiscal year the Jirlay village government never made a balio as a form of openness or transparency to the community.
- e). Supervision from the village deliberative body (BPD) is still very lacking because the village deliberative body (BPD) in its implementation still does not understand its control function as direct supervision of the performance of the Jirlay village government. The Jirlay village community also takes a critical role in supervising village financial management.
- f). The obstacle in managing village fund allocation in Jirlay village in 2021 is human resources (HR), in this case the quality of human resources as actors in managing village fund allocation, their education level is still low, so many of them are having problems operating laptops. But have experience with managing ADD.

## **2. suggestion**

Based on the results of research entitled "analysis of village fund allocation (ADD) management in Jirlay Village, Aru Islands Regency. So researchers also have the right to provide suggestions for improving the next policy to make it better. These suggestions to increase the success of the village funding program require the following steps:



1. In planning, the village government needs to involve the village community so that there is an opportunity for strategic ideas to come from the community.
2. Apart from being used for non-physical development in the village, the village government must also use funds in the field of empowerment and infrastructure development because the progress of a village is seen in terms of its equitable development. And the need for activities for community empowerment so that the community is more developed and independent,
3. It is necessary to emphasize technical guidance for village staff for managing village fund allocations, especially in reporting.
4. The village government must be obliged to make balios or cross-sectional pictures of development every period so that there is an attitude of transparency or openness to the community.
5. It is necessary to emphasize to the village deliberative body (BPD) as a representative of the community to focus more on carrying out its control function in managing the allocation of village funds in Jirly village.

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