

Pro-Public Service Village Fund Management in Bacan District, South Halmahera Regency

Iksan Mursid¹, Haedar Akib², Sulaiman Samad³

¹(Public Administration/Universitas Negeri Makassar, Indonesia)

²(Public Administration/Universitas Negeri Makassar, Indonesia)

³((Public Administration /Universitas Negeri Makassar, Indonesia)

Abstract:

This study aims to analyse the pro-public service management of the Village Fund in Bacan District, South Halmahera. Data were obtained from the head of the Inspectorate of South Halmahera Regency, Head of the Community Empowerment Agency and Village Government of South Halmahera Regency, the Bacan Sub-district Head, village heads in the Bacan area, Village Consultative Body, heads of village-owned enterprises. The results showed that the management of village funds in Bacan District had not fully met the pro-public services. Community participation at the planning stage is only a formality to fulfil procedural aspects but loses substance because the community does not participate in ideas. In the implementation of development, discrepancies were found with the planning documents. Physical development programs financed by Village funds are not relevant to the priority level of community needs. Village fund accountability in reporting is still less transparent because it does not make a horizontal Village fund accountability report. The dominant factors that influence the management of village funds in Bacan District are cultural, political, and Human Resources.

Key Word: Management, Village Funds, Pro public services, Bacan District.

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I. Introduction

Village government is a sub-system of the government administration system so that the village has the authority to regulate and manage the interests of the community (Widjaja, 2003: 3). This provides ample space for the village government to manage and advance their village by involving all the potential in the town. Law Number 6 of 2014 concerning Villages, article 18 states that Village authority includes authority in Village Administration, implementation of Village Development, Village community development, and Village community empowerment based on community initiatives, origin rights, and Village customs.

In carrying out its authority, the village government obtains funds from various sources, one of which is the Village Fund sourced from the state revenue and expenditure budget. To ensure pro-public management of village funds, it is necessary to apply the principles of Good Governance, namely accountable, transparent, participatory (Bappenas, 2002: 8-19), which enables efficient public services, reliable control systems, and public accountability. (Mas'ood, 2003:150-151).

Based on a preliminary study (observations in June 2019), it is known that the management of village funds in Bacan District, North Maluku Province, has not been following community expectations. At the planning stage, the village government does not involve community participation, does not conduct studies and analyzes field conditions so that the use of village funds is often not correlated with the needs of the village community. At the implementation stage, the use of Village funds has not fulfilled the elements of transparency, accountability, and participation. It is not measurable, so it cannot be ascertained how significant the impact will be on changes in community conditions. The management of village funds does not adhere to sustainability, so there is no systematic and sustainable development road map. Implementation often does not follow the initial plan contained in the Village Government Work Plan planning document. In terms of accountability, the community does not know which programs have been completed and have not been implemented in the Village Development Work Plan.

The problems above are evocative to know more deeply, especially about the management of Village Fund Management for Pro Public Services in Bacan District, South Halmahera Regency, which focuses more on 1) Village fund planning that is pro in public services; 2) Realization of pro-public service Village Fund management; 3) Village fund accountability; 4) Determinants of pro-public service village fund management in Bacan District, South Halmahera.

II. Literature Review

2. 1. Village Fund

The sources of Village income are based on the provisions of Article 72 letter b and paragraph 1 of the allocation of the State revenue and expenditure budget, at this moment stipulates that there is a government regulation Number 22 of 2015 concerning Village funds sourced from the State Revenue and Expenditure Budget. Village Funds are funds sourced from the State Revenue and Expenditure Budget designated for Villages which are transferred through the Regency/City Regional Revenue and Expenditure Budget and are used to finance government administration, development implementation, community development, and community empowerment. The government allocates the Village Fund to the village. The allocation of Village Funds is calculated based on the number of Villages and issued by taking into account the population, poverty rate, area and level of geographical difficulty. The allocation of Village Funds based on population, area, and the poverty rate is calculated by weighting: a) 30% for the total population of the Regency/City; b) 20% for the area of the Regency/City; c) 50% for district/city poverty rate. The distribution of Village Funds is carried out in three stages in the current fiscal year. Phase I in April, by 20%; phase II in August, by 40%; phase III in November, amounting to 40% of the total amount of the Village Fund in each village concerned. The distribution of Village funds is carried out no later than seven working days in the second week after the Village Revenue and Expenditure Budget stipulation. The Village Funds distributed are used to finance the administration of government, development, community empowerment, and society. However, in this case, Village funds are prioritized to finance community development and empowerment.

