

Community Participation in Village Fund Management in Babalonge Village Lemito Sub-district Pohuwato Regency

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Abstract

One aspect that determines the success of development programs and community development in rural areas is the active involvement of the community. Community participation has a very significant role in supporting the success of development programs, especially at the village level. Active community involvement allows the development process to be more relevant and aligned with local needs and conditions. In addition, by involving the community at every stage, from problem identification to decision-making, development programs can run in an inclusive and participatory manner. However, in Babalonge Village, Lemito Sub-district, Pohuwato Regency, in the context of the use and management of village funds, community involvement or participation is still relatively low. This condition is certainly contrary to the provisions stipulated in Government Regulation (PP) Number 60 of 2014, which stipulates: village funds are allocated in accordance with laws and regulations, transparently, and responsibly and prioritize the interests of the community. This occurs because of the lack of transparency and communication from the village government. This has led to a sense of distrust towards the village government. In addition, the education level of the Babalonge Village community is still limited. So that the community has difficulty in following developments and understanding various existing efforts or programs, including the management of village funds.

Keywords: Community participation, village fund management

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I. INTRODUCTION

The management of village funds requires the active involvement of the community to ensure the process is effective and in line with village needs. Community participation at every stage, from planning to implementation, is crucial to ensure the transparent and targeted use of village funds. Community involvement also serves as a means of monitoring and evaluation, thereby reducing the potential for misuse and ensuring that the benefits are felt by the community. With active participation, the community can provide important input on village development priorities, and help design programs that are more relevant to their conditions and needs.

Active community participation in deliberations is one of the indicators of the success of more inclusive and sustainable village development. Through this mechanism, village development policies can be formulated in a more targeted manner because they are based on the real needs and aspirations of the community. Therefore, community involvement in village meetings is an important basis for realizing sustainable development that focuses on the common interest [1].

However, the concept and reality in the field are often contradictory, research by [2] on “management of village fund allocation” explained that at the planning stage of the allocation of village funds in Lamu Village, deliberations were held in all hamlets. However, it appears from the lack of community participation that less attend meetings, so that any financial management is not known by the community. The study by [3] on “community participation in the management of village funds” where there is an influence of community participation on the management of village funds With the existence of hamlet and village deliberations, there is good communication and the resulting programs are in accordance with village priorities. Furthermore, in research [4] on “Village fund management” where one of the main problems of the lack of community in the management of village funds is the lack of transparency in the socialization of village fund management to the community, which results in low community participation. Even further related to “factors affecting the accountability of village fund management” [5] mentions the lack of community participation in carrying out village fund activities due to the limited ability to participate and the low desire to participate.

This study aims to evaluate the level of community involvement in the management of village funds in Babalonge Village, by focusing on three main aspects, namely planning, implementation, and supervision of the

use of village funds. This is in line with what is stated by [6] that community participation is a form of community concern for village development which is not only interpreted as involving the community in decision making, but more broadly the community is also involved in the study of village problems and potential. This study also aims to measure the extent to which community participation affects the effectiveness of the use of village funds in achieving the desired development goals.

This research has great relevance, considering that the active role of the community in the management of village funds is a determining factor in the success of village development. Community involvement not only ensures transparency and accountability in the use of funds, but also increases the effectiveness of the implementation of development programs, so that they are more targeted and in accordance with the needs of the village community. In terms of village fund management, community participation strengthens the planning, implementation, and monitoring stages, all of which affect the final results of the program. Without active participation from the community, the risk of misuse of funds and mistargeting will increase, which can hinder the achievement of village development goals.

II. LITERATUR REVIEW

2.1 Community Participation

Participation is the involvement of the community in decision making either directly or indirectly through representative institutions that can channel their aspirations [7]. Community participation in policy implementation implies that the community is directly involved in every stage of policy implementation and can enjoy the output of the policy implementation itself [8]. On the other hand, Law Number 23 of 2014 concerning Regional Government states that community participation is the involvement of citizens in conveying their aspirations, thoughts, and interests in the implementation of local government. This certainly provides comfort for village financial managers in an effort to realize accountability in village financial management.

Community involvement is very important to support village development that is in line with the needs of the village itself. This participation not only includes involving the community in decision-making related to development programs, but also involving them in the process of identifying problems and potentials in the community.

Community participation is one of the important elements that determine the success of development programs and community development in rural areas. Therefore, an in-depth study of the level of community participation in empowerment programs is needed, as well as the existing conditions and factors that influence it, so that the empowerment program can take place in a sustainable manner.

