

**IMPLEMENTATION AND ACCOUNTABILITY OF VILLAGE FUND  
ALLOCATION MANAGEMENT BASED ON REGULATION OF THE MINISTRY  
OF HOME AFFAIRS NUMBER 113 OF 2014  
(Case Study in Jugo Village, Kesamben Sub-District, Blitar Regency)**

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**ABSTRACT**

*The aims of this research is provides an overview of the Implementation of Village Fund Allocation (ADD) in Jugo village, Kesamben sub-district, Blitar district. Describing the Accountability of Village Fund Allocation Management (ADD) in 2019 in Jugo village, Kesamben sub-district, Blitar Regency. This research uses qualitative research with a descriptive approach. Qualitative descriptive research is to describe the respondent's opinion based on the research question, then analyzed with the words behind the respondent's behavior, reduced, triangulated, concluded, and verified. The results showed that the implementation of the Village Fund Allocation policy in Jugo Village, Kesamben Sub-District, Blitar Regency has been running according to the RKP but it has not run optimally according to Permendagri No. 113 & 114 of 2014. Based on Permendagri No. 113 & 114 of 2014, in general the management of the Village Fund Allocation is accountable and transparent at the stages of planning, implementation, administration, reporting, accountability and supervision. Supported by the community who participates active in deliberations to supervise village development.*

**Key Words : Accountability, Village Fund Allocation, Implementation**

## **1. INTRODUCTION**

Law Number 32 of 2004 concerning Regional Government, the implementation of governance in the regions, especially districts / cities is carried out according to the principles of autonomy and co-administration with the broadest possible autonomy principle in the system and principles of the Unitary State of the Republic of Indonesia. The implementation of such regional government is more familiarly known as Regional Autonomy. In the development of regional autonomy, the central government is increasingly paying attention and emphasizing the development of rural communities through village government autonomy. The administration of government and village development must be able to accommodate the aspirations of the community, realizing the active role of the community to participate in being responsible for the development of life together as fellow villagers (Dwi Febri Arifiyanto and Taufik Kurrohman. 2014).

Government regulation number 75 of 2005 concerning. Village article 68 paragraph 1 explains that part of the central and regional balancing funds received by districts or cities for villages, at least 10% proportionally divided by each village, the funds are in the form of Village Fund Allocation or called ADD (Endah Masrunik. 2017)

Since the launch of the Village Fund program by the government for village development, the development of village funds has grown rapidly with the allocation of village funds that are quite large, it can be seen from the amount of village fund allocations each year. In 2017, the allocation of village funds in Jugo Village, Kesamben Sub-District, Blitar Regency was Rp. 375,496,000, in 2018 the allocation of village funds was Rp. 364,192,000 and in 2019 it was Rp. 419,925,000. According to the Village Regulation, Development of Disadvantaged Region, and Transmigration No. 5 of 2015, the village is a

legal community unit that has territorial boundaries that are authorized to regulate and administer government affairs, the interests of the local community based on community initiatives, rights of origin and traditional rights that are recognized and respected in the Government system of the Unitary State of the Republic of Indonesia.

The village as the smallest government demands reforms to support improved village development and the level of life of rural communities that is far from poverty. Village development requires planning, implementation and accountability. In village development the community must be involved in this way of mutual cooperation and togetherness as a form of practicing Pancasila. According to PP RI No. 6 of 2014, the Village Fund is a fund sourced from the State Revenue and Expenditure Budget (APBN) for villages that are transferred through the district / city Regional Revenue and Expenditure Budget (APBD) and used to finance government administration, development implementation, community development, and community empowerment (Arista Widiyanti. 2017).

The Village Fund is managed by the village government which is distributed to the village community for the welfare of the community. The village government consists of the village head or referred to by another name assisted by the apparatus as an element of Village Government administration. In accordance with the Minister of Home Affairs Regulation No. 37 of 2007 concerning village financial management in article 18 states that, Village Fund Allocation comes from APBD of the district / city, which comes from central and regional financial balance funds received by districts / cities for villages at least 10%. According to article 24 of Law no. 6/2014, the implementation of village government is based on the principles of legal certainty, orderly governance, orderly public interest, openness, professionalism, accountability, effectiveness and efficiency, local wisdom, diversity, participation from all levels. There are strict sanctions if one of the elements of the above law is not implemented.

The provision and implementation of ADD can also be used as a reflection of the realization of good governance, the government and society have a close relationship and at the same time increase community participation, thus encouraging accountability, transparency and responsiveness of local governments. Whereas the principles of good governance, including community participation, upholding legal supremacy, growth of transparency built on the basis of free flow of information and information need to be accessible to interested parties and adequate, care for stakeholders, oriented towards equality, effectiveness and efficiency, accountability, and the existence of a strategic vision.