2. 2. Village Financial Governance

Eko (2014: 163) explains that the authority of the village in regulating and managing itself has several meanings: 1) Issuing and carrying out the rules of the game (regulations), about what can and cannot be done, so that it is binding on interested parties. 2) Responsible for planning, budgeting, carrying out development or service activities, and solving problems that arise. 3) Decide and execute the allocation of resources (funds, equipment and personnel) 4). Managing means carrying out, implementing, and caring for the regulated public goods. Mardiasmo (2002: 105) three main principles underlie regional financial management: First, the principle of transparency or openness, which means that community members have the same rights and access to know the budget process because it involves the aspirations and interests of the community, especially the fulfilment of needs. Many people live. Second, the principle of accountability means that the budgeting process starting from planning, preparation and implementation must be reported and accounted for to the people's representative council and the community. The third is the principle of value for money, which means applying three main points in the budgeting process: economic, efficiency, and practical. Economics is concerned with selecting and using specific quantities and quality of resources at low prices. Efficiency means that public funds can produce maximum output (functional). Effectiveness means that the use of the budget must achieve the targets or objectives of the public interest. The demands that then arise are the need for horizontal accountability to the community, opening up space for participation for the District to provide feedback on financial management in the village. The existence of criticism and suggestions from the community will test the extent of the responsiveness of the village government in responding and serving all interested parties (Stake Holders). Responsiveness is one measure of the success or failure of the performance of public institutions. Osborne and Plastrik in Dwiyanto (2008:62) that organizations with low responsiveness naturally have poor performance.

Good governance

Governance involves the involvement of three actors, namely the government, the private sector and the community, together with having an essential role in the management of public administration (Kurniawan, 2007). Each actor has weaknesses and strengths (Solomon, 2002:52-53). It is hoped that a constructive and adequate interaction will be created between these actors (Santosa, 2009:131). According to Hardijanto (in Santosa, 2009:55), governance has a broader meaning than government because it means a government process and includes the mechanism for managing economic and social resources involving the state, community and private sectors (Hardijanto, 2009). State and non-state). Bappenas (2002: 8-19) mentions the characteristics of good governance as follows: 1) accountable, transparent, responsive, equal and inclusive, effective, following the rule of law, participatory and oriented towards consensus (agreement). UNDP states that according to the characteristics of good governance (Mardiasmo 2004) as follows: 1) Participation. Community involvement in decision-making either directly or indirectly through representative institutions that channel their aspirations. Such participation is built based on freedom of association and speech and constructive participation; 2) law rules. A legal framework that is fair and enforced indiscriminately; 3) Transparency. Transparency is built based on freedom of information. Information relating to the public interest can be directly obtained by those who need it; 4) Responsiveness. Public institutions must be fast and responsive in serving stakeholders; 5) Consensus

of orientation. Oriented to the interests of the wider community; 6) Equity. Every society has the same opportunity to obtain prosperity and justice; 7) Efficiency and effectiveness. The management of public resources is carried out in an efficient (efficient) and practical (effective) manner; 8) Accountability. Accountability to the public for every activity carried out; 9) Strategic vision. Government administrators and the community must have a far-sighted vision.

III. Material and Methods

This research was carried out in 14 villages in the Bacana District, South Halmahera Regency. This type of qualitative research is intended to explore the phenomenon of village fund management seen from planning, implementation and accountability. The number of informants in this study was 45 people, consisting of the head of the South Halmahera Regency Inspectorate, the Head of the Community Empowerment Agency and the Village Government.

South Halmahera District, Bacan Sub-district Head, Village heads in the Bacan District area, Village Consultative Body, Village program assistants in Bacaan District. Data analysis through the stages of data collection, data reduction, data display and interpretation (Sugiyono, 2013).

IV. Discussion

1. 1. Pro Village Fund Planning for public services in Bacan District, South Halmahera.

Community participation is the participation of the community in development plans, development activities and participating in utilizing and enjoying the results of development (Suryono, 2001:124). Community participation at the planning stage is the main reason for pro-public service village development because the community participates in the process of identifying problems and potentials that exist in the community, selecting and making decisions about alternative solutions to deal with problems, implementing efforts to overcome the issues and community involvement in the process. Evaluate the changes that occur (Adi, 2007:27). At the planning stage, the village government in Bacan District, South Halmahera, provides opportunities for the community to participate. This was stated by the informant Mr Sumitro Hi, Amin (Head of Sumae Village) that:

Managing the Sumae Village Fund begins with the program formulation process, which is to absorb proposals from below directly, then discuss them together at a village meeting with the Village Consultative Body. The proposal is decided to be included in the one-budget program and the RKPDes. And APBDes. Furthermore, the implementation and accountability of this process are carried out by the village government together with the community and supervised by the Village Consultative Body.

