Village Financial Management Model in Jayapura City, Papua Province

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ABSTRACT
This study will also provide a description and contribution of thought by formulating a village financial management model, as well as an alternative reference for solving problems faced by village governments in making decisions, formulating and establishing policies, preparing skilled and competent human resources as the main driver in increasing empowerment and participation of village communities. The method used is a qualitative approach, data is obtained from observation, interviews and documentation. The results of the study show that village financial management in the Jayapura City government area still faces a number of obstacles, such as problems with apparatus resource capacity, internet networks, including the lack of evaluation at the village level. Nevertheless, village financial management in Jayapura City is supported by traditional leadership (ondoafi). The results of this study also formulate an effective village financial management model, of course based on village fund management issues or problems which are then provided with solutions.
INTRODUCTION

The lowest government institution in the government system of the Unitary State of the Republic of Indonesia is called village government. The term village in the Papuan context is called village [Kampung] (Yumame et al., 2020), because it has a very strategic role, the government then issued the policy Law Number 6 of 2014 concerning Villages (Karetji et al., 2023). The birth of this regulation provides freedom for villages to carry out "local self-government" or full authority in managing their own households (Septiani, 2021). This authority is also commonly referred to as village autonomy. In order to carry out effective village autonomy, of course, adequate capacity of village officials is required (Karetji et al., 2023).

Village government in the Jayapura City government area is inseparable and is formally regulated in accordance with Law Number 6 of 2014 concerning Villages. In this law, a village can be defined as "a traditional village or what is referred to by another name, hereinafter referred to as a village, is a legal community unit that has territorial boundaries and has the authority to regulate and manage government affairs, the interests of local communities based on community initiatives, rights of origin, and/ or traditional rights that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia” (jdih.kemenkeu.go.id, in Ilham et al., 2020).

Villages are a form of local government that was formed from indigenous communities that existed before the founding of the Republic of Indonesia. Local government consists of a system of values and government institutions that grow and develop and are passed down from generation to generation. After Indonesia's independence, villages became an element of formal government in the decentralized system (Kusnadi, 2015). Government at the village level requires a government management model with various approaches that must be in accordance with socio-cultural conditions, including local customs recognized by the government. As long as civilization exists, village entities will continue to develop dynamically, rationally and realistically.

Furthermore, village income itself can be interpreted as all money received into the village account, where this income is the village's right in one budget year and does not need to be repaid. The village income is grouped based on type. In Law Number 6 of 2014, it is stated that sources of village income include: (1) original village income, such as; business results, asset results, self-help and participation, mutual cooperation, and other regional original income; (2) allocation of state revenue and expenditure budget; (3) part of the proceeds from regional taxes and city levies; (4) Allocation of village funds which are part of the balancing funds received by the district/city; (5) Financial assistance from the Provincial Regional Revenue and Expenditure Budget; (6) Non-binding grants and donations from third parties; and (7) Other legitimate village income. The 3 (three) main sources of village development in Jayapura City consist of Village Funds, Village Fund Allocations and Tax Revenue Sharing Allocations (Luluporo et al., 2023). In Jayapura City itself
there are 14 (fourteen) villages, where the management of village funds still faces a number of problems.

Several weaknesses relate to village financial governance in Jayapura City, such as at the planning stage, inadequate availability of management policy/administrative documents. The human resource capacity of village staff and officials is low, the cause is a lack of assistance. Likewise, the process of procuring goods and services is still found not to be in accordance with existing regulations in Jayapura City. Furthermore, the advice, supervision and control functions of related agencies are still lacking. The boundaries of authority and coordination between village officials and the Village Consultative Body and assistants assigned by the province are also still unclear (Nurhadi, 2019). Referring to Ramah (2023) it is said that in implementation village fund management There are several problems, including inappropriate or unclear use of village funds, fictitious procurement, and not making reports.

The issue of village financial management in Jayapura City was also highlighted in the study by Matani & Hutajulu (2020), according to which there were delays and low distribution of village funds from districts/cities to villages. In terms of the use of village funds, there is still use of village funds outside of priority use, construction work is carried out entirely by third parties, procurement results cannot be used/utilized, expenditure of village funds is not supported by adequate evidence, and excess calculations of the volume of the Cost Budget Plan, excess payment, collection and deposit of taxes are not appropriate, funds are not deposited in the Village Cash Account, and expenditures are outside the Village Revenue and Expenditure Budget.

Starting from the existing problems, it is important to carry out research regarding village financial management in Jayapura City. This study will formulate a village financial management model that can be applied according to the conditions of villages in the Jayapura City area. This study will provide a description and contribution of thought, as well as an alternative reference for solving problems faced by the village government in making decisions, formulating and establishing policies, preparing skilled and competent human resources as the main driver in increasing the empowerment and participation the people of Village. The results of this research are also expected to serve as input and reference for research of a similar or broader nature.

