

## **Accountability of Village Fund Allocation Management in Sub District Of Pesanggaran Area in Banyuwangi**

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**ABSTRACT:** *The allocation of village funds which given by the government of Regency of Banyuwangi to villages in the Pesanggaran sub district is an effort to motivate villages in financing Village Government activities. The purpose of this study is to describe, explain, and analyze the expectations of the accountability system in managing the allocation Village Fund in Pesanggaran sub district, Regency of Banyuwangi. This study uses a study method that provides an overview of Village Fund Allocation Management Accountability in the District of Pesanggaran sub district. We use observation, interview, and documentation techniques to collect data, by selecting informants who have a role and are involved technically and functionally in Accountability of Village Fund Allocation Management. The results of this study are: (1). Village Fund Allocation Planning in the Pesanggaran sub district, first discussed in the village development planning deliberations, involving the community in making decisions and to determine the development that would be implemented in villages are in Pesanggaran sub district. (2). Implementation of Village Fund Allocation, carried out transparently, the community in the local village is given access to find out the use of the village fund allocation fund. For example, from the activities carried out, put up an information board of projects / activities that are going on, for example, containing a writing of what activities are taking place, how much funds are used, how long the implementation of these activities, and who implementing them are. (3). Accountability in the implementation of village fund allocations must be done as a form of accountability of the village government in managing funds obtained from the government.*

**Keywords:** *Accountability, Village Fund Allocation.*

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### **I. INTRODUCTION**

Decentralization and democratization have taken place during this transition period in the Republic. Changes in political arrangements that were originally authoritarian-centered to be more democratic-decentralized (Dwipayana, 2003: 5). The enactment of Law (Law) Number 6 of 2014 concerning Villages, the village has the autonomy to regulate and manage its own affairs. With the existence of this village autonomy, the implementation of government must be independent, that is from by and for the people, and of course it adds to the effect on village obligations and responsibilities. The practice of decentralization in the implementation of village autonomy must prioritize the principles or principles of Good Governance to manage public resources owned, both regarding fiscal accountability, managerial and program. This is as revealed by Indradi (2010: 65) that Good Governance directs efforts to improve and improved government management processes their performance becomes better.

One element of the principles of Good Governance is an element of accountability or accountability. UNDP (in Indradi, 2010: 69) explains that accountability, decision makers in the government (state), private sector (private sector / market) and civil society (civil society) are responsible to the public and stakeholder institutions. This accountability depends on the organization and the nature of the decisions made, whether the decisions are in the organization's internal or external interests. Based on this explanation, accountability is very important in the implementation of village autonomy. The village government as the actor in charge of the policy issued to the public. The form of village government accountability, can be seen in terms of policy, finance, and administrative services.

Accountability as a form of government responsibility to the community for various management and implementation of governance in the village. One form of governance in the village is specifically related to village financial management. As Sumaryadi (2016: 18) explained that the principle of accountability was born as an obligation of the government to account for all actions and activities, especially in the area of financial

administration to those who gave the task in this matter were the people who gave sovereignty to the government.

Village finance is all rights and obligations in the context of administering village governance that can be valued in money including all forms of wealth related to the village's rights and obligations. While the management of village finances is the whole activity which includes planning, budgeting, administration, reporting, accountability and supervision of village finances (cited in Minister of Domestic Affairs Regulation Number 37 of 2007 concerning village financial management Juncto Minister of Home Affairs Regulation Number 113 of 2014 concerning village financial management). Other basic regulations related to the village fund management system are guided by Law Number 33 of 2004 concerning Fiscal Balance between the Central Government and Regional Governments, which also regulates the mechanism of collection and accountability.

Regency of Banyuwangi as one of the autonomous regions in the administrative region of East Java Province that seeks to realize the principles of good governance in village financial management. Regency of Banyuwangi in order to help and realize a participatory village government by providing the allocation of village funds as much as possible must be used for development in the village both in terms of government, physical development, and community. The granting of ADD (Village fund allocation) to villages that has been carried out by the Banyuwangi District Government is based on several levels of regional regulation including Regional Regulation Number 02 of 2006 juncto Regional Regulation Number 02 of 2007 concerning Village Fund Allocation, Regent Regulation Number 20 of 2013 concerning Implementation Guidelines and Technical Guidelines Regional Regulation No. 02 of 2007. The regulation states that the purpose of providing ADD (Village fund allocation) assistance to villages from the government of Regency of Banyuwangi is as a stimulus in funding Village Government Empowerment and Village Community Empowerment programs.

