



Supervision of Village Financial Management

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Abstract— This study did in 2022 to observe the supervision of management in village financial of Lingga Regency. Sampel used were 30 villages with 30 people as informants consist of the Village Head, the Village Secretary and the Village Apparatus. Deep interviews also did to Inspectorate of Lingga Regency, Department of Village Community Empowerment Lingga Regency, Village's Consultative Agency (BPD), Village Facilitator and the Villagers. This study concluded village's financial statement was necessary to be supervised since planning and discussion about Village Budget and supervision based on community strengthening and digitalization supervision because of the considering the long range of control in most villages.

Keywords— Village, Village's financial statement, Supervision

I. INTRODUCTION

Efforts to prosper all Indonesian people are the country's goal, including people in the archipelago. In fact, there is still an imbalance between the people in the islands and the mainland [1]. Historically, village is the foundation of Indonesian political community and government. Long way before the nation was formed, a social entity as a village was a very important social institution [2]. Act No. 6 of 2014 had regulation about Village which has ability in regulate and manage their own administration. It is also stated that a village is a unity of a legal community with territorial boundaries authorized to regulate and manage government affairs, local community interests based on community regulations, ancestral rights, and/or traditional rights that are recognized and respected within the government system of the Republic of Indonesia. Village's finance which obtained by government of village through village income from village fund, the allocation of it and village original revenue should be stimulus for prosperity and equitable development in Village, however other study indicated that village budget used more dominant for economic benefit directly for household individual [3].

Indonesian Government commitment in autonomy of Village one's in form of delegated development authority as local participatory to Village. But in practice, given authority instead misused as abused of authority by most of village head in corruption [4]. Indonesian Corruption Watch (ICW) stated that village government be the most corrupted institution in Indonesia, in 2021 there were 154 corruption case in village budget sector with the value of state loss of Rp. 233.310.616.052. Corruption in budget of village sector not completely about Indonesian Government disbursement through program Village fund (DD) but also from other sources [5]. Further explained that since the issuance of Law Number 6 of 2014 concerning Village, ICW noticed a fairly consistent increase of corruption cases in Village and ditindak punished by law enforcement institution. For more detailed information, here is the following data about the village budget corruption case prosecution since 2015 [5].

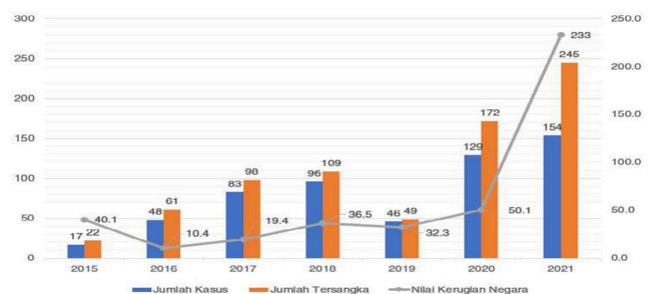


Fig 1 Graphic of Data Corruption Village fund in 2015-2020

Then in 2021, also explained that apparatus handle the most case of village government. Corruption case involving village government appear and the trend keeps increasing since Indonesian Government budget for village. Here are mapping of the corruption case based on top 10 institutios in 2021.

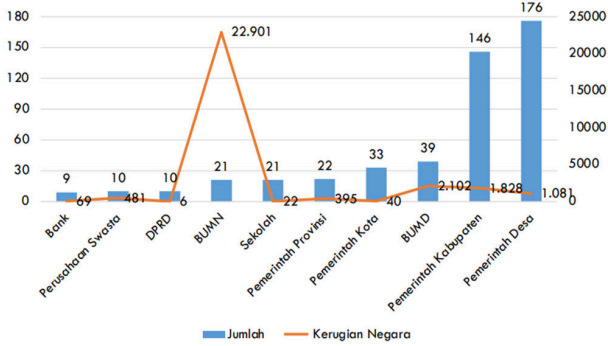


Fig 2 Mapping of corruption case based on top 10 institutions in 2021

Research did by Oce Madril [6] stated that several corruption case of village governments caused by abuse of authority, misused of budget, asset corruption and irregularities in the procurement of goods and services. In other study stated that the misappropriation of vilage funds factor is less community participation, limitatons of village human resource, dysfunctional village institutions and the high cost ofpolitics in village fund allocation [7]. Other results show that, elite minorities in villages undermine policies that redistribute income toward the majority poor [8]. Eventually, strategic interactions between corrupt officials affect the level of corruption [9]. In context of Kepulauan Riau, Lingga as a

No	Regency	Number of Village	Budget Limit (RP)	Distribution total to RKD (RP)	Total percentage of Distribution
1	Bintan	36	28.338.150.000	25.282.155.600	94,37
2	Karimun	42	34.083.861.000	33.934.886.532	99,56
3	Natuna	70	50.958.282.000	47.114.899.000	97,12
4	Lingga	75	58.564.558.000	54.583.052.114	93,20
5	Kep. Anambas	52	37.197.871.000	33.672.485.260	90,72

regency which received the biggest village budget, because of number of village in Lingga Regency also more than 5 other regencies.

