

Analysis of Village Financial Management Based on the Minister of Home Affairs Regulation No. 20 of 2018(Case Study in Bangun Rejo Village, Tanjung Morawa District)

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ABSTRACT

All activities including planning, implementation, administration, reporting and accountability of village funds are collectively referred to as village financial management. The purpose of this study was to determine how Bangun Rejo Village, Tanjung Morawa District, has implemented financial management in accordance with the Regulation of the Minister of Home Affairs Number 20 of 2018. The research methodology used is descriptive qualitative. Data collection techniques include documentation, interviews, and observations. The results of the study indicate that in general the procedures for financial management of Bangun Rejo Village are in accordance with the Regulation of the Minister of Home Affairs Number 20 of 2018

INTRODUCTION

A village is defined as a legal community unit that has territorial boundaries that is authorized to regulate and manage government affairs, local community interests based on community initiatives, ancestral rights, and/or the government of the Unitary State of the Republic of Indonesia. This information is available in the Regulation of the Minister of Home Affairs Number 20 of 2018 concerning Villages. Politically, this law transfers authority from the central government to regional governments in villages. Regional autonomy refers to the authority held by the regional government. The ability of villages to regulate community interests in accordance with applicable laws and regulations is known as village autonomy.

Village financial management is carried out in an orderly manner and in accordance with the established budget, guided by the principles of transparent, accountable, and participatory village governance. This supports the realization of good village governance. Village financial management is carried out for one (1) budget year, namely from January 1 to December 31. Planning, implementation, administration, reporting, and accountability of village finances are part of the overall village financial management activities. Village-scale regional authority sourced from the APBD and the implementation of village authority based on original rights. In addition to funding the APBDesa, the State Revenue and Expenditure Budget (APBN) and the Regional Revenue and Expenditure Budget (APBD) can also be used to implement regional authority at the village level (Academic Manuscript of the Draft Law on Regional Regulations on Village Finance: 2018).

Technically, the division of domains into sub-sectors which are further elaborated into activities is carried out through the Regulation of the Minister of Home Affairs Number 20 of 2018. Law Number 23 of 2014 concerning Regional Government regulates the identification of scientific sub-disciplines related to the topic. Therefore, the format of the Village Regulation on Village Budget and Village Budget Preparation Perkasas was changed.

One of the villages in North Sumatra that has recently developed into an autonomous region and is developing rapidly is Bangun Rejo Village, located in Tanjung Morawa District. As one of the recipients of village funds, the Bangun Rejo Village Government must be able to manage village finances. The Central Government of the Republic of Indonesia has provided village funds to the Bangun Rejo community amounting to IDR 1,416,972,000 in 2020, IDR 1,650,565,600 in 2021, and IDR 1,762,358,000 in 2022. In order to be implemented, Bangun Rejo Village must be able to manage village finances in accordance with Permendagri No. 20 of 2018.

The budget section of the ministry/institution receives funds from the State Budget (APBN) which is then distributed through the district/city regional work units. The Regional Budget (APBD) is used to finance the implementation of Village authority granted by the regional government. The Village Budget regulates the use of all Village income collected and distributed through the Village cash account. The signatures of the Village Head and Village Finance Head provide authority for the disbursement of funds to the Village cash account (Academic Manuscript of the Village Bill in Rizki, Y 2021).

Since most of Indonesia is rural, research on village financial management is very important because the village is a local government institution that is directly related to the community, so it is the main focus of government development. Therefore, to develop activities that are beneficial and useful for the community, they must be carried out in accordance with laws and regulations, starting from planning, implementation, to accountability. The purpose of this study is to determine and assess whether Bangun Rejo Village, Tanjung Morawa District, has implemented financial management in accordance with the Regulation of the Minister of Home Affairs Number 20 of 2018.

LITERATURE REVIEW

Stewardship Theory

Stewardship theory is a theory that focuses on how managers or stewards act as responsible guardians of the interests of others, often in the context of an organization or entity. In the context of analyzing village financial management based on Permendagri No. 20 of 2018, stewardship theory can be applied to understand how village financial managers can act in accordance with the principles of accountability and transparency, and how they can benefit from effectively maintaining the village financial mandate.