In Regent Regulation Number 20 of 2013 concerning Implementation Guidelines and Technical Guidelines for Regency of Banyuwangi Regional Regulation Number 2 of 2006 concerning Village Fund Allocation that has been amended by Banyuwangi District Regulation Number 2 of 2007, it is explained that in the use of ADD (Village fund allocation), it must be based on village priorities on the basis of Results of the Village Planning and Development Conference (Musrenbangdes). Technical and procedures for accountability must have capable systems and procedures, so accountability can be carried out transparently.

Mahmudi (2002: 9) states that in government organizations, an information about activities related to government performance is a form of public accountability carried out by the parties concerned. Public accountability is related to the obligation to explain and answer questions about what it has been, and is planned to be done by public sector organizations. But in reality in the Pesanggaran sub district there are still 2 (two) villages that have not carried out the ADD (Village fund allocation) accountability in accordance with the applicable provisions. This means that there is a theoretical gap here, according to Mahmudi, the two villages must also be responsible for their performance.

Noting the above studies, both empirically, normatively and theoretically, it is known that the accountability of village financial management in the Pesanggaran sub district area, there are still two villages that have not been accounted for in accordance with applicable regulations (accountability of village financial management) and the provisions governing that the accountability of the APBDes (village expenditure budget) is valid for implementation of activities during the period from January to December, so it needs to be studied and analyzed how the actual management of ADD (Village fund allocation) at the implementation level in the field? as well as the obstacles faced by the management apparatus, as well as how to solve efforts to overcome the obstacles that are driving forces in the study in the District of Pesanggaran.

## **1.2 Research Problem**

The formulation of the study in this article is how to apply the principle of accountability in the management of the Village Fund Allocation in the District of Pesanggaran, Banyuwangi Regency.

## **1.3 Research Objectives**

The purpose of this study is to describe, explain, and analyze the expectations of a system of accountability in the management of the Village Fund Allocation in the Pesanggaran sub district of Banyuwangi.

## **1.4 Theoretical Basis**

### **A. Good Governance**

Governance demands a redefinition of the role of the state, and that means redefinition of the role of citizens. There are greater demands on citizens, including monitoring government accountability itself (Sumarto, 2003: 1-2). In the United Nations Development Program (UNDP) policy document, further states the characteristics of good governance, namely: (1). All inclusive, transparency and responsibility, effective and fair. (2). Guaranteeing the rule of law. (3). Ensure that political, social and economic priorities are based on

community consensus, and (4). Paying attention to the interests of the poorest and weakest in the decision making process concerning the allocation of development resources. (Sumarto, 2003: 1-2).

The role of implementation of the principle of good governance is to provide mechanisms and guidelines in providing balance for stakeholders in fulfilling their respective interests. From various results that were examined by the State Administration Agency (LAN) concluded there were nine fundamental aspects in the realization of good governance, namely: participation, rule of law, transparency, responsiveness, consensus orientation, equality and fairness, effectiveness and efficiency, accountability, and strategic vision (Rosyadaet., al, 2000: 182)

## B. The Concept of Accountability

Accountability is the obligation to provide accountability or answer and explain the performance and actions of a person / leader of an unit organization to those who have the right or have the authority to ask for accountability. Accountability is important to guarantee values such as efficiency, effectiveness, reliability and predictability. An accountability is not abstract but concrete and must be determined by law through a set of procedures that are very specific about what issues must be accounted for (LAN and BPKP RI, 2000: 12).

Transparency and accountability are two keywords in good governance and corporate governance, it is also stated that in accountability there is an obligation to present and report all activities, especially in the area of financial administration to a higher party. Such accountability can be carried out by giving access to all interested parties, either asking or suing the responsibility of decision makers and implementers at the program, regional and community levels. In this case, all activities related to the management of the Village Fund Allocation must be accessible to all elements of interest, especially the community in their area (Sulistiyani, 2004).

Broadly speaking, regional financial management can be divided into two parts, namely regional revenue management and regional expenditure management. Evaluations of regional financial management and regional development financing have very broad implications. Both of these components will greatly determine the position of a local government in order to implement regional autonomy (Mardiasmo, 2002: 104). The main principles that underlie regional financial management: First, the principle of transparency or openness. Second, the principle of accountability, and third, the principle of value for money.

This principle means that three principles are applied in the budgeting process, namely economic, efficiency and effective. Economics is related to the selection and use of certain amounts and quality of resources at low prices. Efficiency means that the use of public funds can produce maximum output (efficient). Effectiveness means that the use of the budget must achieve targets or objectives of the public interest (Mardiasmo, 2002: 105).

