The Effectiveness of Village Fund Utilization in The Covid-19 Pandemic Era
(Study: Batu Lambang Village, Pasar Manna, South Bengkulu)

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ABSTRACT
The COVID-19 situation in Indonesia had upended the public’s livelihoods, thus changing the dynamics in any governmental actions. After all, it is the Government whose responsibility is to take care of all of their people’s livelihood. Thus, through the bureaucracy scheme based on regional distribution of power, the Government allocated funds which could be used to ease the economic burden and ensure the people’s livelihoods, even to the far-reaching villages. These allocated funds, one of which is in the form of the Village Funds, need to be evaluated to see how effective their utilization truly was, and whether they fulfilled the goals and reached the results the Government wanted. This research was a qualitative social research with the descriptive approach, where the data was gathered through interviews, observations, and documentations. The results show that, through the eight indicators that were tested to determine whether the village fund utilization in Batu Lambang village was effective, all of them were effective. This can be seen by the fact that the village funds were used to reach the predetermined goals, such as Cash Transfers (BLT), and the procurement of COVID-19 mitigation and prevention tools. In addition, all of those were done in a timely, economically effective manner, as prescribed in the fund’s planning.

Keywords: Effectiveness, Village Fund, COVID-19 Pandemic.

1. INTRODUCTION
Village Fund is a further realization of the Indonesian Government’s development program, especially in the smallest scope, a village. It is done to ensure that every Indonesian is equally prosperous, equally developed, and equally strengthened [1]. As stated in the Governmental Ordinance No. 60, 2014, village funds are utilized to fund the government, development, empowerment of the people and for the society, in accordance with the priority of need. This priority is set so that it will lead to the development of the village, so that the people may become even more prosperous with higher living standards, and to eradicate poverty. These goals are attained through: 1) fulfillment of basic needs; 2) development of village facilities and infrastructure; 3) cultivation of local economic potential; 4) continuous use of natural resources.

Village Funds were allocated to further develop a village as set in the Indonesian Constitution No. 6, 2014: “Village development is a means to increase living standards so that the village people may become even more prosperous” [2].

However, with the outbreak of the COVID-19 pandemic in early 2020 in Indonesia, the Government had to enact laws to help reduce the virus’s spread while maintaining the country’s stability to not let it descend to chaos [3]. COVID-19, short for Coronavirus Disease 2019, is a plague that has never been identified before and has just happened once [4]. Ever since the first case of infection was identified in March 2020, the virus had spread to infect more than 1 million positive cases as of early 2021, with a death toll of 29,000 people [5]. The
government had enacted several multi-sectoral ordinances ever since the outbreak begun, such as Large-Scale Social Restrictions (PSBB), work from home, study from home, and even the closing of many public facilities [6]. These restrictions were put in place as a prevention and mitigation of COVID-19, so that it would not spread further among the people [7]. The pandemic had unraveled a domino effect on so many layers of the people’s livelihood, not dissimilar to the Black Swan concept, and is similar in gravity to the effects in the aftermath of the Second World War [8].

COVID-19 and its overarching effects reached even to the smallest unit of governance in the village— they had to adjust their utilization of the village funds [9]. Before, the Government, through the Ministry of Village, Development of Disadvantaged Regions and Transmigration of Republic of Indonesia (Kemendes PDTT), had planned for the prioritization of village funds in 2020, as written in the Ministry of Village’s Ordinance No. 11, 2019. It explains how the village funds were planned to be used to increase the village people’s living standards through the enactment of programs and basic social service acts. In addition, increasing the living standards of the village people can also be attained through cross-activity programs, continuous employment opportunity creation, earning improvement for impoverished families, and improvement of original local government revenue [10]. This pandemic urged the Government to change directions in managing a village’s economy, which was realized in the form of Ministry of Village’s Ordinance No. 6, 2020, on the Revision to Ministry of Village’s Ordinance No. 11, 2019. This change of direction generally prescribes that village funds be utilized to mitigate COVID-19 [11]. In addition, the Ministry of Village also issued a Circular Letter (SE) No. 8, 2020, on COVID-19 Responsive Villages and Reaffirming Labor-Intensive Cash as a decisive law on the reallocation of village funds prioritizations.