Hernandez, M. (2022): Mentions that stewardship theory can increase the effectiveness of village financial management by encouraging managers to be more responsible and transparent. Muthusamy, M. (2023): Reveals that the application of stewardship theory in village financial management supports increased accountability and community participation. Wibowo,

S. (2024): Emphasizes that village financial management based on stewardship theory can improve integrity and public trust in village fund management.

By applying the principles of stewardship theory in the analysis of village financial management, researchers can evaluate the extent to which village financial managers comply with the provisions of Permendagri No. 20 of 2018 and how their practices impact accountability and transparency in village financial management.

Definition of Village

A village is a legal community unit that has territorial boundaries, is authorized to regulate and manage government affairs, community interests, ancestral rights, or traditional rights that are recognized and upheld in the political system of the Unitary State of the Republic of Indonesia, according to Law Number 6 of 2014 concerning Villages. The Village Apparatus that functions as a component of the organization organizer assists the Village Government, also known as the Village Head. The Village Secretary, Regional Leader, and Technical Implementer are among the Village Officials referred to in the Law.

Village Financial Management

Then, as stated in the Minister of Home Affairs Regulation No. 20 of 2018, "All activities that include planning, implementation, administration, reporting, and accountability of Village finances" are Village Financial Management.

1. Planning

As stated by Herybertus in Rizki (2021), financial planning is estimating future income and expenses within a certain period of time. APBDesa is the result of village financial planning which is completed after the preparation of the Village Development Work Plan (RKP) and the Village Medium-Term Development Plan (RPJM).

2. Implementation

Village revenue and expenditure transactions managed through village cash accounts arise in the context of implementing village authority when implementing the previously determined village budget. Village government funds are stored in a special bank account called the Village Cash Account or abbreviated as RKD. This can be interpreted that the bank handles all regional revenue and expenditure transactions. Every expenditure and receipt must be supported and validated with complete and reliable documentation. The Regency/City Government establishes regional regulations (Perkada) concerning the principles of village financial management if there are still villages that do not have banking facilities. The regional regulation also regulates the maximum amount of funds that can be withheld by the village finance head to finance the daily activities of the village government (Article 43 paragraph (1-3) of Permendagri No. 20 of 2018).

3. Administration

The Head of Finance, in his capacity as the executor of the treasury function, is responsible for special recording activities related to Village Financial Administration. All ongoing transactions must be documented by the head of finance as receipts and expenditures. The Head of Finance keeps comprehensive and up-to-date records of all financial transactions. According to the Regulation of the Minister of Home Affairs No. 20 of 2018, the Head of Finance handles village financial administration directly with "bookkeeping" without using accounting journals (Article 63 paragraph (1-3)).

4. Reporting

The village head is required to prepare and submit a report on the implementation of tasks, authorities, rights, and obligations in village financial management in order to uphold the values of transparency and accountability. The Regent/Mayor receives the report periodically, semi-annually, annually, and in stages. The report includes the Activity Realization Report and the Village Budget Implementation Report as previously explained.

5. Accountability

The Village Consultative Body (BPD) receives an accountability report on the realization of the Village Budget at the end of each fiscal year, according to the Financial and Development Supervisory Agency (BPKP) in Rizki, Y (2021). The report must be submitted in writing to the BPD no later than 3 (three) months after the end of the fiscal year (PP No. 43 of 2014 Article 5).

The Village Government Implementation Report cannot be realized without this report. After going through discussions and mutual agreement between the Village Government and BPD, the Accountability Report for the Realization of the Implementation of the Village Budget is then stipulated in the Village Regulation.

METHODOLOGY

This study uses a qualitative methodology with a descriptive approach to find out more about financial management in Bangun Rejo Village, Tanjung Morawa District. The location of this study is the Bangun Rejo Village Hall, Tanjung Morawa District, located on Jl. Limau Mungkur, Medan Sinembah, Tj. Morawa District, Deli Serdang Regency, North Sumatra.