(Source: Sid.kemenVillage.go.id)

Total distribution received by Lingga Regency based on table above Rp. 54.583.052.114,- with percentage of distribution reach 93,20%. In reverse withreceived budget, the following tabel show some legal problematic village in last 5 years.

Table 2 Legal Problematic Village in Lingga Regency in last 5 years

No	Sub-District	Village	Information
1	Lingga Utara	Limbang	Corruption Village fund in 2020

2	Singkep Pesisir	Berindat	Corruption Village fund and ADD in 2018-2019
3	Singkep Barat	Kuala Raye	-
4	Selayar	Penuba Timur	-
5	Singkep Barat	Tinjul	Under the Monitoring of Law Enforcement Officials
6	Singkep Barat	Marok Tue	Under the Monitoring of Law Enforcement Officials
7	Singkep Barat	Bakong	Under the Monitoring of Law Enforcement Officials
8	Senayang	Baran	Under the Monitoring of Law Enforcement Officials
9	Katang Bidare	Mensanak	-
10	Katang Bidare	Medang	-
11	Lingga	Resun	-

Many researches did about village head who are dealing with law enforcement officials [10] [11], the influencing factors in village's financial statement [11], and various of research also suggest that in village fund irregularities solving through restorative justice approach [12]. Besides, research on Supervision village fund been done by Sigit Pambudi [13], but only the Supervision did by Inspectorate while this study Supervision did by several units.

In this article, some parts presented from national phenomene of misuse village budget than village budget mapping in every regency of Kepulauan Riau and some legal problematic village in Lingga Regency. In other part, presented method and also the result of Supervision did by APIP, sub-districts, Village's Consultative Agency and community. This research used mixed qualitative and quantitative (mix-methods) as approach. Respondentst number are 30 persons represented by the Village Head, the Village Secretary and the Village Apparatus. Research did in 30 Village of Lingga Regency in 2022. Deep interview with Community and Village Empowerment of Lingga Regency, Regional Inspectorate of Lingga Regency, Village facilitator and Sub-District Heads to strengthen the data and information. Focus of research to study the supervision of APIP (Regional Inspectorate), Sub-District, Village's Consultative Agency and community based on Regulation of the Minister of Home Affairs No. 73 of 2020 about Supervision, Management and Village's Financial Statement.

I. II. RESULT AND DISCUSSION

1. a. Result

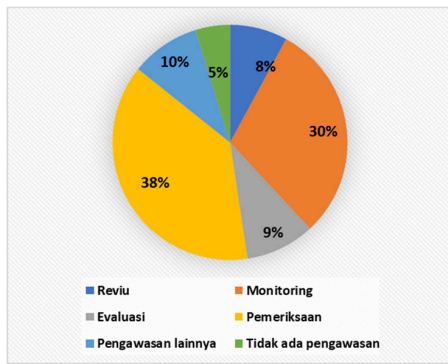
Government of village should take more notice to priority program needed by each village appropriate with arranged Medium Term Development Plan (RPJMDes), pemberdayaan potensi Village Income, and expenditure determination appropriate to each village need, instead of imitating other villages [14]. In that regard, Village Government Budget (APBDes) arrangement had time limitations in legislations. Schedule of APBDes arrangement presented in following table:

Table 3 Schedule of APBDes Arrangement

Stage	Time
Submission of Indicative Ceilings by the district to Villages	July
Determination of RKP Village	End of September
Arrangement of APBDes	Early of October
A joint agreement with BPD	End of October
Submission to the Regent through Sub-District Head	Maximum 3 working days
Evaluation of Draft Village Budget	Maximum 20 working days
Improvement	Maximum 7 working days
Determination of APBDes	Maximum 31 December

Supervision by APIP Lingga Regency

Based on field research, involved 30 respondents, Supervision did by APIP Lingga Regency are the followings:



Picture 3. Supervision Form by APIP

Based on interview to Village Head of Bakong explained that APIP did not any supervised in 2022 in Village Bakong because of limitedness of Region Inspectorate of Lingga Regency human resources number and Village location as geographical which is far from the District Capital. This also experienced by several village sample which is far from the District Capital, admitted that Supervision of village management did not run optimally, Region Inspectorate attend only during the inspection process. It means Region Inspectorate attend only in the end of the phase Supervision of village’s financial statement management. Meanwhile, in Resun and Limbung Village did not any Supervision because in those villages there was a change in leadership Village Head. The new Village Head explained that none of the supervision village’s financial statement mangement obtained by village since being aktiv as Village Head in early of 2022.