## 1.5 Study Methods

This type of study is in the form of qualitative research (qualitative research). This case study was chosen to explore a single case that is bound by a certain space and activity within a certain time period (Creswell, 1994). This study was conducted to obtain a comprehensive and in-depth overview of the accountability system for allocating village funds in the Pesanggaransub district area. Location of study in the Pesanggaransub district, Banyuwangi Regency. The sites chosen were villages in the Pesanggaransub district. Based on data sources, data collection can utilize primary sources and secondary sources. This study uses data collection techniques: observation, interviews, and documentation. The author uses an interactive analysis model proposed by Miles and Huberman (2014: 247) consisting of data condensation, data presentation, drawing conclusions and verification.

## 1.6 Study Results and Discussion

### A. The Village Fund Allocation Accountability System in the Pesanggaransub District Area

The Village Fund Allocation accountability system in the Pesanggaransub district is intended to realize good governance, which according to Haryanto (2007: 10) states that the principles or rules of good governance are participation, transparency and accountability in the implementation of government and development. What is meant by Haryanto certainly includes villages in the Pesanggaransub district area. Regarding the implementation of ADD accountability, of course there are stages that must be carried out. These stages begin with planning, implementing, and ending with accountability. The regulation is stated in the Regent Regulation Number 20 of 2013 and the Regional Technical Guidelines of Banyuwangi Regency Number 2 of 2006 as amended by the Regional Regulation of Banyuwangi Number 2 of 2007.

Based on the results of the analysis of the authors that the participatory application of rural community development is done transparently, accountably and responsibly in the implementation of ADD (Village fund allocation). This means that this is in accordance with the opinion of an expert named Tjokroamidjojo (2000: 78) states that the involvement of every citizen in making decisions both directly and through the institutions

that represent them. Therefore, this study discusses the planning, implementation and evaluation in the management of village fund allocation for villages in the Pesanggaransub district area.

#### B. Village Fund Allocation Planning in the District of PesanggaranSub District

One source of income for villages in the Pesanggaransub district area is ADD(Village fund allocation). Which to plan programs and activities in the village must first be discussed in the Planning and Development Deliberation conference (Musrenbangdes). The discussion must involve the community, especially in making decisions and to determine the development that will be implemented in villages located in the Pesanggaransub district. The process of participation needs to be carried out as an effort to carry out the principle of responsiveness to the needs of the community, thus they share in the sense of having development in their villages. The description can be analyzed in accordance with the principles of participant proposed by Tjokroamidjojo (2000: 78) which states that the involvement of every citizen in making decisions both directly and through institutions that represent their interests. The ADD(Village fund allocation) program in the Pesanggaransub district is run as a community empowerment to motivate participation in village development.

Therefore, of course in ADD(Village fund allocation) planning, it is clear that there is a mechanism that must be carried out, namely: First, the village head conducts a discussion to discuss ADD(Village fund allocation) planning. Second, as participants in village deliberations are community leaders, village community organizations, the Village Consultative Body, elements of the village government, and must be attended by the District Facilitation Team. Third, the plan for the use of ADD(Village fund allocation) is conveyed to the participants of the deliberations, and Fourth, the plan for the use of ADD(Village fund allocation) that has been agreed upon in the village meeting, and then the plan for the use of ADD (Village fund allocation)is made as one of the materials to prepare the APBDes (village expenditure budget).

These stages are ways of participating by the community as learning how to be accountable in managing village fund allocations in Pesanggaran Village. The ADD(Village fund allocation) implementation process starts with planning, then the implementation continues with monitoring and ends with an evaluation that is carried out once a year, of course the Musrenbangdes (Village Planning and Development Conference) also must be done once a year. It should not be considered merely a routine but must give meaning in the form of motivation for the community in order to participate to advance their village.

In villages in the Pesanggaransub district, especially the Village Head and BPD in making activity planning, they must really pay attention to the aspirations of the community, especially those sourced from village allocation funds (ADD) which must be truly beneficial for the community. This is clear because the biggest source of funds obtained by villages in the Pesanggaransub district to carry out development activities comes from ADD(Village fund allocation). Furthermore, legally in accordance with Government Regulation Number 72 of 2005 concerning Villages, the planning contained in the APBDes(village expenditure budget) plan must be agreed upon by the KepalaDesa(Chief of village) and BPD (village credit agency) then it must be stipulated in the Village Regulation regarding the Village Income and Expenditure Budget.