The research design begins with the research planning process, determining the focus of the research, time and place of the research, data collection, data analysis and presentation of research results. This study describes village financial management through data that has been obtained and then explained using narratives. This research was conducted within the scope of financial management in Bangun Rejo Village, Tanjung Morawa District, which is related to planning and accountability. This study uses a type of field research, namely seeking and directly observing facts related to problems that occur in Bangun Rejo Village, Tanjung Morawa District, especially regarding village financial management types of secondary and primary data. Financial management of Bangun Rejo Village, Tanjung Morawa District, is documented in the form of village government records, which are sources of secondary data for researchers. Three data collection methods were used: documentation, interviews, and observation, documentation. Data validity tests in qualitative research include credibility, transferability, dependability, and confirmability tests. Data analysis in this study includes data reduction, data display, conclusion drawing/verification.

RESULTS

Table 1. Report on Realization of Revenue Budget Implementation Bangun Rejo Village Government for the 2020 Fiscal Year

Description	Budget (Rp)	Realization (Rp)	More (Less) (Rp)
Total Income	1,416,972,000	1,422,157,971	5,185,971
Total Shopping	1,505,214,736	1,455,920,069	49,294,667
Surplus / (Deficit)	(88,242,736)	(33,762,098)	(54,480,638)
Amount of Financing	88,242,736	88,242,736	0
Current Year's Surplus/Silpa	0	54,480,638	(54,480,638)

Source: Bangun Rejo Village (2020)

Table 2. Report on Realization of Revenue Budget Implementation Bangun Rejo Village Government for the 2021 Fiscal Year

Description	Budget (Rp)	Realization (Rp)	More (Less) (Rp)
Total Income	1,650,565,600	1,652,770,794	2,205,194
Total Shopping	1,704,053,545	1,663,905,809	589,852,264
Surplus / (Defist)	(53,487,945)	(11,135,015)	(54,480,638)
Amount of Financing	53,487,945	53,487,945	0
Surplus/Silpa Year Walk	0	42,352,930	(54,480,638)

Source: Bangun Rejo Village (2021)

Table 3. Report on Realization of Revenue Budget Implementation Bangun Rejo Village Government for the 2022 Budget Year

Description	Budget (Rp)	Realization (Rp)	More (Less) (Rp)
Total Income	1,762,358,000	1,764,071,769	1,713,769
Total Shopping	1,804,710,930	1,753,583,205	51,127,725
Surplus / (Defist)	(42,352,930)	(10,488,564)	(52,841,494)
Amount of Financing	42,352,930	42,352,930	0
Current Year's Surplus/Silpa	0	52,841,494	(52,841,494)

Source: Bangun Rejo (2022)

Comparing the financial management policy of Bangun Rejo Village with each paragraph of the Minister of Home Affairs Regulation Number 20 of 2018:

1. Comparison of Village Financial Planning Process in Bangun Rejo Village based on Home Affairs Ministerial Regulation Number 20 of 2018

Based on the Regulation of the Minister of Home Affairs number 20 of 2018 article 31 paragraph (1), the initial steps of the village financial planning process are in line with Bangun Rejo Village. There is a village and community deliberation process (Musdes and Musduk) before the village secretary prepares the Draft Village Revenue and Expenditure Budget based on the village RKPD. Hamlet deliberations are held every year from June to July. The village head gives orders to the hamlet to hold a hamlet deliberation (Musdus) in each hamlet at the beginning of the implementation. The Hamlet Youth Organization, Hamlet PKK, RT, and RW also participate in the deliberation.

The purpose of this activity is to filter the target community of the Hamlet. Based on mutual agreement, the hamlet head prepares a priority scale of needs that will be used to convey ideas in the RAPBDesa. The Village Deliberation (Musdes) held in August every year will consider the agreements reached in the Village Deliberation (Musdus). The hamlet head sends an invitation to the hamlet head, Karang Taruna Desa, Village Community Empowerment Institution (LPMD), Village Consultative Body (BPD), and Village Family Welfare Empowerment (PKK) to attend the Musdes. The village secretary uses the RKPDDesa which is the result of this activity to prepare the RAPBDesa. Several statements from the following sources prove this:

"Previously, the RT and RW stages must be completed, community aspirations are collected through village-level deliberations, outlined in the RKPDDesa through village deliberations, and finally outlined in the APBDesa. That is the initial stage of the APBDes".(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

"Resident representatives from RT, RW, PKK, and Karang Taruna were present at the Musdus."(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)
"BPD, PKK, Village Apparatus, and Youth Organization".
(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

