



Accountability Analysis of Village Fund Allocation Management (ADD) Based on Minister of Home Affairs Regulation No. 20 of 2018 in Kalasey One Village, Mandolang District

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ABSTRACT

The purpose of this study is to evaluate the level of accountability in managing the village fund allocation in Kalasey Satu Village, Mandolang District, starting from the stages of planning, implementation, administration, reporting, and accountability. This study in Kalasey Satu Village employed descriptive qualitative research methods. The data utilized in this study is derived from the Village Revenue and Expenditure Budget. The findings indicate that the management of the village fund allocation in Kalasey Satu Village, Mandolang District demonstrates a high level of accountability across the stages of planning, implementation, administration, reporting, and accountability.

INTRODUCTION

Villages are the lowest government units in Indonesia which have very strategic roles, functions and contributions. This is due to the fact that the majority of Indonesia's population lives in villages, and many social problems can only be resolved at the village level. Therefore, state and bureaucratic attention to villages is very important. The village is a relevant and significant unit in assessing the welfare, justice and dignity of a nation, because the conditions and development in the village reflect the overall condition of the nation (Wahyuddin, 2016: 143).

Villages, as legal entities, possess defined territorial boundaries and have the authority to govern and manage governmental affairs, as well as address the interests of local communities. This authority is based on community initiatives, original rights, and traditional customs that are acknowledged and respected within the governmental system of the Republic of Indonesia (Law No. 6 2014 About Villages).

In accordance with Minister of Home Affairs Regulation No. 20 of 2018 regarding Village Financial Management, village income sources consist of original village income, funds received through village accounts, and other forms of revenue. Village fund allocation is a crucial source of income intended to enhance the quality of village development, as well as to support government services and community empowerment.

According to Government Regulation No. 43 of 2014, Village Fund Allocation is a balancing fund from the APBD, with a minimum allocation of 10% after deducting the Special Allocation Fund (DAK), which is distributed to the Village Cash Account (RKD). The distribution process involves transparent and accountable stages of planning, implementation, reporting, and accountability, as outlined in Minister of Home Affairs Regulation No. 20 of 2018. Accountability in managing these funds requires transparent communication of financial information and village government activities to the community, ensuring high-quality governance and fulfilling the mandate given by both vertical and horizontal authorities.

The level of accountability in managing the Village Fund Allocation (ADD) encompasses the stages of planning, implementation, and accountability. Accountability represents the government's effort to enhance governance by adhering to the principles of good governance, which include solid, responsible, efficient, and effective administration.

Kalasey Satu Village in Minahasa Regency receives village funds every year, but village financial management and reporting still faces accountability challenges. Even though the funds received are quite large and require a high level of accountability, the principle of accountability in managing Village Fund Allocations is not well organized because the funds received vary every year, depending on the decisions of the President and Minister.

Minister of Home Affairs Regulation no. 20 of 2018 states that the principle of accountability must be carried out in an orderly manner and with budget discipline. Therefore, implementing good governance must be the main goal for presenting accountable financial reports. Based on the problems that have been described, the researcher is interested in carrying out research entitled "**Analysis of Accountability of Village Fund Allocation Management (Add) Based on Permendagri No. 20 of 2018 in Kalasey Village One Mandolang District**"

LITERATURE REVIEW

Accountancy

Accounting is an information system used to record, summarize, analyze and report data related to financial transactions, with the aim of producing relevant information for interested parties. The accounting process includes identifying, recording and interpreting an organization's economic events to be conveyed to information users (Priharto, 2020) (Bitar, 2020).

Government Accounting

The main objective of Government Accounting is to ensure transparency and accountability in the use of public funds and to help ensure that government resources are used effectively and efficiently. Government accounting can be defined as an activity providing services to provide government financial information based on the process of recording, summarizing government financial transactions and interpreting financial information (Nurmalia et al., 2017).

Accountability

According to Rusdiana and Nasihudin (2018), accountability is the obligation of an individual or group entrusted with specific tasks to report back to the party that assigned the mandate, both vertically and horizontally. Accountability reflects the duty of a person or organizational unit to oversee and manage processes from start to finish to achieve the predetermined goals, using periodic accountability mechanisms as a means of reporting.

Village

A village is defined as a legal community entity with established territorial boundaries, possessing the authority to govern and manage governmental affairs and local community interests. This authority is based on community initiatives, original rights, and traditional rights, which are recognized and respected within the governmental framework of the Unitary State of the Republic of Indonesia (Minister of Home Affairs Regulation No. 20 of 2018).

