

## **Dynamics of Financial Management of The Village in Sugian Village Sambelia District East Lombok**

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**Abstract:** This research aims to figure out how the dynamics carried out by the village government in managing the allocation of village funds (ADD) are formed both at the level of refinancing, implementation, and accountability. This research uses qualitative methods. The data in this study was obtained through observations, interviews, and documentation. The data is then analyzed by reducing it, presenting it, and drawing conclusions. As for the results of this study, it shows that the Sugian village government manages the village budget, which includes the village fund allocation (ADD), well and makes changes at every level. During the planning phase of the village government, Sugian made changes by holding the Musyawarah Plan (MUSREN) with the invitation of various parties, such as the village government, the village forestry agency (BPD), religious figures, public figures, youth, and corals. In the statement, the village government provided detailed information on the amount of funds received, the sources of the funds, and the plans for the use of those funds. As for the form of change in the implementation stage, which is to install banners and create a website that informs about the activities financed by the village fund allocation, As for changes in the level of responsibility, it is to make some reports, such as accountability letters (SPJ), receipts, payment order letters, invoices, activity reports, and photos of activities. The reports are submitted to the BPD, the PMD, and the Inspectorate.

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### **Introduction**

According to the Indonesian Great Dictionary, a village is a territorial unity with many families and their own system of government (headed by the village head), or a village is the group of houses outside the city that forms a unity (Ali, 2019; Touwe, 2020; Setiawan, 2022).

In carrying out the functions of the government of the village, the village apparatus is faced with a rather heavy task, given that the village is an entity directly dealing with the people. At this time, the role of the village government is essential to supporting all forms of development activities. Various forms of social change planned under the name of development were introduced and implemented through the village government (Manurung, 2018; Bachtiar, 2019; Jaya, 2020). In order to be able to perform its role effectively and efficiently, the village

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government needs to be continuously developed in accordance with the progress of the village community and its surrounding environment. The changes that are taking place in the village community are due to the movement of village development and must be balanced with the development of the capacity of the village government. Thus, the village and its communities are not only limited as the objects of development but also position themselves as actors in it. In connection with this, the development of insights and knowledge for the organizers of the government of the village is an activity that must be a top priority. (Korten, 1980; Green, 2013; Andi, 2017; Li, Y., 2019).

In article 72 paragraph 1 of the Act No. 6 Year 2014, the village has several sources of income, among them the Municipal Real Income (PAD), Budgetary Allocation of State Income and Purchases (APBN), part of the local tax revenue and remuneration of the district or city district, the allocation of the village fund, financial assistance from the provincial income and expenditure budget, the estimated income and spending of the district or city, grants and contributions, as well as other legitimate village income.

The allocations of the Village Fund (ADD) are regulated in Government Regulations (PP) No. 47 Year 2015 Article 96 Paragraphs 1 and 2 as the implementation of the Act on the Village, which reads as follows: (1) The district government of the district or city allocates in the Regional Revenue and Shopping Budget (APBD) for the allocation of the village fund each year of the budget. (2) The allocations for the village fund as referred to in paragraph 1 allocate at least 10% of the balance funds received by the districts and cities in the regional income and expenditure budget after the special allocation funds are deducted.

The allocation of the village fund is channeled by the district government through the village cash. Planning and implementation of the village fund allocation (ADD) activities should show accountable and transparent management.

In relation to the management of the village's finances, the transparency concerned must meet several elements, namely, openness, open in the sense of public access, and stakeholders participating in the planning, preparation, and implementation phases of the village financial budget. In addition, the public can easily obtain information that is comprehensive, easy, and inexpensive for the entire village government, regardless of the social and economic status of the village's financial situation. It means that from planning and implementation to accountability management, the allocation of village funds must be done in an accountable and transparent manner to avoid the risk of deviations, misconduct, and corruption.

Dynamics is something that contains the meaning of force, always moving and developing, and being able to adapt adequately to circumstances (Permana, 2014; Armawi, A. 2020). Dynamics is the interaction between people and groups, so it can be concluded that the relationship between management and dynamics is a process carried out by an organization (the village government and society) between them.