"BPD, PKK, Karang Taruna, Village and Hamlet Devices".(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next stage described in Article 32 paragraph (1) is in accordance with Bangun Rejo Village. At the beginning of October, the Village Head received the Village Revenue and Expenditure Budget Plan (RAPBDesa) from the Village Secretary. The following is a statement from a source that shows this:

"The latest is in October and if it does not appear If no rules appear, the latest deadline is October. For example, letters related to the Regent Regulation or others will be changed again in October. However, they must contact the village head in early October, whatever the results."(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, Article 32 paragraph (2) is in accordance with the provisions of Bangun Rejo Village, namely that the Village Head submits the Draft Village Regulation on the Village Budget to the Village Consultative Body (BPD) to be discussed and deliberated together. The following are statements from various sources that prove this:

"It is true that the BPD and APBDesa must agree first before it can be ratified. If the BPD has approved and ratified the RAPBDesa, then the ratification refers to the Minutes of Joint Agreement between the Village Government and BPD, which must be ratified by the Village Government and BPD in accordance with the provisions of December." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Due to the delay, both parties agreed in March 2021 to make changes to the Draft Village Regulation on the Village Budget, which means that the next stage of Bangun Rejo Village is not in accordance with Article 32 paragraph (3). Here is some evidence to support this:

"It is true that the Village Budget and BPD must have an agreement before being ratified. If the Village Budget has been approved and ratified by the BPD, then its ratification refers to the Minutes of Joint Agreement between the Village Government and BPD. The December regulation states that this must occur between the Village Government and BPD if the regulation is no longer valid. The Village Government and BPD must ratify it in December. Our 2021 APBD was late because of the funding ceiling, and we only approved it in March of that year." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, in Article 33 paragraph (1) it is in accordance with Rejo Bangun Village. The draft village regulations for the Village Budget that have been decided together will be sent, within one to two days since being approved for review, by the village head to the regent through the sub-district head. This is reinforced by the following source statement:

"Indeed, after it has been ratified, it must be submitted through the sub-district head, that is done in January within a few days, and the sub-district head will review it again within that period, if it is a working day I think it is around a week, then the sub-district head will review it again before sending it to the Regent." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next step is to determine whether paragraph (2) of article 34 is in accordance with Bangun Rejo Village. Within a maximum of seven working days, the Regent through the Sub-district Head decides on the results of the APBDesa evaluation. The following is a statement delivered by the Secretary of Bangun Rejo Village:

"Because the sub-district head serves as the regent's staff in his area, the sub-district head is given some of the regent's authority, so that they carry out evaluations on behalf of the regent." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

"Usually, on weekdays, the evaluation time can be up to three times longer than a full day. Sometimes, we have done an evaluation in less than three days." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Regarding the deadline for submitting evaluation results by the current Regent, the provisions of Article 34 paragraph (2) of Bangun Rejo Village apply. Village regulations apply automatically if the Regent through the sub-district head does not submit evaluation results within the specified deadline. The following is the statement of the resource person:

"Yes, the Village Regulation applies automatically." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The results of the sub-district head's evaluation used to revise the RAPBDesa are in accordance with the results of the evaluation in Bangun Rejo Village, namely that the village head needed seven working days to make changes. The following is a statement from the source that proves this:

"It is true that to make improvements, we need at least one week of work." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, Article 35 paragraph (5) is in line with Rejo Bangun Village. In accordance with the Regent's Regulation (Perbup), the Village Regulation is void if the Village Head does not change and approve it to become a Village Regulation (Perdes). The following is a statement from the source that proves this:

"On weekdays, for at least a week. Furthermore, it can be revoked in accordance with regional regulations if it is not immediately changed and ratified into village regulations." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Regarding the revocation of village regulations in accordance with paragraph (1) of article 36, where Bangun Rejo Village will use the previous year's APBDesa budget funds. The following is the source's statement:

"It has never been canceled because of this, but according to the rules, it is absolute. If it is canceled or if using the previous APBDesa is not approved. However, this village has never experienced this". (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next stage described in paragraph (3) of article 36 is in accordance with the situation in Bangun Rejo Village. The rule stating that the Village Head can only spend money for the management of Village Government if the Village Regulation is revoked is enforced because the Village Regulation has never been revoked. The following source statement shows this:

"I don't know about that, we've never had any cancellations." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, Bangun Bangun Village in accordance with paragraph (5) of article 35. The Village Head and BPD will revoke the Village Regulation if it is cancelled. This is reinforced by the following source statement:

"It is true that the BPD and village head will revoke the village regulations." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next stage in Article 34 paragraph (1) related to Bangun Rejo Village, namely the Sub-district Head is given responsibility to evaluate the Draft Village Regulation on the Village Budget by the Regent. The following source statement shows this:

"It is true that the person who carried out the evaluation was the Sub-district Head on behalf of

Even though the sub-district head had completed the review on behalf of the Regent, the Regent did not do so. The Regent only needs to ratify it and ask that it be clean

when it reaches his desk. As a result, the sub-district head only conducted an evaluation on behalf of the Regent because the sub-district head serves as the Regent's staff in the area and has been given some of the Regent's authority." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The results of the evaluation of the RAPBDes are then submitted by the sub-district head to Bangun Rejo Village within a maximum of 7 working days, as stated in Article 36 paragraph (2). The sub-district head will usually provide the evaluation results within three days. The following source statement proves this:

"Usually 3x24 hours to once a week on weekdays. However, sometimes we get an assessment in less than three days." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next stage described in paragraph (3) of article 35 is in accordance with the situation in Bangun Rejo Village. Village regulations apply immediately if the sub-district head fails to submit the evaluation results within the specified time period. The following source statement shows this:

"Yes, the Village Regulation applies automatically." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, Bangun Rejo Village in accordance with paragraph (2) of article 36. When the Village Head receives the results of the RAPBDesa study, the Village Head needs a maximum of 7 working days to complete the improvements. The following source statement shows this:

"To make improvements, we need at least a week." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

2. Comparison of Village Financial Implementation Process in Bangun Rejo Village with Home Affairs Ministerial Regulation Number 20 of 2018

In Bangun Rejo Village, where all income and expenditure are processed through the village cash account, the implementation of village finances is based on Permendagri number 20 of 2018 article 43 paragraph (1). The village cash account is used to process income from village fund allocations, village funds, shared retribution, shared tax revenue, and initial community income. Various statements from the following sources prove this:

"All operational activities of Bangun Rejo Village, both income and expenditure, must absolutely go through the village bank account." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, paragraph (2) of Article 43 agrees with the information provided in Bangun Rejo Village. Although Bangun Rejo Village already has an account, the Regent's Regulation (Perbup) regulates it if financial services are not available. The following source statement proves this:

"There is no need to doubt it, because we already have an account in the Village Budget. That is in accordance with the Regent's Regulation if you don't have one yet." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Then, because all village income and expenditure in Bangun Rejo Village is supported by valid and accountable evidence, Article 43 paragraph (3) is also in line with that which applies in Bangun Rejo Village. Payment Order (SPP), Receipt, Budget Plan (RAB), and Disbursement Request Letter are some examples of this type of document. Several statements from the following sources support this statement:

"It is true that documentation is required for all expenditure and receipt operations, including SPP, receipts, RAB, and payment request letters to the district administration." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The following article, paragraph (1) of article 25, states that the Bangun Rejo Village Government only imposes taxes listed in the Village Regulations. The following source statement shows this:

First, from the village fund, additional sources of income include grants from outside the village, original village income, village fund allocation, tax revenue sharing, regional retribution revenue sharing, and village funds. In addition, levies outside the Village Budget are not allowed." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, Article 44 paragraph (4) is in accordance with the regulations in Bangun Rejo Village, where the amount of money stored in the village treasury by the Village Finance Head is regulated in accordance with the Regent's Regulation (Perbup). The following is a quote from a source that shows this:

"Indeed, we adhere to the Regent's Regulation by saving a certain amount of money." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, village expenditures that burden the Village Budget cannot be carried out before there is a Draft Village Regulation on the Village Budget. This shows that this is in accordance with Article 51 paragraph (2). The following are quotes from various sources that prove this:

"Yes, that's not allowed. That's basically a village regulation."