THEORITICAL REVIEW

Management Concept

Management is a process that provides oversight of all matters involved in implementing policies and achieving goals. In general, management is the activity of changing something so that it becomes better and has higher values than before. Management can also be interpreted as doing something to make it more appropriate and suited to needs so that it is more useful (Rusitayanti, 2021). In English Management, "Management" means: management, leadership, control, administration, management, administration and steering (Rahum, 2015).
According to GR Terry (in Hasibuan 2005: 3) says that management is a unique process consisting of planning, organizing, directing and controlling actions carried out to determine and achieve predetermined targets through the use of human resources and resources. Other resources. In Dethan's opinion, in Wambrauw (2023) management is a series of activities or tasks starting from planning, organizing, directing and controlling or supervising by utilizing existing potential to achieve certain goals.

**Village Finance**

In the provisions of Law Number 6 of 2014 concerning Villages, it is stated that: "Village finances are all Village rights and obligations that can be valued in money as well as everything in the form of money and goods related to the implementation of Village rights and obligations." (Law Number 6/2014, Article 1 paragraph (10)). Village finances come from the village's original income, the Regional Revenue and Expenditure Budget and the State Revenue and Expenditure Budget. The implementation of village government affairs which fall under the authority of the village is funded from the Village Revenue and Expenditure Budget, central government assistance and regional government assistance. The implementation of regional government affairs carried out by the village government is funded from the Regional Revenue and Expenditure Budget. Meanwhile, the implementation of central government affairs carried out by village governments is funded by the State Revenue and Expenditure Budget.

**Village Financial Management**

Village financial management is a consequence of village autonomy (Abidin, 2015). Minister of Home Affairs Regulation Number 113 of 2014 states that village financial management is all activities which include planning, implementation, administration, reporting and accountability of village finances. Referring to Indrianasari (2017), village financial management is a series of integrated and integrated cycles between one stage and another. Furthermore, according to Rivan & Maksum (2019) village financial management is a combination of activity components starting from planning, implementation, reporting and financial accountability. From this process, there are rules that must be observed and implemented as well as time limits that have been set.

Quoting Malahika (2018) Village financial management is a form of stage or process in managing village finances which consists of 4 stages, namely planning, implementation, administration and reporting of village finances. Planning is the stage of formulating programs/activities that will be implemented in the village concerned. The village government carries out planning for village development in accordance with its authority. Implementation of village finance is an activity from an existing planning process and then carried out step by step in the village development process. To achieve the target, implementation must be carried out well. Village financial administration is an activity at this stage of the administration process in the village development process and reports must be carried out well. In this stage,
all activities that have been carried out are grouped and arranged properly for reporting. The village financial reporting in question is the final stage of the form of village financial management. After all processes have been completed, they will be prepared in the form of a financial report and then reported to the parties concerned.

**METHODOLOGY**

The existence of the method used is a necessity in carrying out a research activity (Sapioper et al., 2022). Therefore, this research uses a qualitative approach. Moleong, in Sapioper & Flasy (2021) synthesizes from various definitions of qualitative research that qualitative research is research that intends to understand phenomena about what is experienced by research subjects, for example behavior, perceptions, motivations, actions, holistically and by means of descriptions in the form words and language, in a special natural context and by utilizing various natural methods. Data was obtained from observations, interviews and documentation. To support the research data, a literature study was also carried out. In the data analysis process, it is carried out through three stages of activities; data reduction, data presentation, and drawing conclusions. To draw final conclusions, verification is first carried out as a form of the researcher's thinking framework and with existing data until consensus is reached at an optimal level between the researcher and the information source and with the research team so that validity and accuracy can be obtained (Miles & Huberman, in Ilham, 2020).

**RESULTS AND DISCUSSION**

The research findings compiled in this paper are an analysis of the findings from the results of field research and library research, especially those related to village financial management and factor supporting and inhibiting factors as well as models that suit the conditions of the village community.

**Village Financial Management Must Be in Accordance with the Law.**

Management of village funds in Jayapura City based on research conducted by researchers, it is actually in accordance with statutory regulations, namely Law Number 6 of 2014 concerning Villages, which contains five things, (1). Planning, (2). Determination, (3). Village deliberation, (4) Implementation, (5) Accountability Reporting.

**Supporting and Inhibiting Factors for Village Financial Management in Jayapura City**

**Supporting factors are:**

1) Availability of Human Resources for Village Government Apparatus. Most of the apparatus can already apply the use of information technology devices. Apart from this, the supporting factor in managing village development is the existing village apparatus classified young and productive, synergistic bureaucratic conditions in making reports such as Accountability Letters whether carried out by the village head,
village secretary, treasurer or other staff using information technology can also be done even though it still requires a little help and guidance.