The principle of accountability starts from planning, implementation or management and accountability. The basic concept of accountability is based on clarifying managerial responsibility in each environment in the organization which aims to carry out activities in each part. This concept distinguishes between controllable activities and uncontrollable activities. from the public policy process as well as a very crucial study. It is crucial because no matter how good a policy is, if it is not properly prepared and planned for its implementation, then the policy objectives will not be realized (Annivelorita. 2015). The principle of village financial management according to *Permendagri* 113 of 2014 is managed based on the principles of transparency, accountability, participation and is carried out in an orderly and disciplined budget, according to Government Accounting Standards accountability is to account for the management of resources and the

implementation of policies entrusted to reporting entities in achieving objectives has been determined periodically (Rasmah Hasman. 2015).

Village Fund (DD) is a component in it. The implementation of the Village Fund Allocation (ADD) is expected to reduce development inequality between cities and villages. Because the phenomenon that occurs in Jugo Village, Kesamben Subdistrict, Blitar Regency, there is a road area that is still damaged so when it rains the road will be difficult to pass.

Based on the case which is explained above, the researchers were interested in conducting research in Jugo Village. In addition, the ADD is expected to be well managed by village officials by involving the community. ADD as a stimulant aid or stimulant fund to encourage financing of village government administration programs, implementation of development, community development, and community empowerment.

## **2. RESEARCH METHOD**

This research uses qualitative research with a descriptive approach. Qualitative descriptive research is to describe the respondent's opinion based on the research question, then analyzed with the words behind the respondent's behavior, reduced, triangulated, concluded, and verified.

This research on the implementation and accountability of the Village Fund Allocation Management (ADD) was carried out in Jugo Village, Kesamben Sub-District, Blitar Regency. This research place is used to obtain data, information, and matters relating to research interests as well as a place for research to be carried out. Some informants who are trusted can provide the information needed accurately, namely the village head, village secretary, finance chief, general chief and planning. Based on the type of data, this research uses primary data and secondary data, primary data is obtained from interviews with the village regarding the Implementation and Accountability of Village Fund Allocation Management (ADD) in Jugo Village, Kesamben Sub-District, Blitar Regency. Secondary data is data that is already available and collected by other parties. The secondary data of this research are from the documents of the Jugo village administration.

The documents used in this research are stored or documented information such as documents, soft files, authentic data, and other archives related to the implementation and accountability of Village Fund Allocation (ADD) management which can be used as complementary data from data obtained in interview activities. and observation.

## **3. RESEARCH RESULT**

The research that the author conducted on the Implementation and Accountability of Village Fund Allocation Management shows that the implementation of Village Fund Allocation management has been carried out in accordance with the RKP (Government Work Plan). The implementation or application of the Village Fund Allocation is in accordance with the regulations and in accordance with the RKP (Government Work Plan). But there are still regulations in the Minister of Home Affairs Regulation No.113 of 2014, not all of them can be implemented like *Bumdes*. In Jugo Village, Kesamben Subdistrict, Blitar Regency, only implement things that are more priority and that are really needed by the village community.

**Implementation of Village Fund Allocation Management Based on *Permendagri* No.113 & 114 of 2014**

<b>Pemendagri No. 113 &amp; 114 Tahun 2014</b>	<b>Implementation of village Fund Allocation Management in 2019</b>
<b>Village Government Administration.</b>	
1. Establishment and confirmation of village boundaries.	-
2. Village data collection.	The village approach is based on village authority (village profile, monograph, village data collection and others).
3. Village spatial planning.	-
4. Implementation of village meetings.	Village meeting costs.
5. Management of village information	Telephone and internet.
6. Conduct evaluation of the level of development of village governance.	-
7. Organizing cooperation between villages.	-
8. Development of village office facilities and infrastructure.	Procurement of office buildings, painting of village offices and office fences.
9. Other activities according to village conditions.	Fixed income and allowances, office operations, BPD operations, capacity building for village government officials and BPD.
<b>Village Development Implementation Sector</b>	
1. Development, utilization, maintenance, infrastructure and village environment, such as: boat moorings, residential roads, village roads between settlements to agricultural areas,	Residential roads.
Power plant and microhydra, village community settlement environment	

2. Development, utilization and maintenance of health facilities and infrastructure, including: clean water at village scale, environmental sanitation, health services, other health facilities and infrastructure.	Health services.
3. Development, utilization and maintenance of educational and cultural facilities and infrastructure, including: community reading gardens, PAUD, training centers / community learning activities, development and fostering of art studios, educational facilities and infrastructure and other training according to village conditions.	Public hall
4. Development of productive economic enterprises as well as development, utilization and maintenance of economic facilities and infrastructure, including: village markets, establishment and development of village markets, strengthening of <i>bumdes</i> capital, facilities and infrastructure according to village conditions and others.	-
<b>Community Development Sector</b>	
1. Development of social institutions.	LKMD, PKK, Karang taruna.
2. Implementation of peace and discipline	-
3. Fostering religious harmony.	MTQ competition.
4. Procurement of sports facilities and infrastructure.	Procurement of table tennis.
5. Fostering customary institutions.	-
6. Development of arts and socio-culture Public.	Acrile making training and cassava rocket manufacturing training Community.
7. Other activities according to village conditions.	
<b>Village Community Empowerment</b>	
1. Economic, agricultural and business training trading.	-
2. Appropriate technology training	-