The village financial management showed that the village financial management successfully revealed aspects of management in general that have been in accordance with the provisions of Permendagri No. 133 of 2014 and adhere to the basic principles of financial management. (Meutia & Liana 2017). The implementation of the village fund policy has a real and positive impact on the management of village finances and the effectiveness of village development programs. (2017). The financial management of the village funds implemented by the village government has been in accordance with the laws and regulations in force. With the

transparency carried out by the village government using digital information media, there is information spread through the heads of RT and Dusun, and there are also information boards placed in the village office. Although the management of the village funds carried out by the village government is very good, the understanding of the village fund policy among the villagers is still low (Ismail, 2016; Azlina, 2017; Sulastri, 2016; Miftahuddin, 2018; Permatasari, 2021).

Sugian district of Sambelia has become one of the villages with the acceptance of the village budget, which can be said to be quite large: the village fund (DD) of Rp. 1.272.989.000.00 and the allocation of the village fund (ADD) of Rp. 559.937.420.00 (Budget Source of the Income and Purchases of the Municipality (APBDes) Government of the Villages of Sugians and Sambelia district in the Budget Year 2022). The size of village funds received by the village each year requires the village government to manage its finances accountably and transparently so as to be free from abuse.

Based on the results of the initial observations and information obtained from the community, the management of the allocation of village funds in the village of Sugian still faces many problems, both at the stages of planning, implementation, and financial accountability. At the planning stage, the use of rural fund allocation is more prone to the program that will be made by the village chief, so that in the discussion of the plan of development with the people who are present, the impact is limited to what they hear. While the results of the discussion of the village fund allocation plan are not informed to the general public, many of the people do not even know that the village gets large fund assistance from the local government through the APBD. Such implications for the participation of the community tend to make them apathetic to the activities carried out by the manager of the village fund allocation (ADD).

## **Research Method**

This research aims to figure out how the dynamics carried out by the village government in managing the allocation of village funds (ADD) are formed both at the level of refinancing, implementation, and accountability. The research is located in the village of Sugian in the Sambelia Kabupaen district of East Lombok. The type of research used in this study is qualitative research with descriptive methods. According to Sugiono (2011), qualitative research is research based on the philosophy of positivism, used to investigate the conditions of natural objects (as its opponent is experiment), where the researcher is a key instrument, data collection techniques are triangulated (combined), data analysis is inductive or qualitative, and the results of qualitative research emphasize more meaning than generalization. This research is obtained through observations, interviews, and documentation. Observation is the process of collecting information openly and directly through observation of data collection. In the observation process, the researcher can engage directly with an object of observation known as participatory observation, and not directly with an object known as non-participative observation. In this case, the researchers perform observations directly at the research site in the village of Sugian, district of Sambelia, and are supported by journals as well as books that become references related to the research. Interviews are used as data collection techniques when researchers want to undertake preliminary studies to find out the issues they have been investigating and also when they want to know things from more in-depth

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respondents and the number of respondents is small. (Sugiyono, 2018). According to Sugiyono (2019), the document is a record of past events. Documents can be in the form of an inscription, a picture, or a monumental work by someone. As for the form of documentation in this research, the profile of the village, the village financial report in the APBDesa, and so on The data obtained is then analyzed by reducing it, presenting it, and drawing conclusions.

## Result and Discussion

Based on the results of interviews that have been conducted by researchers with several sources, researchers have obtained some things related to the dynamics of the financial management of the village in the village of Sugian Kecamatan Sambelia district of East Lombok. As for the results obtained, they are as follows:

### 1. The Dynamics of Management of Village Fund Allocation at the Planning Stage in the Sugian Village

The dynamics are part of the overall occurrence of changes in the maintenance of village governance along with the evolution of the ages over time. The Sugian village government continues to pursue and ensure dynamics in all its activities, especially in managing the village budget, which includes the allocation of village funds.

In 2022, the village of Sugian received an allocation of Rp. 559,937,420 from the village fund. The amount of receipt of the Village Fund allocation Each year varies depending on the village's needs; the acceptance of the fund allocation and the village that is obtained is also influenced by the large amount of use of village fund allocations in the previous year.