There are several types of participation, namely:

- a. Direct participation Participation occurs when individuals perform certain activities in the participation process. This participation occurs when everyone is respected, can express their views, discuss the subject matter, object to the wishes of others or to their words.
- b. Indirect participation Participation that occurs when individuals delegate their participation rights to others [9]. Public participation in decision making, especially in evaluating policy alternatives that have an impact on common interests, is crucial. This participation reflects the demands of the community to participate in determining the direction and objectives of development. The forms of participation vary, ranging from active attendance and contribution in discussion forums and meetings, to the submission of ideas, responses, and even rejection of proposed programs.

Article 13 of Permendes PDPTT No. 7 of 2023 states that the community has the right to participate in the prioritization of the use of village funds. This participation is carried out by: a. Being actively involved in every stage of the preparation of priorities for the use of village funds, b. Submitting proposals for programs and or activities, c. Ensuring that the priorities for the use of village funds are stipulated in the Village RKP and Village APBD documents and, d. Actively involved in socializing the priorities for the use of village funds. Being actively involved in socializing the priorities for the use of village funds [10].

2.2 Village Fund Management

Thomas explained that village fund management is a process or various actions carried out by a group of people, starting from planning, organizing, implementing, and monitoring. [11]. In this process, various alternatives can be used to achieve certain goals. Government Regulation No. 8/2016 explains that village funds come from the State Budget (APBN). Village funds are a source of funding allocated to support various government activities at the village level, including the infrastructure development sector, strengthening community capacity, and coaching programs to improve the quality of life of citizens. The allocation of these funds is designed by considering the specific characteristics and needs of each village, so that their use can be more targeted and effective in encouraging progress and improving the welfare of local communities. With this

approach, each village has the flexibility to optimize available resources according to local priorities and conditions.

In a book entitled *Village Fund Management System: Theories and Cases* on page 74, it is explained that important village fund management must involve community participation. Where the form of community involvement by making plans and implementation is carried out independently by the community, using local raw materials and local labor, thus the allocation of village funds for development does not flow elsewhere but can be enjoyed by the local community [12].

Village fund management is the entire budget management process consisting of aspects of planning, implementation, administration, reporting and accountability of village funds. The stages are described as follows:

1. Village Fund Planning

The village fund planning process is carried out by the village government in accordance with its authority, guided by the development plan that has been established at the kabupaten or kota level. In this case, the village government prepares two main planning documents, namely the Village Medium-Term Development Plan (RPJM-Desa), which is valid for six years, and the Village Government Work Plan (RKP Desa), which has a validity period of one year. These two documents are then stipulated through Village Regulations. According to Murtiono and Wulandari [13], planning is a process to determine steps to be taken in the future by considering available resources. One important aspect of this planning is the preparation of the Draft Village Regulation on the Village Budget (APBDes), which is based on the Village RKP for the current year. This task is the responsibility of the village secretary, who then submits the draft to the village head for review. Subsequently, the village head together with the Village Consultative Body (BPD) examines and approves the draft regulation. Planning is carried out by creating a budget that contains sources of income and types of expenditure according to the principle of common interests, development priorities, and programs [14].

2. Implementation of the Village Fund

Implementation is the entire process of spending and receiving carried out using the village cash account with the support of complete and valid evidence. The treasurer can keep money in the village account and the amount is determined by the regent/mayor. The activity implementation team submits a Payment Request Letter (SPP) by attaching a statement of expenditure responsibility and proof of transactions that have been checked for accuracy and completeness by the village secretary and then requests payment approval from the village head. According to Noverman, it involves various actions by individuals or groups, both from the private sector and the government. The purpose of these efforts is to achieve pre-set goals and objectives [15]. In other words, Village Fund management is a collaborative effort involving various parties to ensure that available resources are used effectively and efficiently to achieve predetermined village development goals.

3. Village Fund Administration

The third stage of village financial management is administration, administration of village financial management is an activity of organizing village finances to realize the principles of village financial management which include the principles of transparency and accountability. The activities of the administration stage include all cash receipts and disbursements and closing the book at the end of each month in an orderly manner. The party responsible for the administration stage is the village treasurer.

4. Village Fund Reporting

Reporting is an obligation that must be carried out by village officials to the Regional Government and reporting must be carried out in a timely and accurate manner. The village head submits reports on the realization of the APBDes implementation in the first semester and final semester to the regent/mayor. The report on the realization of the first semester of APBDes implementation is submitted no later than the end of July and the year-end semester report no later than January.