3. Education, training, counseling for village heads, village officials and BPD.	Counseling of hamlet heads, technical guidance for village secretaries and BPD human resources, HR training village apparatus.
4. Community capacity building.	-

Based on the table above, the village has not been optimal in developing its village due to the inability of the village to increase the empowerment and welfare of the community in the village. The Village Fund allocation has not been optimally realized in accordance with the objectives of the Program itself. In this case, among others, the application of BUMDes, Village Markets, and others is not yet implemented in accordance with *Permendagri* 113 & 114 of 2014. Therefore, it is necessary to carry out further socialization and special training for village business development so that BUMDes can be implemented to improve the welfare of the Village community.

#### 4. DISCUSSION

This research explains that the implementation of policies is the actions carried out by individuals, and groups of government and private sector, which are directed at achieving goals and objectives, which become a priority in policy decisions. In simple terms it can be said that policy implementation includes all actions that take place between the statement or formulation of the policy and the actual impact.

Accountability is the obligation of the agent to give accountability, present, report, disclose all activities and activities that are their responsibility to the participant who has the right and authority to hold this accountable.

The accountability is presented to parties who need the implementation of the program from the funds received. By providing accountability, presenting, reporting and explaining the funds issued for the program implemented, transparency is applied to the community or internal and external parties who need it. Village finances must be managed based on transparent, accountable, participatory principles as well as carried out in an orderly and disciplined manner within a period of one fiscal year.

In managing the Village Fund Allocation, the village carries out several stages:

##### 1. Planning for Village Fund Allocation Management

Planning is the initial stage in managing the Village Fund Allocation. In this planning stage, each hamlet conducts a hamlet consultation (*Musdus*) to accommodate opinions and suggestions from the community in each hamlet in the village. In addition, the village government discusses village development planning including the Village RKP (Government Work Plan) and the Village RPJM (Medium Term Development Plan). The village secretary prepares a Village Regulation Plan on Village Government Budget (APBDesa) based on the Village RKP for the current year. The village secretary submits the village regulation plan on APBDesa to the village head. The village head then submitted the Draft Village Regulation on APBDesa to the BPD (Village Consultative Body) to be discussed and agreed upon.

The *RPJM Desa* and *RKP Desa* are planned in the *APBDesa* which contains information on programs that will be carried out within one year.

2. Implementation of Village Fund Allocation Management

The implementation of the village budget has been determined prior to the occurrence of village receipt and expenditure transactions. All village revenues and expenditures in the context of exercising authority are carried out through village treasury accounts. If a village does not have banking services in its area, the regency / city government will stipulate the regulation. All village revenues and expenditures must be supported by complete and valid evidence as well as regarding the expenditure of funds for the implementation of development in Jugo village.

The implementation of development funded by the Allocation of Funds must involve the community or community organizations and be carried out in a self-managed manner using local resources or raw materials, and endeavored to absorb more labor from the village community.

3. Administration of Village Fund Allocation Management

Administration of the Village Fund Allocation management, the treasurer must record the revenue and expenditure of the village treasury and close the book at the end of every month. It is done to prevent the mistake in recording every expenditure and receipt of village cash is carried out. Every expenditure and receipt must be the treasurer responsible for the money going out and going in. Administration of cash out and in shall use general cash books, subsidiary cash books, and bank books.

4. Reporting on Village Fund Allocation Management

The reporting is done so local governments know about the implementation of *APBDesa*. The reporting is carried out in the first semester and the last semester of the year.

5. Accountability for Village Fund Allocation Management

The accountability for managing the Village Fund Allocation must be in accordance with *Permendagri* No. 113 & 114 of 2014, such as the accountability report for the realization of *APBDesa* implementation, village-owned wealth reports, and village government programs.

6. Supervision of Village Fund Allocation Management

Supervision is very necessary when implementing existing activities. It is done so there is no misuse of funds or other irregularities in the management of the Village Fund Allocation.

## 5. CONCLUSION

Based on the research result that has been carried out and stated explicitly in the results of the discussion, the final conclusions can be drawn as follows:

1. The implementation phase of village fund allocation management (ADD) in 2019 at Jugo Village has been implemented in accordance with the RKP that has been compiled based on the results of the deliberations.
2. The accountability stage of village fund allocation management (ADD) has been implemented in accordance with *Permendagri* No. 113 of 2014. The principle of accountability has been fully implemented because physical and administrative accountability has been completed and complete.

## 6. SUGGESTION

1. It is recommended for the Jugo Village government to implement or build *Bumdes* and village markets and other fields, in order to increase the source of income for the village government and village communities and reduce unemployment.
2. The implementation is good, it has been carried out well according to the applicable regulations
3. For further researchers are advised to add more informants, namely village communities in data collection through interviews to be able to assess the accountability of the village government in managing Village Fund Allocation.

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