Supervision by Sub-District Head

All respondents stated that evaluations activity been did by Sub-District Head. Eventough Government of Village who are not disciplined in collect reports, most of them late in collect APBDes, caused Sub-District Head perceived that has no enough time to evaluate the documents. This information confirmed by Secretary of Sub-District Head Lingga and also

Sub-District Head Selayar that apparatus dicipline should be improved as immediate as possible and need a commitment of the apparatus themselves to have ability in discipline of time, consider limited human resources in Sub-District as number and capability, so it is considered that this condition is also not worth with the available time.

Supervision by BPD

Almost of respondents stated that BPD has implemented Supervision of village’s financial statement management, this can be seen in the following table:

Table 4 The Respondents Answer Summary of Supervision by BPD

No	Form of Supervision by BPD	Yes	No	Description
1	Plans of Activity and village budget government	29	1	Village Mepar
2	Implementation of activities	30	0	-
3	Report of APBDes Implementation	30	0	-
4	Achievement of implementation RPJMDes, RKP Village and APBDes	24	6	Village: Batu Kacang, Berindat, Resun, Mepar, Lanjut, Marok Tua

The above table indicates that only one BPD in Village Mepar did not participate in the activity plan and village budget government. Meanwhile, all BPD have been involved in implementation of activity and APBDes implementation reports. In Achievement of implementation RPJMDes, RKP Village and APBDes activities, there still 6 BPD who haven’t done this activity yet. Secretary of Lingga Regency Forum of BPD Communication (FPBD) explained that member of Lingga Regency BPD urgently require upgrading or increase of capacity to maximizing functionality of supervision of village’s financial statement management that can be performed.

Supervision by Community Village

Access/information by government of village about village’s financial statement management has been given transparantly to Village Community. But a few villages still give access/information village’s financial statement management based on community demand or personal initiative. Based on interview with Community and Village Empowerment Office of Lingga Regency stated that still there problem about open access to information of village’s financial statement by Government of village to the locals, like the example still there are villages did not dicipline in publish the village fund bilboards.

Barriers and Obstacles in Village’s Financial Statement Management

Barriers and obstacles in village’s financial statement management based on findings are: 1). Mismatch in perceptual or interpretation between stakeholder (APIP, Village Government, Village facilitator, and Community and Village Empowerment Office) about implementation of village’s financial statement management regulations. 2) The format of the report that must be submitted to stakeholder (APIP and Community and Village Empowerment Office) frequently non-uniform, thus Government of village must

revised the report as format of each instansi. 3) Capacity of Village Government human resources. Limitation in number of human resources in Village government who has capability to arrange village's financial statement, the consequence is Village Head and The Village Secretary required to complete various administrative job in arrangement of Village's financial statement and 4) the low quality of accounting staff and compatibility between competency and the demands of their job. This condition admitted by DPMPD Lingga Regency, that often times what happens was only Village Head who arranged various Village's financial statement, other apparatus did not be involved because of they are considered less capable in implementation of village's financial statement management duties.

Solution of Supervision Village's Financial Statement Management

Based on data obtained, one expectation is District APIP being actively involved in supervision since the design and planning stages of activities, not only Supervision in implementation and program report. Therefore, optimalization of APIP Lingga Regency role need necessary because of several factors: a) long range control, b) limitation of human resources APIP Lingga Regency, and c) Insufficient budget. Besides, considering the geographic of Lingga Regency, which has a long range between Lingga Regency Village to district capital as administrative center effect to control range of Region Inspectorate and other stakeholder in implementation Supervision village's financial statement management function, thus need community based supervision strengthening. Good collaboration between community and government of village will lead to realization of good village's financial statement management. Good relationship between community and government of village will make it easier to organize village [15] [16]. Another solution is digitalization in Supervision ought to be considered because of the villages geographic in Lingga Regency to be smart village [17].

III. CONCLUSION

This study finds that long control range between Village to Sub-District and Village to District Capital as caused of lack of supervision to village's financial statement management. Other finds as well APIP did Supervision in end of activity in Village while based on recommendation of respondents who want supervision did by APIP since planning. Digitalization in Supervision be important thing to avoid many legal issues that will arise.

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