5. Village Fund Accountability

Accountability is the process of submitting reports on village financial activities, be it revenue, expenditure, financing during one fiscal year. The accountability report for the realization of the APBDes implementation is submitted by the village head to the regent/mayor at the end of each fiscal year. The accountability report for the realization of the submitted implementation includes revenue, expenditure and financing with the format of the APBDes realization report in accordance with village regulations established by the regent/mayor. The accountability report must be informed to the public either in writing or through information media that is easily accessible to the public.

III. METHOD

This research applied a qualitative approach with a descriptive method to explore and understand the phenomenon under study. Data collection was conducted through three main techniques, namely in-depth interviews, direct observation, and documentation studies. The data analysis process was carried out through several stages, starting with data condensation to condense information, followed by systematic data presentation, and ending with conclusion drawing or verification to ensure the accuracy and validity of research findings.

IV. RESULT AND DISCUSSION

Based on the Regent Regulation (PERBUP) No. 1 Year 2023 on the procedures for allocating village funds from the revenue and expenditure budget, the management of village funds is expected to be carried out carefully and responsibly. This regulation emphasizes the importance of targeted, effective, efficient, transparent, and accountable use of village funds. Village government officials are responsible for ensuring that the management of village funds is in accordance with established priorities, as stated in the village medium-term development plan (RPJM Desa) and village government work plan (RKP Desa). In line with PERBUP No. 1 of 2023, the implementation of village funds must pay attention to the various priority needs of village communities. Furthermore, good implementation of village funds also requires active participation from the community.

Based on the findings of the research conducted on the Pohuwato Regent Regulation (PERBUP) Number 1 of 2023 and the factors that influence the success of village fund management policies, it can be concluded that the implementation of village fund management in Babalonge Village, Lemito Sub-district, Pohuwato Regency, has been carried out in accordance with applicable regulations. The management process has followed the established rules and guidelines, indicating conformity between practices in the field and existing regulations. However, what happens in the field on existing success factors both from the level of compliance with applicable regulations, the smooth implementation of routine functions and the realization of the desired performance and impact on the management of village funds still has obstacles or is still not optimal in its implementation.

As a result of research on the implementation process of village fund management policies in Babalonge Village, Lemito District, Pohuwato Regency still has obstacles including:

a) **Planning**

At this stage, the Babalonge Village Government plans the use of village funds with less community involvement. Based on the results of interviews conducted with village officials, namely the village head and village secretary, the planning stage of village funds is carried out by involving the active role of the community in it. However, it is different from what is said by the Babalonge Village community as the informant as the Babalonge Village community stated that community involvement in the management of village funds is very minimal. Furthermore, the informant as the Babalonge Village community stated that community involvement in the planning stage was only a formality involved in determining development priorities that were built not in accordance with what had been agreed upon previously. Even further, the community said that the conditions in the field, the village head only prioritizes development that benefits himself.

Judging from the determinants of success put forward by Ripley and Franklin, the success rate of policy implementation can be measured by looking at the level of compliance with the policy content with the mandate that has been regulated [16]. Refers to the extent to which policy implementers comply with the rules and guidelines set out in the policy. If compliance is high, the policy implementation is considered in accordance with the plan set at the beginning. Based on the results of the study, it indicates that the lack of compliance with applicable provisions in terms of planning is due to the lack of community involvement in determining programs and uses sourced from village funds.

The relationship between this study and the results of research conducted by [17] on the management of village funds in Pakembinangun Village has generally been running according to the provisions, but there are still imbalances in its allocation. The village government, including the village head and his staff, often determines priorities for the use of village funds unilaterally without going through village meetings involving community leaders and residents. Village meetings should be used to discuss and agree on the priorities of village funds, such as allocations for development and community empowerment. The research is in line with the results of research [18] that the lack of community participation in Bangkalan Regency. It can be seen that only 15 people save at the Motilango Waste Bank, but this is not proportional to the number of people in Bangkalan Regency, which reaches 165,334 people.

b) **Implementation**

According to Noverman, the implementation stage in Village Fund management is a series of activities carried out by individuals or groups, both from government and private elements, with the aim of achieving targets and objectives that have been previously set. This process involves collaboration between various parties to ensure that available resources are used effectively and efficiently to realize planned village development goals. On the

other hand, successful policy implementation at the operational level must be able to translate all policies that have been formulated by policy makers and regulators. This is important so that the policy can be implemented effectively and produce results in accordance with the expected goals, according to Anggara in.

Based on the results of research on the implementation process in Babalonge Village, it turns out that it still encounters various obstacles so that the implementation of village funds is not optimal. Based on the results of interviews, the implementation of village fund management activities has not gone well because what has been planned is not in accordance with the expectations of the local community. On the other hand, the monitoring and evaluation stage also does not involve the role of the community.