In realizing the utilization of village funds, it is possible to find out whether it was successful if it had been realized in accordance with the planned dissemination. If previously, the reference point for the utilization of village funds can be found in the Ministry of Village’s Ordinance on Village Funds Utilization, now, thanks to COVID-19, the reference changed to direct the village fund to mitigate the pandemic among the people [12], as stated in the Ministry of Village’s Ordinance 6/2020 and Circular Letter 8/2020. Thus, the village funds’s utilization would be deemed effective if it accommodates the goals set forth in aforementioned ordinances.

Batu Lambang Village, located in South Bengkulu, is one of the villages whose administrative rights are recognized by the regional and national government. From a total of 142 villages, and an allocated fund of 92.6 billion Rupiah in total, Batu Lambang received 651,999,000.00 just to mitigate COVID-19. This fund is not inclusive of other village fund allocations coming from the village’s own income, excluding regional transfer to the village, such as: original local government revenue, village-owned businesses, etc. As the Ministry of Village’s Ordinance 6/2020 and Circular Letter 8/2020 had defined how the village funds shall be used, Batu Lambang must allocate their funds to strategically mitigate the pandemic with considerations based on the people’s needs. The success and effectiveness of Batu Lambang’s village funds utilization depends on whether it had been used in accordance to the goals and needs of the people as stated in the two ordinances earlier. The allocation itself needs to be tightly controlled by the village government so that the funds may reach its designated target audience [13]. Based on the explanation above, the author would analyze the effectiveness of Batu Lambang’s village funds utilization in this pandemic era, using eight indicators: timing accuracy, cost calculating accuracy, measuring accuracy, choice-making accuracy, thinking accuracy, order executing accuracy, target accuracy, and goal-setting accuracy.

2. RESEARCH METHOD

This was a qualitative research, which would connect phenomenology based on author-gathered facts to the research topic at hand. The author used the case study approach to try to find meanings, analyze processes, and attain a deep understanding and comprehension of an individual, a group, or a situation in accordance with the research topic [14]. The data was gathered through observations, documentations, and interviews. The author observed the topic at hand directly, and this observation technique can give a clearer picture of the issue and its resolution [15]. Documentation is a data collection technique that studies historical data or documents (e.g. journals, reports, and office archives) to support the research data [16]. Lastly, interview is a data collection technique that happens through a face-to-face meeting, where the author can ask questions and the interviewee can give answers that will be inputted as the research data [17].

3. DISCUSSION

To analyze the effectiveness of Batu Lembang’s village funds utilization during the COVID-19 pandemic, the author devised a few indicators: timing accuracy, cost calculating accuracy, measuring accuracy, choice-making accuracy, thinking accuracy, order executing accuracy, target accuracy, and goal-setting accuracy [1]:
3.1. Timing Accuracy

Timing accuracy was used to measure how timing affects the effectiveness of an activity or a program in reaching its goals. A program was deemed effective if it could reach its predetermined goals in a relatively short time (instead of taking too long). In regards of the funds allocation for COVID-19 mitigation in Batu Lambang, the village government had considered how long it would have taken the funds to be dispersed among the populace by observing and studying their conditions, especially impoverished ones that were struggling even worse thanks to the pandemic. This was proven by the Head of the Village’s explanation; he had coordinated with related parties to disperse the village funds (received in April of 2020) as soon as the next month (May 2020). This delay was important to allow the local government some time to account for all recipients and plan for the funds, so that it could be dispersed and utilized effectively.