Village Government

The Village Government refers to the administration of governmental affairs and the interests of local communities within the framework of the Unitary State of the Republic of Indonesia (Minister of Home Affairs Regulation No. 20 of 2018). The Village Government is led by the Village Head, or by another designated title, supported by village officials who serve as the administrative body of the Village Government.

Village Fund Allocation

Based on Republic of Indonesia Government Regulation No. 43 of 2014, Village Fund Allocations are balancing funds allocated to districts/cities from the Regional Revenue and Expenditure Budget (APBD), with a minimum allocation of 10% after deducting Special Allocation Funds (DAK). These funds are then distributed to the Village Cash Account (RKD). As explained in Minahasa Regent Regulation No. 06 of 2022 concerning Village Fund Allocation, the Village Fund Allocation (ADD) is designated to finance village government administration, village development, community development, and community empowerment, as well as unexpected expenses for disaster management, emergencies, and urgent situations within the village.

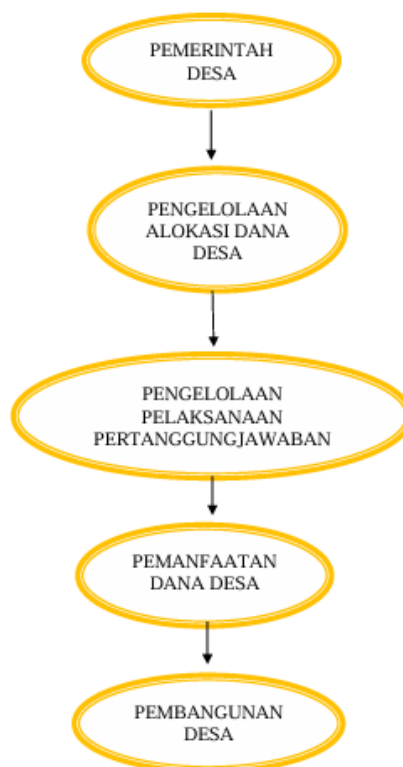


Figure 1. Conceptual Framework

METHODOLOGY

Research Approach

This research adopts a qualitative descriptive approach. According to Sugiyono (2018), qualitative research methods are grounded in philosophical inquiry and are used to study scientific conditions where the researcher serves as the primary instrument. The techniques for data collection and analysis in this approach emphasize the interpretation of meaning.

Place and Time of Research

The place used in the research is the Tua Law Office in Kalasey Satu Village, Mandolang District with the research time being June-July 2024.

Data Type

The study utilizes both qualitative and quantitative data. Qualitative data consists of information presented in oral or written form, obtained through interviews and documentation related to the research subject. Quantitative data, on the other hand, is numerical and pertains to the accountability report for the village fund allocation in Kalasey Satu Village.

Data Source

The data sources for this research are primary and secondary data. Primary data refers to information directly provided to the data collector, as described by Sugiyono (2018). This data is gathered by the researcher directly from the original source or the location where the research is conducted. Secondary data, however, consists of information obtained from pre-existing sources, such as books or documents.

Method of Collecting Data

The methods of data collection used in this research include interviews and documentation. An interview is a method aimed at obtaining verbal information from informants. Researchers use interviews to explore in-depth information from informants, while documentation is a method employed to gather data and information from books, archives, documents, written records, and images, which can support the research (Sugiyono, 2018).

Data Analysis Methods

The data analysis method used in this research is descriptive with qualitative research. This analytical method is to discuss a problem in detail by describing and describing a situation accurately so that conclusions can be drawn.

Data Analysis Process

The data analysis process involves four steps: data collection, data analysis, discussion, and conclusion drawing. Data collection involves gathering information from the field to address the research questions. Data analysis is a systematic process of describing, interpreting, and processing the data to derive conclusions. The discussion presents the analysis of research findings, addressing the research questions, and this leads to the final conclusions of the study.

RESULT

General Description of Research Objects

The Kalasey Satu Village Government is located in Mandolang District, Minahasa Regency. Since 2022, the position of Village Head has been held by Mrs. Lelly Tonggari, with Mr. Julianto Johanis Damo serving as Secretary, and Sister Eliska Laura Dolongtelide as Head of Finance. According to Minister of Home Affairs Regulation No. 20 of 2018, the Village Government is responsible for administering government affairs and addressing the interests of local communities. To achieve good village governance, community institutions play a significant role in supporting the functions of village administration, implementing village development, fostering community growth, and empowering local residents.