"If there is a Village Budget, it means that our basic financial management guidelines are correct." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The next section that discusses unexpected expenses is Article 15 paragraph (1). In line with Bangun Rejo Village, you must create a Detailed Budget (RAB) that has been approved by the Village Head before using it, if unexpected expenses occur. The following is a quote from the source:

"Yes, the village regulations contain information about unexpected expenses, and to utilize them, a RAB that has been approved by the village head is required." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Article 51 paragraph (2) contains provisions for further financing requests in accordance with Bangun Rejo Village. Financing requests from event organizers must be accompanied by a Cost Budget Plan (RAB). The following is a quote from a source that shows this:

"It is true that the Cost Budget Plan, or RAB, needs to be attached." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, in accordance with the instructions in Article 55 paragraph (4), the Village Secretary of Bangun Rejo confirmed that the Budget Plan had been approved by the Village Head. This is reinforced by statements from the following sources:

"It has to happen because the Village Secretary's fee has been set. The village head will not accept it until the village secretary states that it is clean." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, Bangun Rejo Village has complied with Article 55 paragraph (5). Based on the Budget Plan, the Head of Section (Kasi) who acts as the activity implementer through the Village Financial Management Technical Implementer (PTPKD) issues a Payment Request Letter (SPP). Several statements from the following sources strengthen this:

"The village head must have given permission to the finance head before payment for each implementation (PTPKD) can be made. The related section head through PTPKD must issue a payment request letter addressed to the Village Head which is evaluated by the Village Secretary." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, because the Payment Request Letter (SPP) cannot be completed before the goods and services are obtained using the Advance SPP, then Article 55 paragraph (1) is in line with what is known as Bangun Rejo Village. This is proven by the many claims from the following sources:

"SPP Pandang is SPP that is settled before the delivery of goods and services. In addition, SPP Pandang is usually used". (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The provisions in Article 53 paragraph (2) below are in accordance with the laws and regulations in Bangun Rejo Village. When submitting a Payment Request Letter (SPP), it must be accompanied by a Bill of Quantities (RAB) and proof of transaction. The following source statement proves the following:

"Yes, SPP, RAB, and proof of transaction are required." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, in accordance with Article 55 paragraph (3), the Village Secretary's task is to follow up on the submission of SPP by the activity implementer. The Village Secretary is tasked with checking the accuracy of the SPP. The process includes checking the completeness of the payment application, verifying the accuracy of the calculation of the APBDesa burden bill listed in the payment application, confirming the availability of funds for the planned activity, and rejecting the SPP application if it does not meet the requirements. The following is the source's statement:

"Confirmed, then checked for completeness. Next, align the APBDesa budget with the SPP and RAB. If it is not appropriate and incomplete, it will be rejected." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Regarding payments, namely Article 55 paragraph (5) is also in line with what happened in Bangun Rejo Village, where the village treasurer documented village expenditures after payments. The following source statement shows this:

"And the Village Finance Head can immediately start recording expenses and making payments if the Village Head has given his approval." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Regarding the Bangun Rejo Village community, the following provisions contained in Article 58 paragraph (1) also apply. Taxes, including income tax, are collected by the village finance official. In addition, the official deposits all receipts, deductions, and taxes into the state treasury account. The following is a quote from a source that supports this statement:

"Yes, I have collected and remitted taxes." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Procurement of goods and services in Bangun Rejo Village is regulated in the Regent's Regulation (Perbup) and is also regulated in statutory regulations, as stated in Article 52 paragraph (6). The following source statement shows this:

"Indeed, in terms of purchasing goods, it is in accordance with the Regent's Regulation." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)
*Regarding changes to Village Regulations, namely Article 36 paragraph (3).
According to the Village Regulation*

Bangun Rejo has been revised, the changes are usually caused by changes in local government budget ceiling regulations and special events such as natural disasters. Here is a quote from the source:

"Regarding adjustments to regional government budget limits and special events such as natural disasters." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, Article 40 paragraph (2) is also in accordance with the Bangun Rejo Village Law which states that changes to the Village Budget can only be made once in one budget year. The following are statements from several sources that prove this:

"That's right, changes to the Village Budget can only be made once in one budget year." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Furthermore, Article 40 paragraph (4) is in accordance with Bangun Rejo Village, where the determination of the Village Budget is also a means of submitting changes to the Village Budget. To obtain approval from the BPD, the changes are made through a Village Deliberation (Musdes). The following source statement proves this:

"If the implementation procedure of the Village Deliberation fails completely, the Section Head, BPD, and local officials are required to make a report on budget changes." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In accordance with Article 74 paragraph (2) which states that financial assistance sourced from the Provincial and District APBD, grants, and non-binding third party assistance is disbursed after the Village Regulation on Changes to the Village APBD is stipulated, also regulated regarding financial support. Assistance if changes to village regulations are not possible. For the coming budget year, the funds will be used as SiLPA (Surplus Budget Surplus). Because the village has been informed about the financial assistance, financial support sourced from the Provincial APBD and District APBD is usually included in the Village APBD. This is proven by the following statement from the resource person:

"We have previously received information that the village will receive provincial and district APBD assistance funds, so it is usually included in the APBDesa. Furthermore, assistance received after the APBDesa is ratified will be included in the changes. The assistance will become the Budget Surplus Calculation (SiLPA) for the following budget year if time does not allow for changes." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

3. Comparison of Village Financial Administration Process in Bangun Rejo Villagewith the Minister of Home Affairs Regulation Number 20 of 2018 Article 63 paragraph (1) of the Minister of Home Affairs Regulation Number 20 of 2018 concerning provisions on village financial management is in line with the financial management of Bangun Rejo Village which is also handled by the village finance head. The following source statement proves this:

"Undoubtedly, it is the village treasurer's obligation to document all village income and expenditure, and to close the books at the end of each month." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

In addition, the Head of Finance of Bangun Rejo Village maintains records in the form of a Bank Subsidiary Book, Tax Subsidiary Book, and Advance Subsidiary Book, and this is in line with Article 64 paragraph (2):

"Chief of Finance, that is absolutely correct. Every village income and expenditure must be documented by the chief of finance, who also closes the books at the end of each month." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

"It is true that I am responsible for creating bank support books, tax assistance books, and tax assistance books in my capacity as Head of Finance." (Mrs. Wagiatik, Head of Finance of Bangun Rejo Village)

In addition, the provisions of Article 67 paragraph (1) also apply to Bangun Rejo Village, where the Village Finance Head is required to provide an accountability report detailing financial transactions. Statements provided by the following sources support this:

"The Head of Finance will usually provide a report at the beginning of each month between the 1st and 9th." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The management of income and expenditure as stated in Article 67 paragraph (2) is also in accordance with Bangun Rejo Village. The village secretary receives reports from the village finance head regarding the general cash book, tax assistant cash book, and internal bank cash book that manages income and expenditure. The following is a quote from the source:

"I received the General Cash Book, Bank Assistance Book, and Tax Assistance Book before the 10th. Now I will review them and give them to the village head." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

4. Comparison of Village Financial Reporting Process in Bangun Rejo Village with Home Affairs Ministerial Regulation Number 20 of 2018

Based on Article 68 paragraph (1) of the Minister of Home Affairs Regulation Number 20 of 2018, village financial reporting in Bangun Rejo Village has been in accordance with the provisions, namely the Village Head has reported the implementation of the Village Budget to the Regent. including the first semester and last semester reports of the current year. This is proven by various statements from various sources:

"There are two reports on the realization of the Village Budget submitted to the Regent, namely the mid-year report and the annual report." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

The first semester report in Bangun Rejo Village, which is a report on the realization of the village budget, was reported in early August, so according to Article 68 paragraph (2) it is not yet appropriate. The following is a quote from a source that can prove this:

"The report on the realization of the Village Budget for the first semester is the most..."