2) The Indigenous Papuans in Jayapura City are known as the Numbay people, who are spread across 14 (fourteen) villages, namely Tahima Soroma, Kayo Batu, Tobati, Enggros, Nafri, Skouw Sae, Skouw Mabo, Skouw Yambe, Mosso, and Yoka, and has a traditional government structure that is still firmly adhered to. In the traditional government system, the Port Numbay indigenous community is led by an ondoafi and his apparatus. In this system what is put forward is deliberation to reach consensus, and the practice of ondoafi reflected that the democratic system is already part of the life practices of indigenous communities in Port Numbay (Junaedy, 2016).

3) The Jayapura city government area has its own uniqueness in that of the 14 (fourteen) villages, 9 (nine) villages consist of indigenous people who have Ondoafi leadership other than the head village as that set government (formal government). With this uniqueness, the management of village funds involves the tribal chief, because the tribal chief has a strong influence in regulating community attitudes, so that the domain of community development and empowerment in the distribution of village funds can be realized as it should be.

4) The Jayapura City Government stipulates Mayor Regulations, namely Regulations Mayor Number 6 of 2018 concerning the income of village leadership elements to support the implementation of Village Fund management, where apart from the village head and village officials, salaries and allowances are also given for ondoafi and tribal heads, who are set as chairman of the Village Consultative Body. This is considered considering that the Ondoafi/tribal chief has a large influence in society, which is possible push community to participate.

Inhibiting factors are:

1) Human resources for village government officials in the Jayapura City area are still low beside still lack skills in operating computer equipment, the ability to understand financial processes, and ability in matters creativity in implementing development programs.

2) Insufficient and ineffective role of village assistants.

3) The village government has implemented the Village Financial System application well so that it can help and make it easier to input and make financial reports in every village in the Jayapura City area, but it is hampered by internet network disruptions.

4) An evaluation of village fund management has not yet been carried out. Evaluation of village fund management is usually carried out at the district and sub-district levels with the city government and related Regional Apparatus Organizations, sub-districts and villages. Evaluation at the village level is not carried out.
Village Financial Management Model in the Jayapura City Area

The Ministry of Villages, Development of Disadvantaged Regions and Transmigration of the Republic of Indonesia, in a study of village development in several regions in Indonesia (including Papua Province), identified an effective village fund management model according to the Center for Data and Information on Village Development, Disadvantaged Regions and Transmigration Policy Development (2018) there are several aspects of effective village [Kampung] fund management as follows:

1) The capacity of the village fund management or implementing team, namely: Financial administration capacity, which is demonstrated by the manager's ability to absorb, implement and take administrative and financial responsibility for the implementation of village fund projects, and technical capacity for implementing activities, namely the manager's ability in projects from the development sector villages and the field of community empowerment.

2) Community participation takes the form of active involvement in planning and implementing activities so that they are in line with community needs and the benefits are felt more widely. Community participation is seen from two categories of characteristics its institutions, namely: Formal community institutions that are accommodated in the village government structure. And non-formal and informal community institutions (customary/tradition institutions, poor community groups, women, arts, and the like).

3) The geographical and topographical location of the village is part of the successful implementation of activities to use village funds. There are two types of village locations, namely: Villages located on main roads and with flat natural contours tend to make it easier to carry out village fund activities. This position also tends to be equipped with a range of telephone, internet and electricity availability. And villages that are located far from main roads and with hilly natural contours tend to be cited as obstacles to implementing village fund activities. The position of this village also tends to be unreachable by telephone, internet and electricity networks.

4) Effective assistance by village fund assistants to village fund managers so that all regulations/procedures/manuals/and various procedures for managing village funds are understood and can be implemented, both from a technical-substance and administrative-financial perspective. There are two types of assistance that work for village funds, namely: functional assistance (Village Assistance, Village Local Assistance, Regency/City Experts) and structural assistance (Village Community Empowerment Service/Head of Village Community Empowerment Section).

5) The leadership of the village head or local leadership is part of the determining factor in the direction of village fund management. Various potentials in the village can quickly develop and various obstacles can be facilitated to become drivers, as well as opportunities and obstacles.
external can facilitate the implementation of village funds by the village head whose interests are oriented towards the interests of the village community.

An effective village fund management model is of course based on village fund management issues or problems which are then provided with solutions. The solutions that have been put forward previously are used as a formula for creating an effective village fund management model. Based on the results of identifying village fund management problems, the researchers formulated a related model to create effective and efficient village financial management.

1) Village financial management must comply with the law. Management of village funds in Jayapura City based on research conducted by researchers, it is actually in accordance with statutory regulations, namely Law Number 6 of 2014 concerning Villages, which contains five things, (1) Planning, (2) Determination (3) Village deliberation, (4) Implementation, (5) Therefore, the management of Village Funds in accordance with this Law must be implemented and continued.