Below is a detailed overview of Batu lambang’s village fund allocation in 2020:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Amount of Recipients</th>
<th>Date Received</th>
<th>Amount of Cash Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>98</td>
<td>15 April 2020</td>
<td>352.800.000</td>
</tr>
<tr>
<td>II</td>
<td>98</td>
<td>21 Mei 2020</td>
<td>352.800.000</td>
</tr>
<tr>
<td>III</td>
<td>98</td>
<td>30 Juni 2020</td>
<td>352.800.000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>1,058,400.000</td>
</tr>
</tbody>
</table>

Source: Batu Lambang’s Archives

From the table above, it could be inferred that Batu Lambang’s government allocated Rp1,058,400.000 for cash transfer, directed to 98 recipients spanning 3 consecutive months. Seen from the perspective of the timing accuracy in the dispersal of the funds, it could be said that the cash transfer was done in a timely manner, as it was given just as the people started following the Government’s advice to reduce social activities, which impacted some Batu Lambang residents’ income. The initial schedule of cash transfer for three consecutive months was also timely, since it could help them to manage the cash and use it to fulfill their daily needs in the pandemic era. Thus, it could be concluded that the timing of the cash transfer was timely and effective.

3.2. Cost Calculating Accuracy

Cost calculating accuracy was used to measure whether a program/activity had used all the funds as effectively as possible. A program was deemed effective if it had no financial deficit or surplus for the period of the program. In mitigating COVID-19 in Lambang, the government calculated how much cash should be transferred to the people so that the cash transfer is dispersed equally to those in need. Keeping in mind that this pandemic had not ended (until this research was done), Batu Lambang’s Government made a small change to the amount of recipients, amount of cash received, and also the period, as can be seen below.

<table>
<thead>
<tr>
<th>Phase</th>
<th>Amount of Recipients</th>
<th>Amount of Cash Received /Person</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Changes (2020)</td>
<td>98</td>
<td>600,000</td>
<td>Per 3 month</td>
</tr>
<tr>
<td>II</td>
<td>98</td>
<td>600,000</td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>98</td>
<td>600,000</td>
<td></td>
</tr>
<tr>
<td>Post-Changes (2021)</td>
<td>74</td>
<td>300,000</td>
<td>Per month for 12 months</td>
</tr>
</tbody>
</table>

Source: Author’s Data (2021)

From the table above, it could be inferred that, in 2021, the amount of the cash transfer reduced from Rp600,000,00 for 98 recipients in a 3-months period to Rp300,000,00 for 74 recipients all year long [18]. This reduction was a joint agreement between Batu Lambang’s Government and the people; there needed to be a recipient selection so that only the ones truly in need would receive the cash transfer, considering the limited amount of the village funds.

With those changes, it could be concluded that the funds had been distributed evenly to the people, as Batu Lambang’s Government had focused on those truly in need of the cash transfer to fulfill their daily needs. This, in turn, helped the residents of Batu Lambang to survive amidst the pandemic.

3.3. Measuring Accuracy

Measuring accuracy was used to measure how effective an organization’s activity was. In the context of village fund utilization, the local government, through the author’s interview with Mr. Achmad Yusran Hanafi as the head of the village, stated that:

“Each year, we create the budget plan for the year. From it, we can infer what the village needs most, so that the village funds can be utilized in an even more effective manner.” (Author’s interview with the Head of the Village, April 21, 2021)
Mrs. Intan Purnama Sari backed up his statement, saying that:

“The exact measurement of village fund’s utilization has been planned on the yearly budget plan. So, the village funds will be utilized in accordance to the agreed budget plan.” (Author’s interview with Mrs. Intan, 23 April 2021)

From the interviews above, it could be inferred that Batu Lambang’s local government assessed the village’s needs and budgeted for them before dispersing the village funds to the people. Said budget plan had been used as the blueprint to utilize the village funds, especially to mitigate COVID-19.