It was supposed to be finished by the end of July, but because we were late in submitting it, this report was only finished in August." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

5. Comparison of Village Financial Accountability Process in Bangun Rejo Village with Home Affairs Regulation Number 20 of 2018

In accordance with the Minister of Home Affairs Regulation Number 20 of 2018, Article 70 paragraph (1) concerning village financial accountability in Bangun Rejo Village has been in accordance, where the Village Head reports to the Regent at the end of each budget year regarding the implementation of the Village Budget. The report is discussed with the BPD to reach an agreement before being submitted to the Regent. Various statements from the following sources prove this:

"After the budget year ends, the village reports its financial accountability to the Regent. The report was previously discussed to be ratified as a village regulation with the BPD. The village government prepares the LPJ and submits it to the BPD for consideration in a plenary session. The sub-district head then reports the results to the Regent." (Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Second, information in Bangun Rejo Village is also in accordance with paragraph (2) of Article 38. Income, expenditure, and finances are listed in the accountability report for the implementation of the Village Budget in Bangun Rejo Village. The following is a quote from a source that supports this statement:

"There are several income and expenditure financing, and there are several variations; if the deviation is greater, then it becomes SiLPA, or Calculation of Surplus Budget, for the following year".(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

Article 38 paragraph (3) is the next provision that is in line with the Bangun Rejo Village system in determining the accountability report for the implementation of the Village Budget through a meeting with the BPD by determining village regulations. The following is a quote from a source that can explain this:

"If the accountability itself is reported to the Regent after the budget year ends, the ratification of the report as a village regulation must first be discussed with the BPD."(Mrs. Kasmiyati, Secretary of Bangun Rejo Village)

DISCUSSION

1. Village Financial Planning Process in Bangun Rejo Village

All procedures for preparing village financial planning in Bangun Rejo Village are in accordance with Home Affairs Ministerial Regulation Number 20 of 2018. There is only one provision that has not been implemented, namely in Article 32 paragraph (3), where the RAPBDesa is still waiting for mutual agreement. Even though the regulations must have been approved in October of the current year, the RAPBDesa in Bangun Rejo Village and the BPD were approved in March 2021. This was due to the delay in the budget ceiling and the existence of new regulations related to recording items in the APBDesa.

2. Village Financial Implementation Process in Bangun Rejo Village

In general, the implementation of village finances in Bangun Rejo Village has been in accordance with Permendagri Number 20 of 2018. However, there are still some that have not been implemented in accordance with the provisions in the regulation. First, in Article 29, where the statement of accountability for the use of village funds is still missing in the SPP submission. Meanwhile, the provisions regarding village income and expenditure supported by complete and accountable evidence have been implemented.

3. Village Financial Administration Process in Bangun Rejo Village

All procedures for administering village finances in Bangun Rejo Village are in accordance with Home Affairs Ministerial Regulation Number 20 of 2018. In order to manage village finances, the head of finance is required to record all income and expenses and close the books at the end of each month or year.

4. Village Financial Reporting Process in Bangun Rejo Village

In general, the reporting of village financial management in Bangun Rejo Village is in accordance with Home Affairs Ministerial Regulation Number 20 of 2018. The regulation contains a number of implementing provisions. In the initial stage, the Village Head must submit the APBDesa implementation report to the Regent in the form of a semester report at the beginning of the year and a semester report at the end of the year. Furthermore, the APBDesa realization report is included in the first semester report and must be submitted no later than the end of July. However, the submission of the semester report at the end of March is not in accordance with Home Affairs Ministerial Regulation Number 20 of 2018, which should be submitted no later than the end of January. This is due to the delay in implementing activities and submitting accountability reports to the village finance head.

5. Village Financial Accountability Process in Bangun Rejo Village

Overall accountability for the financial management of Bangun Rejo Village is in accordance with Home Affairs Ministerial Regulation Number 20 of 2018. There is only one provision in Article 41 paragraph (2) that has not been implemented by the Bangun Rejo Village Government. Namely, there is still a delay in reporting village financial accountability to the Regent. In March 2021, the accountability report for the realization of the implementation of the new Village APBD was submitted to the Regent.

CONCLUSIONS AND RECOMMENDATIONS

Overall, the procedures for managing village finances in Bangun Rejo Village are in accordance with the Regulation of the Minister of Home Affairs Number 20 of 2018. Only the planning has begun. The APBDesa efforts to obtain mutual agreement continue to experience delays. Then, there are still provisions that are not quite right in the implementation process. Initially, not all payments or expenditures were made through village accounts. In addition, office activities are still included in village expenditures. There are still delays in submitting APBDesa realization and accountability reports, which further indicates that the reporting and accountability procedures have not been running well. Everything is going well only in the administrative process.

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