The information above gives us a lesson, that which is carried out by the Chief of village and community who together participate in carrying out development activities to improve better welfare in the community. For this reason, the implementation must look at the situation of the local villages in Pesanggaran as an effort to develop the potential in each village. And also regarding the planned utilization of the budget, its use must be in accordance with the goals and objectives outlined in accordance with the priority scale that was decided at the Musrenbangdes(Village Planning and Development Conference). This means that there must be care from village government officials, because they are the ones who have to understand more about the implementation of government and development in their area.

#### C. Implementation of Village Fund Allocation

Activities carried out in the Village Fund Allocation have been carried out transparently, meaning that the community in the local village is given access to find out the use of the ADD (Village fund allocation). For example, from the activities carried out, put up an information board of projects / activities that are taking place, for example, containing writing what activities are taking place, how much funds are used, how long the implementation of these activities, and who is implementing them. This must be done as a means of providing information to the village community, meaning that this process is carried out transparently. This opinion is also in accordance with the opinion of Tjokroamidjojo (2000: 76) which states that transparency can be known by many parties (stakeholders) regarding the formulation of policies (politics) from the government, organizations, and business entities. Regarding accountability, must be done by making monthly reports that contains the activities carried out which contain details of the activities of each stage. The meaning is that the activities of the village fund allocation every month and after the end of the implementation must be reported or accounted to the government through the applicable mechanism. This means that the activity is in accordance with the theory of accountability put forward by Tjokroamidjojo, (2000: 75) of the management / implementation carried out,

then the implementation of ADD has led to the implementation of these principles, although not completely perfect.

#### D. Accountability of Village Fund Allocation

Accountability in the implementation of village fund allocations must be done as a form of accountability of the village government in managing funds obtained from the government. This is in line with the theory of Tjokroamidjojo, (2000: 75) whose point is that the accountability of the management / organization is carried out. This means that they have done accountability in managing the funds allocated for village funds in villages within the Pesanggaransub district area in accordance with the stages / mechanisms in force. The ADD(Village fund allocation) responsibility has become one with the APBDes(village expenditure budget) accountability, because it is in accordance with Banyuwangi Regent Regulation Number 20 of 2013 concerning Implementation Guidelines and Technical Guidelines for Regency of Banyuwangi District Regulation Number 2 of 2006 concerning Village Fund Allocation as amended by Banyuwangi District Regulation Number 2 of 2007 .

Meanwhile, every three months the Village Head through the evaluation forum is responsible for the implementation of ADD(Village fund allocation) to the community. Besides the evaluation of the ADD(Village fund allocation) program implementation, it is also a means of education for the community, how to actively participate, for example, participate in opinions or make corrections in the ADD(Village fund allocation) implementation. The village government is also enthusiastic about receiving input from the community so that it is expected to be more perfect in the ADD (Village fund allocation)implementation. If examined closely in terms of accountability, the villages in the Pesanggaransubdistrict have largely fulfilled the accountability theory as stated by Tjokroamidjojo (2000: 75), namely the responsibility of the management / organization carried out.

### 1.7 Conclusions

The villages in the Pesanggaransub district in the management of village fund allocations are as follows: First, the Village Fund Allocation planning in the Pesanggaransub district, first discussed in the Planning and Development Deliberation (Musrenbangdes), involving the community in making decisions and to determine the development to be implemented in villages in the Pesanggaransub district. Second, the implementation of the Village Fund Allocation, carried out transparently, the community in the local village was given access to find out the use of the ADD(Village fund allocation) funds. For example, from activities carried out, put up an information board of projects / activities that are taking place, for example, containing writing of what activities are taking place, how much funds are used, how long the implementation of these activities, and who is implementing them, and third, accountability in implementing the allocation of village funds must be done as a form of village government Accountability in managing funds obtained from the government.

### 1.8 Policy Advice

Based on the above conclusions, the writer's suggestion that needs to be followed up by the villages in the Pesanggaransub district area is as follows: First, so that the Village Fund Allocation Planning in the Pesanggaransub district area can proceed in accordance with applicable regulations, it is necessary to intensively socialize the community about how technical planning in ADD(Village fund allocation). Second, the Implementation of Village Fund Allocation, in order to keep it running transparently, formal rules need to be set, and third, accountability in the implementation of village fund allocation in order to remain in accordance with applicable regulations, then what must be done is to improve the quality of village officials in villages located in the Pesanggaransub district, by including them in training on financial management.

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