3.4. Choice-Making Accuracy

In doing an activity or program, it is a common occurrence to be faced with options. In such situations, one must be able to choose the best option to reach the previously set goals. In the context of utilizing the village funds to mitigate COVID-19, the local government had exercised careful consideration to prioritize persons in need, public need, and lastly, governmental needs so that everything else could still run as smoothly and effectively. Below is a breakdown of how the village funds is used to mitigate the pandemic in Batu Lambang:

Table 3 Breakdown of Village Funds utilization for Health-related needs

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Prevent COVID-19 transmission” billboard</td>
<td>2 units</td>
<td>Rp210.000,00</td>
</tr>
<tr>
<td>Masks</td>
<td>125 dozens</td>
<td>Rp7.000.000,00</td>
</tr>
<tr>
<td>Public hand washing buckets</td>
<td>350 units</td>
<td>Rp15.750.000,00</td>
</tr>
<tr>
<td>Public hand washing soaps</td>
<td>350 units</td>
<td>Rp4.900.000,00</td>
</tr>
<tr>
<td>Sprayer rental</td>
<td>1 time</td>
<td>Rp250.000,00</td>
</tr>
<tr>
<td>Spraying solution</td>
<td>1 time</td>
<td>Rp110.000,00</td>
</tr>
<tr>
<td>Employee operational costs</td>
<td>3 people</td>
<td>Rp300.000,00</td>
</tr>
<tr>
<td>Purchase of Personal Protective Equipments</td>
<td>3 units</td>
<td>Rp300.000,00</td>
</tr>
</tbody>
</table>

Source: Batu Lambang’s Archives

From the table above, it could be inferred that the local government was committed to utilizing village funds for primary needs as a means to prevent, control, and mitigate any effects caused by COVID-19. To prevent further spread of the virus, the local government put up billboards reminding people to always practice the health protocols, mandated hand washing and mask wearing in public spaces, and hired employees to spray disinfectant. Their choice in spending the village funds was also apparent by the cash transfers, to directly help economically struggling people. Thus, it proved that the government’s choice and prioritization to prevent, control, and mitigate COVID-19 was spot-on and matched the village’s preset budget planning.

3.5. Thinking Accuracy

Thinking accuracy was used to measure the way an organization cooperated to give the best results, ensuring the success of said activity. In the context of the utilization of the village funds, Mr. Achmad Yusran Hanafi (the Head of Village) stated that:

“When planning the fund allocation, there needs to be a holistic thinking so that it could be utilized as effectively as possible. The first thing that I thought about was how this pandemic had adversely affected a lot of my people, so I immediately thought of helping them out. The second thing I thought about was disadvantaged and old people, who also deserved all the help they could get- the economic condition was unfavorable, after all. Lastly, I thought about the infrastructure. An example would be constructing or fixing irrigation channels so that our farmers could use it more effectively, in the hopes that it would result in an increase of harvests. Another example would be building the village roads that lead to the people’s plantations, so that they would not need to spend a lot just to get their harvests to the markets.” (Author’s interview with the Head of the Village, 21 April 2021)

Mrs. Amanda Ega Putri, The Village Secretary, stated that:

“As we are still deep in the pandemic era, the village funds are still directed towards COVID-19 mitigation. As the village’s secretary, I will always communicate when
there are any new mandates and information from the local government, including if there are any changes in the village fund allocation. This ensures accountability—the village funds are being used in accordance with the government’s plans.” (Author’s interview with Mrs. Amanda, 22 April 2021)

Her statement above was corroborated by Mrs. Intan Purnama Sari, as the Head of Planning:

“The village funds can not be utilized in a careless manner. As the Head of Planning of the village, I must think of how the funds shall be spent each year, semester, or month, as the planning will tie to the funds and the pandemic. With a holistic thinking, the funds will be utilized effectively. When budgeting the funds, we must think of the people’s condition, especially in the midst of this pandemic.” (Author’s interview with Mrs. Intan, 23 April 2021)

From the interviews quoted above, it could be concluded that Batu Lambang’s local government, first of all, prioritized the funds to prevent, control, and mitigate COVID-19’s adverse effects which had hit the village’s people. Holistic thinking can be challenging for the governmental apparatus, as they must plan so that the funds would be utilized in the most effective manner. With an open mind and holistic thinking, the village funds would be able to be utilized in a more effective manner. Other than planning the fund allocation, the governmental apparatus must also think about who should be prioritized to receive the cash transfer, so that the funds may be dispersed evenly.