**Table 1. Acceptance of Rural Fund Allocation 2019-2022**

No	Year	Amount of Village Fund Allocation (ADD)
1	2019	Rp. 536.680.000
2	2020	Rp. 560.093.509
3	2021	Rp. 600.761.963
4	2022	Rp. 559.937.420

Source: Sugian Village Revenue Budget

The procedure for liquidating the allocation of village funds is divided into four stages: wages are automatically sent to the village account each month, then the remainder of the proposed salary is sent as many as four times to the fixed area using a submission or a previous stage usage report. For example, if stage 2 wants to be liquidated, it has to report stage 1 and the application to the district, and after the district gives new approval, it sends it to the village account, as well as stage 3 and stage 4. The dynamic form of the financial management of the village fund allocation (ADD) is one of them by holding a plan discussion. (MUSREN). As for the use of allocations and villages in the Sugian village, the focus is only on the maintenance of the village government and the welfare of the villages. Musren is usually done in July or August of the running year, and its application will be done next year. The event was attended by various parties, including the village chief, village secretary, village treasurer, BPD, religious figures, youth community figures, and Coral Taruna. As for the things that are discussed in this Musren, these are the plans for programs that could be implemented. Musren also presented the amount of the budget received by the village government and where the

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allocation of funds for the village will be distributed. In the Musren, the village government is also very open to the various suggestions of all who are present in the Musren. There is no difference in treatment between all Musren members; all have the same right to express their opinions. After the meeting, the results will be prepared in the form of a document called RKPDes (Plan of Work of the Governor of the Village) and thrown into the PERDES (Regulations of the Village) on the Village Purchasing Revenue Budget, which contains the organization of the government.

## **2. The Dynamics of Management of Village Fund Allocation at the Implementation Stage in Sugian Village**

Once planned, the agreed program in MUSREN will be implemented. The procedures for the implementation of the agreed program follow the same course. Before it is executed, it is first made by the Lord, then handed over to the Secretary for inspection, and subsequently delivered to the head of the village for signature. After that, it will be submitted to the village treasury for liquidation, and then the proposed program will be implemented.

As for the implementation of the village government program, only as a supervisor who oversees the course of the program, because there is already an implementing team that will carry out each of the activities,

## **3. The Dynamics of the Management of the Allocation of Village Funds at the Level of Responsibility in the Sugian Village**

Once it's planned and implemented, the final stage is the level of accountability. As for the form of dynamics at the level of accountability, that is, the Sugian village government has to make a report on budget management responsibility, which is usually in November or December. As for the types of reports prepared, such as Reports of Liability Letter (SPJ), Quitansi, Payment Order Letter, invoices, reports of activities, and photos of activities, These reports will be subsequently submitted to the Public Empowerment Service of the Village (PMD) for submission to the Governorate, the Inspectorate, and the Municipal Authority (BPD) as representatives of the community. The Sugian Village Government has introduced changes to the principle of transparency at the level of its responsibility, in addition to making reports by serving well if there is a public who asks, and also providing ease of access for the public who need the report for a purpose with a record that must be clear about the purpose of its use and permission letters, because basically this document is confidential.

## **Conclusion**

During the planning phase of the village government, Sugian implemented the changes with the principles of transparency by holding a plan meeting (MUSREN), which was held in July or August of the year and attended by various parties, including the Head of the Village, the Secretary of the Town, the Village Treasury, the Department of Rural Development (BPD), religious figures, figures of the community, youth, and charade. In the discussion, we discussed the budget received by the village as well as the management plan of the fund for the next year. In the implementation phase of the village government, Sugian implemented the change by making Baliho, which is displayed in front of the village office. The bill contains the amount of funds received by the government of the village as well as its sources of funding. In addition to

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the bill, the government also creates a website and puts on a board of activities for each activity that includes the accountability and implementation of activities, the details of the funds used, and the sources of its funds. The level of accountability and the form of its change are achieved by making accountable reports on the management of the funds. As for some types of reports that must be prepared, such as accountability reports (SPJ), receipts, payment orders, invoices, activity reports, and photos of activities, The reports will then be submitted to the Village Community Enrichment Service (PMD) to be passed on to Bupati, the Inspectorate, and the Village Public Information Authority.

### Recommendation

1) To the village government, The Sugian village government is expected to re-publish everything related to the government so that people can easily access and know how the village government organizes its governance. 2) To the community, The people of Sugian village are expected to be more participatory in the implementation of the existing programs by participating in monitoring the course of the programs run by the village government. 3) For researchers in related fields, For researchers who want to study the same problem, it is expected to complement what is lacking in this study.

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