Based on observations regarding the implementation of village fund management in Tonala Village, Posigadan Sub-district, South Bolaang Mongondow Regency, the activities have been maximized, as stated by the Tonala Village Secretary. However, based on the results of the researcher's interview with the local community, there is a discrepancy between the plan and the implementation of activities. For example, the originally planned activity was A, but in its implementation it turned into B.

c) Administration

The third stage of village financial management, namely the administration of village financial management, is an activity that aims to organize village finances in order to apply the principles of transparency and accountability in financial management. Village financial administration is carried out within a period of one fiscal year, starting from January 1 to December 31. This process is a unity that includes the stages of planning, implementing, managing, reporting, and controlling village finances.

Based on the results of research conducted in Babalonge Village, the administration stage is carried out by the village treasurer, who is responsible for recording receipts and expenditures in the general cash book, tax book, and bank book. Every transaction received by the treasurer is carried out in cash with reference to information on the development of funding. Deductions, such as for taxes and other purposes, are made by the bank. Based on applicable regulations, the administration process in Babalonge Village must refer to the Village Financial System (Siskedes), which serves to support financial recording by the village treasurer. Interviews revealed that financial records in this village already utilize computerization.

The relationship between this research and research [20]. The administration process is carried out properly by the treasurer who is responsible for all village finances by recording all receipts and expenditures of money using financial books and all implementation of activities is accompanied by complete financial evidence and inputting through the siskeudes application.

d) Reporting

Reporting is an obligation that must be carried out by village officials to the Regional Government. This reporting must be done in a timely manner and with a high level of accuracy. Reporting in the management of village funds is a very important stage to ensure transparency and accountability in the use of funds. The reporting process includes the creation and submission of financial reports detailing all revenues and expenditures during a specific period. The report must be prepared carefully and in a timely manner by village officials, especially the village treasurer, and submitted to interested parties, such as the village head, the regent, and the community.

Interviews showed that the reporting process is carried out by the secretary and treasurer. The treasurer is in charge of recording all expenditures through proof of purchase notes and others. Meanwhile, the secretary is in charge of ensuring the authenticity and suitability of the purchase notes and expenditures. The Babalonge Village Secretariat helped finalize the Accountability Report. In this reporting stage, the TPK still has problems with the use of computers. Regarding reporting to the community, it is conveyed to the community in physical form in the form of making billboards related to realization reports and accountability reports for the APBDesa which are easily known by the Babalonge Village community.

This research is related to Alisaha's findings, which state that although the reporting and accountability process has been carried out in accordance with the procedures stipulated in Permendagri No. 20/2018 on Village Financial Management, there are obstacles that arise from the ability of the Activity Implementation Team (TPK). These obstacles were mainly related to the preparation of physical document reports, both before and after the work was completed, using computer equipment. This caused the process of inputting report data to still require assistance from village officials, indicating limited technical competence in managing reports independently by the TPK.

e) Accountability

The final stage in the management of village funds is the preparation of an accountability report. This report serves as feedback from the village government, in accordance with the concepts put forward by London et al. and Walker & Smither Accountability reflects government accountability by preparing village financial reports [20]. Accountability is the process of submitting reports on village financial activities, be it revenue, expenditure, financing during one fiscal year.

Based on the research results, the Village Head is responsible for the preparation and submission of the Accountability Report (LPJ) which includes the use of village funds. In its implementation, the village head is assisted by village officials, including the village treasurer, who is tasked with compiling detailed financial reports and documentation as reporting material. After all is completed, the report is given to the village head and continued to the regent.

Accountability is also carried out to the community and other stakeholders, which mandates that the realization report and accountability report of the APBDesa be informed to the community in writing and with information media that is easily accessible to the community.

V. CONCLUSION

The results of the research in Babalonge Village show that although the community was involved in the planning stage of the village fund, their participation was still limited so that the process of determining development was dominated by the village head. On the other hand, community involvement in determining development priorities is considered less than optimal, as seen from the many discrepancies between plans and implementation. The implementation of village funds also experienced obstacles, where some activities did not meet the expectations of the community in the sense that they did not match the wishes and needs of the community. However, the administration and reporting of village funds have been carried out in accordance with applicable procedures, although there are obstacles in the use of computers for recording and making reports. Accountability for the use of village funds has been conveyed to the community through reports published in the form of billboards and submitted to the authorities. Overall, the management of village funds in Babalonge Village still requires improvement, especially in terms of increasing active community participation and compliance with applicable regulations.

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