2) The capabilities of officials as managers or executors of village finances, namely: Financial administration capacity, which is demonstrated by the manager's ability to absorb, implement and be accountable for administration and finance for the implementation of village fund projects, and technical ability to implement activities, namely the ability of managers in projects from the development sector, villages and the field of community empowerment.

3) Community participation takes the form of active involvement in planning and implementing activities so that they are in line with community needs and the benefits are felt more widely. Community
participation is seen from two categories of characteristics institutions, namely: Formal community institutions that are accommodated in the village government structure. And non-formal and informal community institutions (customary/tradition institutions, poor community groups, women, arts, and the like). It is hoped that the community can participate in planning, implementation and supervision.

4) Effective assistance by village fund assistants to village fund managers so that all regulations/procedures/manuals/and various procedures for managing village funds are understood and can be implemented, both from a technical-substance and administrative-financial perspective. There are two types of assistance that work for village funds, namely: functional assistance (Village Assistance, Village Local Assistance, Regency/City Experts) and structural assistance (Related Services).

5) The leadership of the village head or local leadership is part of the determining factor in the direction of village fund management. Various potentials in the village can quickly develop and various obstacles can be facilitated to become drivers, as well as opportunities and obstacles external can facilitate the implementation of village funds by the village head whose interests are oriented towards the interests of the village community.

6) Establishment of Ondoafi or Tribal Chief as Chair of the Village Deliberation Body. The existence of Ondoafi/Tribal Chief can be seen from every decision making and conflict resolution as well as participation in implementing development in the area under his control. The power of Ondoafi/Tribal Chief has existed since ancient times, this can be reflected in the sources of power possessed by Ondoafi/Tribal Chief. Formal government cannot be separated from non-formal government, in this case Ondoafi/Tribal Chief. where every policy decision issued must involve the Ondoafi/Tribal Chief. There are many problems that cannot be resolved by the formal government regarding issues of community empowerment and development, so formal leaders involve Ondoafi/Tribal Chiefs, as working partners. The existence of Ondoafi/Tribal Chief as a formal leadership partner is a form of recognition that the role of informal leadership still exists and is a result of findings in the field. So the recommendation that the author gives is that recognition of the existence of the Ondoafi/Tribal Chief must be made explicit in a regulation and always involved in decision making related to policies relating to development, at location leadership so as to achieve goals that have been determined jointly by formal and informal leadership.
CONCLUSIONS AND RECOMMENDATIONS

The Village Fund management process in the Jayapura City Government Area is influenced by several things which can be both inhibiting and supporting factors. Inhibiting factors are the lack of competent and qualified Village Government Apparatus Human Resources, the inadequate and ineffective role of village assistants. The implementation of the Village Financial System application is still hampered by internet network disruptions, and an evaluation of village fund management at the village level has not been carried out. The supporting factor is that the Indigenous Papuans in Jayapura City, known as the Numbay people, have a traditional government structure that is still firmly adhered to. In this system what is prioritized is deliberation to reach a consensus, and from the practice of ondoafi it is reflected that the democratic system is already part of the practice of traditional community life in Port Numbay. In the Jayapura city government area it has its own uniqueness where out of a total of 14 (fourteen) villages, as many as 9 (Nine) villages consist of indigenous people who have ondoafi leadership other than the village head as determined by the government (formal government). With this uniqueness, the management of village funds involves the tribal chief, because the tribal chief has a strong influence in regulating community attitudes, so that the domain of development and community empowerment in the distribution of village funds can be realized as it should be, and the Jayapura City Government has established a Mayor’s Regulation.

Village financial management model: Village financial management must be in accordance with the law. The capacity of officials as managers or executors of village finances, namely: financial administration capacity and technical ability to implement activities. Community participation is seen from two categories of institutional characteristics, namely: Community institutions which are formal institutions that are accommodated in the village government structure, and community institutions that are non-formal and informal (customary/tradition institutions, poor community groups, women, arts, and the like). Furthermore, effective assistance by village fund assistants to village fund managers, the leadership of the village head or local leadership is part of the determining factor in the direction of village fund management, and the appointment of ondoafi or Tribal Head as Chair of the Village Deliberative Body.

As a recommendation, the Jayapura City Government, especially the Village Community Empowerment Service, is expected to be able to improve the quality of Human Resources for Village Government Apparatus, the community and the Village Consultative Body are expected to have an active role, and intensify the role of related agencies in assisting in the preparation of work programs through mentoring methods. or assistance, other than supervision.
FURTHER STUDY

This research was only carried out in 14 (fourteen) villages in the Jayapura City government area, so in the future it is hoped that similar research will be carried out in other areas (other regency/cities), especially in Papua Province.

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