Planning Stage

In an interview with Mrs. Lelly Tonggari, the Village Head of Kalasey Satu, it was revealed that the financial planning stage for the village, particularly the allocation of village funds, begins with a guard meeting led by the head of the guard and maweteng once a year, typically in the middle of the year. The outcomes of this meeting are then presented at a village assembly. Mr. Julianto Johanis Damo, the Village Secretary, added that all community proposals are incorporated into the RPJMDes, and after deliberations, an RKP is prepared to determine which programs will be funded, as villages cannot undertake development without planning documents.

Implementation Stage

Accountable financial administration is crucial in managing the village fund allocation in Kalasey Satu Village. The village complies with government policies by maintaining its own village cash account and utilizing the Siskeudes application for non-cash transactions. This system facilitates the recording and verification of transactions by the authorities. During the budget implementation, the Village Head assigns the Kaur and Kasi to prepare a Budget Implementation Document (DPA), which includes activity plans and the village budget. Activities in the village are carried out in accordance with the DPA, and each Payment Request Letter (SPP) is verified by the Village Secretary before the Treasurer makes payments. However, challenges arise in the realization of village fund allocations, as the funds received do not always suffice to meet the community's proposed priorities, which must align with provincial and district policies. Consequently, some development proposals cannot be fully funded.

Administration Stage

The administration of village finances in Kalasey Satu Village encompasses all financial activities, including receipts, expenditures, and accountability reporting. The village treasurer, under the Head of Finance, is responsible for receiving, storing, disbursing, recording, and accounting for village funds. The Village Head holds the highest authority in financial management, with support from the Village Financial Management Officer (PPKD). The treasurer is required to close the books and prepare an accountability report monthly. The administration process starts with the preparation of an SPP by the Activity Management Team (TPK), which is verified by the Village Secretary and approved by the Village Head. Financial records are maintained using a general cash book,

activity-specific subsidiary cash books, a bank subsidiary cash book, a tax subsidiary cash book, and a petty cash book.

Reporting Stage

The reporting process for the use of Village Fund Allocation (ADD) in Kalasey Satu Village involves two types of reports: periodic and final. Periodic reports, prepared every semester, detail the realization of ADD revenues and expenditures. The final report includes information on implementation, fund absorption, encountered challenges, and recommendations for resolution. Both reports are prepared using the Siskeudes application by the Village Head, Village Secretary, and Village Treasurer, in compliance with Regent Regulations. Reports are submitted in stages, starting from the Village Head to the District Assistance Team, who then prepare a report at the village level. According to the Village Secretary, the reporting process begins with submission to the Village Consultative Body (BPD), followed by the sub-district, the Community and Village Empowerment Service (PMD), and finally the Regent.

Accountability Stage

Accountability for Village Fund Allocation (ADD) is integrated with the accountability of the Village Revenue and Expenditure Budget (APBDesa), making the ADD accountability report a component of the APBDesa report. The Village Head is required to submit the APBDesa accountability report to the Regent no later than three months after the end of the fiscal year, in accordance with Village Regulations. This report includes a realization report of the Village APBD and notes on the financial statements. The Village Secretary prepares an accountability report that is also communicated to the community through various information channels. Additionally, accountability reports are delivered at official events, such as speeches at community gatherings, as conveyed by Mr. Julianto Johanis Damo and Mrs. Lelly Tonggari.

DISCUSSION

Planning Stage

Based on interviews, the process of preparing the Draft Village Revenue and Expenditure Budget (RAPBDesa) in Kalasey Satu Village is initiated by the Village Secretary, who then submits it to the Village Head. Following this, the RAPBDesa is presented to the Village Consultative Body (BPD) for approval and adoption as the APBDesa. The planning process in Kalasey Satu Village adheres to Minister of Home Affairs Regulation No. 20 of 2018, with preparation based on the Village Government Work Plan (RKPDes) that has been approved by the BPD through village deliberations. Once approved, the APBDesa is submitted to the sub-district head and forwarded to the Regent for evaluation. Research by Stillad (2018) also highlights that village deliberations (Musrembangdes) serve as a platform for discussing proposals for village development activities, emphasizing the principle of participation by both the community and the village government.