3.6. Order Executing Accuracy

The success of an organization’s activity would be dependent on its leadership. One leadership scope in this context was the ability to give clear commands that could be easily understood. A clear command would bring success, and in reverse, unclear commands would bring forth miscommunication and devastating failures. In allocating the village funds, Batu Lambang’s local government through Mr. Achmad stated that:

“As the village’s governmental apparatus, we follow the direction that the village government wants us to go, so we can not utilize the village funds carelessly.” (Author’s interview with Mr. Achmad, 21 April 2021)

Mrs. Intan, as the Head of Planning, stated:

“As the person-in-charge to lead the Planning division, I report directly to the Head of the Village and am tasked to plan the village’s SDI annually. Such command, I will do in accordance with the instructions I received and I’ll adjust as needed on the field.”

(Author’s interview with Mrs. Intan, 23 April 2021)

From the interviewee’s statements, it could be inferred that the local government follows the regional regulation, which would then be adapted to the conditions of the people and the field. This results in the funds being utilized as needed.

3.7. Target Accuracy

Target accuracy was the precise individual or organizational targeting, which would then determine the success of an organization’s activity. It was an important factor in deciding the effectiveness of a program. An effective program’s effects would be immediately felt by the target audience. Batu Lambang’s local government had targetted their people and set a priority scale of the cash transfer recipients, as could be seen below:

Table 4 Detail of the changes in Batu Lambang’s cash transfer recipients

<table>
<thead>
<tr>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s Data (2021)

From the table above, it could be inferred that, in the beginning, the local government chose 98 recipients for the cash transfer to help them out on the first phase of the pandemic in 2020. However, as they updated their data and filtered out ineligible recipients, the government reduced the cash transfer recipient to just 74 people in 2021, with individual recipients receiving Rp300.000.00 for 12 months instead of Rp600.000.00 per 3 months [18]. This change is the government’s effort in closing in to the target, so that the impoverished would receive the most help during these trying times. Another target that the government had fulfilled was the village’s infrastructure to help stave off the virus, including the building of COVID-19 posts, distributing self-hygiene kits, and so on. Mr. Achmad stated that:

“As the Head of Batu Lambang, I think we have reached the target, spot on. The village funds, as of now, are directed towards mitigating COVID-19 and preventing its further spread, thus, the funds are helping those affected by the virus. On top of that, the funds are also used to build infrastructure to support COVID-19...”
prevention such as COVID-19 posts, water buckets spread across this village, and routine distribution of self-hygiene kits. We hope that these acts can help out the people, especially those who had just lost their jobs or those who are less fortunate.” (Author’s interview with Mr. Achmad, 21 April 2021)

From the interview statement above, it could be inferred that the local government had directed the village funds to mitigate COVID-19’s effects towards the socio-economic conditions (through fulfilling the village people’s needs) and the general well being of the people (through masks and PPEs for health workers).

The accuracy of the government’s targeting in dispersing the cash transfer was also felt by the people. Mr. Harmoko, a recipient of the cash transfer, stated:

“I think the village apparatus had accurately targeted us, impoverished people. Especially, thanks to this pandemic, the economic situation has become harder for us. Alhamdulillah, in my times of dire need, the government came through and helped to lift some of my heaves by giving cash transfers. I was able to stay afloat and start looking for jobs again.” (Author’s interview with Mr. Harmoko, 26 April 2021)

Mrs. Meryana corroborated his statement:

“In these trying times, we impoverished people really need all the help we can get. The government is spot-on in targeting the people affected with COVID-19, as we could use the help to ease our burden.” (Author’s interview with Mrs. Meryana, 27 April 2021)

From the people’s statement above, it could be inferred that they feel that the government has allocated and dispersed the funds perfectly on target, which was impoverished people who were economically affected by COVID-19.