(Interview, Tuesday, 17 -03- 2020, 10.00 WIT)

All informants said that the community participated in the planning stage through village meetings (village council). However, the village government does not provide a database during the implementation of the village council. This is confirmed by the following informant Gandhi Bahtiar (Sumatinggi Village Community Leader):

In planning, we, the community, attended the village discussion. We only listened to the explanations from the village head and the Village Consultative Body.

We only accept according to their directions. We, the community, really hope that the Village Head will pay attention to the community's interests.(Interview, Wednesday, 26, 02, 2020, 02.00 WIT)

The community attended the deliberation because it was invited by the Village Consultative Body to discuss the Village Medium-Term Development Plan, Village Government Work Plan or Village Development Work Plan, and Village Income Shopping Budget Plan. However, the community did not propose many ideas because they did not have data references and analytical skills. The community only follows the direction of the Village Head and the Village Consultative Body. Regarding this, Informant Hi Dahlan Burhan, S.IP (Chairman of the Marabose Village Consultative Body) explained as follows:

"...The village government does not have updated data regarding the general condition of the community, so that planning is not based on data. So far, most of the planning arguments are based on direct observation and field experience. Because we are village people who know very well the natural conditions, community conditions and the dynamics of the socio-economic life of the village community".

(Interview, Tuesday, 25, 02, 2020, 02.00 WIT)

The Village Government should prepare a Data Base (database) presented in the Musdes program for one fiscal year as stated by Kessa (2015:12-13) that in compiling a good plan it should be supported by several adequate data and information so that the plans drawn up can solve problems encountered or experienced by village communities through their potential. The data that is needed in the Musdes include population data, geographic data and natural resources, and human resource data. It can be said that community participation in Musdes activities is only a formality to fulfil the requirements of the law but loses its substance because the community does not participate in ideas. Participation without meaning is the same as Musdes without aspirations. This is contrary to the public choice theory, which explains that village development planning that loses community aspirations can cause the government to fail in providing public services. Because the principles of public choice theory explain that: citizens give rulers or states the resources and power they expect in return for goods and services and laws that govern society according to what they expect (Buchanan et al., 1978; Lane, 1993).

1. Pro-public service Village Fund governance in Bacan District, South Halmahera.

The realization of the implementation of village development in Bacan District, which is pro-public services, can be seen from the presentation of Informant Yusli Noho (Head of Amazing Kali Village) as follows:

“...The audit results for the level of obedience of the village government from year to year have been increasing. The administrative mechanism starts at the planning, implementation, reporting and monitoring stages. The control over the use of the Village Fund is quite large because it is monitored directly by the community itself, NGOs, and the regional government”.(Interview, Tuesday, 17.03 -2020, 09.00 WIT).

The governance of the implementation of village development in Bacan District highly upholds the principle of transparency. This is reinforced by the Village Fund implementation document analysis, where there is a Standard Operating Procedure (SOP) or the Village Fund implementation flow that is informed openly to the Village community. Thus, the community can monitor and supervise the implementation of the Village Fund.

The development is carried out in three stages: First, the planning stage is implementing the Musdes by involving the community to discuss programs in one fiscal year. The second stage of implementation is preparing a budget (budgeting) involving the community as the executor of physical activities in the village. The third is the reporting/responsibility stage for all actions completed. The reporting stage starts from the Activity Management Team, which reports directly to the Village Head, directly supervised by the Village Consultative Body. Then the Village government makes a written accountability report and attaches physical evidence and documentation of the implementation of these physical activities to the Regency Government through the approval of the Camat. The TPK report document supports this addressed to the Village Head and the Village Head Report Document for each Village Fund period. The supervision carried out by the Village Consultative Body refers to the Implementation Budget Plan for each activity to ensure the implementation of actions following the plan and the amount of the budget that has been determined.

Community participation in monitoring and supervising program activities has been going well through their representatives at the Regional Consultative Body. Thus, monitoring and supervising the implementation of the village fund program has also taken place effectively. Some exciting things that became the study's findings were that, in general, the community did not expect incentives in the process of community development and empowerment, and most people were willing to sacrifice part of their property for the common good. However, many people have not participated appropriately due to several factors. Among others: 1) The community considers the village government to be not transparent in the final accountability of the program. Because it only reports the complete implementation of the program to the district government; 2) The problem of busyness in his work; 3) The low capacity of the community due to inadequate education and lack of knowledge so that they do not take the initiative to be actively involved.

1. 3. Accountability of Village Fund Accountability in Bacan District, South Halmahera.