Implementation Stage

The implementation of village fund allocation in Kalasey Satu Village follows established principles, including the requirement for a village cash account to manage all receipts and expenditures. Research indicates that village revenues and expenditures are processed through these accounts. The implementation of activities is a critical aspect of managing Village Fund Allocations and must align with the planned objectives. According to Minister of Home Affairs Regulation No. 20 of 2018, five implementation indicators are compared in this research. The findings reveal that while most indicators have been met, one out of the five has not been fully achieved. This contrasts with the research by Rais Puji Rahayu et al. (2019), which reported that all indicators were successfully met.

Administration Stage

The administration of Village Fund Allocation (ADD) management in Kalasey Satu Village, Mandolang District, has been conducted properly in accordance with Minister of Home Affairs Regulation No. 20 of 2018. The administration process is facilitated by the Siskeudes application, developed by the Ministry of Home Affairs and the Financial and Development Supervisory Agency to streamline village financial management. This application aids village treasurers in recording expenses, income, and preparing reports. Interviews with village officials support the findings of Shuha (2018), who noted that village treasurers must record every transaction and close the books regularly at the end of each month. The documentation used includes the general cash book, activity-specific subsidiary cash books, a bank subsidiary cash book, a tax subsidiary cash book, and a petty cash book.

Reporting Stage

The reporting stage for the management of Village Fund Allocations in Kalasey Satu Village is effectively conducted and adheres to Minister of Home Affairs Regulation No. 20 of 2018. Reports on the use of Village Fund Allocations include both completed and ongoing activities, as well as the realization of the use of these funds. This process is closely linked to the Village Head's role in carrying out their duties. The Village Head must possess extensive knowledge and insight into the management and reporting of Village Fund Allocations. Masihad (2018) similarly emphasizes that village heads are required to submit reports on time, as any delays could result in the Regent postponing the next disbursement of funds.

Accountability Stage

The management of Village Fund Allocations at the accountability stage in Kalasey Satu Village is satisfactory. According to Minister of Home Affairs Regulation No. 20 of 2018, the first indicator, which involves the Village Head submitting an accountability report on the realization of the Village APB to the Regent/Mayor at the end of each fiscal year, is well-executed. The second indicator, concerning the accountability report for the realization of the Village APB, which includes income, expenditure, and financing, is also very well-handled. The final indicator, which involves delivering accountability reports to the public through information media, covers the Village APB realization reports, activity realization reports, incomplete or unimplemented activities, remaining

budget, and complaint addresses. Similar findings are reported in the research by Putri Pramudya Wardani (2021), which underscores the importance of implementing these indicators as a form of accountability to the community.

Accountability for Management of Village Fund Allocations

- **Vertical Accountability**

Vertical accountability refers to an individual's responsibility to those in higher positions, demonstrated through the submission of progress and final reports by the Activity Implementation Team, especially regarding physical activities and the detailed use of activity funds, including notes, receipts, and Payment Request Letters (SPP) accompanied by verified supporting documents. It can be concluded that the Kalasey Satu Village Government has effectively implemented vertical accountability.

- **Horizontal Accountability**

Horizontal accountability is about trust that applies to society at large. Accountability for Kalasey Satu Village was prepared jointly through a deliberation forum to discuss the priority scale for using the Village Fund Allocation. Development planning for the next year

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Based on the conclusions and discussions presented, it can be determined that accountability in managing village fund allocations, as regulated by Minister of Home Affairs Regulation No. 20 of 2018 concerning village financial management in Kalasey Satu Village, Mandolang District, has followed the established procedures from the planning stage through to the implementation, administration, reporting, and accountability stages. However, the Kalasey Satu Village Government has encountered challenges in realizing the implementation financed by village fund allocations, as these funds are regulated by the President and his Ministers. The village funds received have differed from previous years, resulting in insufficient funds to meet community proposals. Furthermore, village development must align with provincial and district development plans, meaning that not all community proposals can be fully realized.

Recommendation

The process of managing village fund allocations carried out by Kalasey Satu Village officials is good. The management of ADD carried out by the Kalasey Satu Village Government has followed the technical guidance rules that have been regulated in statutory regulations. It is hoped that the Village Government can maintain this good performance. The Village Government has been good at accountability for budget realization reports through the creation of billboards. However, village officials can build social media or official village websites that can facilitate information for the community. This can also make it easier for the community to see village financial information. The village government must be more able to reach out to the community to participate in guard and village deliberation forums so that more people are involved in planning activities in the village.

ACKNOWLEDGE

Researchers can then carry out in-depth analysis regarding the effectiveness of using the Siskeudes application in administering village finances and further study regarding the achievement of implementation indicators stated in Permendagri No. 20 of 2018.

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