Source: Batu Lambang’s Archives

Figure 1 The distribution of the cash transfer to Batu Lambang’s residents

The photos above proved that the local government had distributed the cash transfers in accordance to its initial target- impoverished people. In addition, the presence of self-hygiene kits and similar cleanliness items also showed that the government was focusing on mitigating and preventing further spread of COVID-19.

3.8. Goal Accuracy

Goal accuracy in a program’s effectiveness could be seen from the enactment and execution of ordinances that kept the program on track. This is not an exception for this case. In [19], it was explained that village funds needed to be regulated to reach its desired goals so that it could be utilized in the most time-efficient manner. There were goals set for the village funds, as explained by the Head of the Village:

“In this pandemic, the village funds are directed towards helping people who are affected the most by COVID-19; to help ease their financial burden; and to prevent its further spread. I think this goal is spot-on, as we can see that people are struggling to meet their daily needs in this pandemic. Hopefully, the cash transfers may help them even if just a bit.” (Author’s interview with Mr. Achmad, 21 April 2021)

Mrs. Intan emphasized on his statement:

“The village funds are directed towards helping out impoverished people and procuring COVID-19 mitigation facilities, which is right on target as we are still in the pandemic.” (Author’s interview with Mrs. Intan, 24 April 2021)

Batu Lambang’s village funds utilization is a form of prioritization as outlined in the Village Governmental Ordinance No. 13, 2020 on Cash Transfers (BLT), directed towards economically affected people thanks to the pandemic [20]. Other than the cash transfers, Batu Lambang’s government also directed the village funds
towards procuring health and cleanliness items, such as hand washing stations, PPEs for health workers, disinfection sprays, etc. The government had a clear goal to utilize the village funds amidst the pandemic: to help impoverished people and to prevent further spread by procuring health facilities.

4. CONCLUSION

Styles can be applied using the style palette available within the template. To activate it, press Ctrl+Shift+s. Apply the style as required based on the content and context. (Please don’t highlight your text in yellow).

From the data processing and analysis above, it can be concluded that Batu Lambang’s village funds had been used to its most effective extent. This conclusion is drawn by seeing the results of the 8 indicators, all of them showed that they are being fulfilled and does match the priority of needs in this pandemic era.

1. Timing Accuracy

The local government had timed the cash transfers perfectly, as the dispersal of the village funds coincided with the Central Government’s mandate to reduce outdoor activities, resulting in the reduction of income for a lot of people.

2. Cost Calculating Accuracy

The cost calculation for the village funds is accurate. The Head of the Village and his apparati had calculated how to utilize the funds so that they could help people to stay afloat amid the pandemic.

3. Measuring Accuracy

Before the funds were utilized and allocated, the governmental apparati had measured their needs, which was then made into a budget plan.

4. Choice-Making Accuracy

The local government was demanded to accurately make choices, so that the village funds may be utilized in the most effective manner. This resulted in the selection for the cash transfer recipient, helped by the Village Chief.

5. Thinking Accuracy

Accurately thinking about how the village funds should be utilized as effectively as possible is its own challenge for the Head of the Village and the village apparati. Other than minding the fund allocation, they should also take into account a lot of factors when deciding who is eligible for the cash transfers or not.

6. Order Executing Accuracy

In Batu Lambang, the government apparati follows the Head of the Village’s orders, and he does his duties by referring back to the local regulations.

Di Desa Batu Lambang, perangkat desa bekerja sesuai dengan perintah dari kepala desa, dan kepala desa menjalankan tugas dengan mengacu pada peraturan daerah.

7. Target Accuracy

Batu Lambang’s village funds are targeted towards the people, especially in this COVID-19 era. The government’s cash transfers and procurement of health items, either given straight to people in need, or installed in public spaces to be used as public property, are the two targets that they have fulfilled.

8. Goal Accuracy

The local government had set a goal: to utilize the village funds as cash transfers to help impoverished people affected by COVID-19, and also procurement of COVID-19 mitigation facilities.
REFERENCES