Accountability is the responsibility of the management/organization carried out (Tjokroamidjojo, 2000:75). The principle of accountability in implementing the Village fund program in Bacan District has gradually increased. The obstacle encountered is that the reporting system is still normatively, not substantively. Normatively, the village government is obliged to report every activity or program financed by the Village Fund by making an SPJ report to the Regency and through the District. However, the substantive reporting was never carried out by the village government. Substantive reporting relates to village government reporting on every

program completion 2 to 3 times a year through deliberation with the community and their partners. This can be seen from the statement of Informant Agusalm Melman Besy (Head of Amasing Village, North City):

The management of village funds for Amasing Kali Village, Bacan District, starts from the planning, implementation, to reporting stages. For the accountability report stage to the technical service. The Village fund management report is by making an accountability report which is proven by administrative readiness and physical activity documents. (Interview, Tuesday, 17 -03 -2020, 02.00 WIT)

The community does not know the form of accountability for implementing Village funds following implementation in the field. This is in line with the explanation of the informant Bustamin Soleman (Head of BPMD) below.

"...the accountability reports from each village are submitted to the Community Empowerment Agency and the Village Government, then managed to be forwarded to the siskeudes both from the Revenue and Expenditure Budgets, the accountability. So if it has been inputted, it will be posted directly later; the Director-General of Finance will state that these villages are eligible for distribution because the town has already made accountability for the realization of the use of the budget.

(Interview, Wednesday, 18, 03 -2020, 11.00 WIT)

From the aspect of transparency, Village Fund reporting should be done vertically and horizontally, namely accountability to all elements of society and Community Social Institutions through evaluation forums. This is in line with the opinion of Mardiasmo (2002:21) that the realization of public accountability requires public sector institutions to place more emphasis on horizontal accountability, namely accountability to the broader community, not just vertical accountability, namely accountability for management funds to higher authorities. The demand that then arises is the need to produce external financial reports that can describe the performance of public sector institutions.

According to Permendagri 113 of 2014, as amended by Minister of Home Affairs Number 20 of 2018 concerning village financial management, village heads must account for reports on the use of village funds to the community. The evaluation of the implementation of the Village Fund program also guides the community to actively participate in providing input and corrections to the performance of the Village Fund.

1. 4. Determinants of pro-public service Village Fund management in Bacan District, South Halmahera.

Several aspects determine the management of village funds, namely cultural, social, and human resource aspects of the village government apparatus. The organizational structure of the Village government still uses the old system, and organizational behaviour is still traditional (Observations in 14 Bacan Sub-districts/12 June-30 September 2020). This causes how to manage the organization to be still influenced by traditional cultural values. Such as the recruitment of village government staff who still pay attention to the recommendations of community leaders who have charisma and or have followers. This was also slightly influenced by political incentives because most of these figures contributed to the election of the village head. This is also reinforced by the results of interviews with informants Fadila Abas (Secretary of the Inspectorate), who stated the following:

The leaders' wishes still influence the management of the Village Fund. Many young people are educated with a Diploma 3 and a bachelor's degree but cannot further affect the Village Fund's control. This is because the village government tends to listen to the leaders' directions, who generally contribute to the village Head Election. Some village officials are still young and have earned bachelor's degrees. Still, they are not based on community experience but because they are the children of community leaders.

(Interview, Wednesday, 26, 02, 2020. 10:00 WITA)

V. Conclusion

Village fund planning in Bacan District, South Halmahera, has not maximally sided with the community (pro of public services). The transparency aspect is implemented procedurally but fails substantively. Community participation only fulfils statutory demands but loses substance because the community does not participate in ideas. The governance of implementing pro-public service village development in Bacan District consists of three stages. The first stage, starting from planning, is carrying out village meetings involving the community to discuss programs that will be implemented in one fiscal year. Infrastructure development program planning is stated in the Budget Plan. The second stage, namely preparing a budget (budgeting) involving the community as the executor of physical activities in the village. The implementation of Village Fund Programs/Activities held in Bacan District covers three areas: 1) Village

Infrastructure Development, 2) Public Health, and 3) Education. The third stage, reporting/responsibility for all activities that have been completed. However, the substantive reporting was never carried out by the village government. Substantive reporting is related to village government reporting on every program completion 2 to 3 times a year through deliberation with the community and its partners. From the aspect of transparency, the reporting of Village funds should be done vertically and horizontally, namely accountability to all elements of the community and NGOs through evaluation forums. The determinants of village fund management are cultural aspects, social aspects and human resources aspects of the village government apparatus. This research has implications for improving weaknesses in the direction of Village funds: 1) the Village government and the Regional Consultative Body to create a Village profile by presenting population data, geographic data, socio-economic data of the community to be used as a planning database. 2) the village government should make a horizontal accountability report.

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