

# APPLICATION OF FINANCIAL ACCOUNTABILITY IN THE VILLAGE OF POLOHUNGO

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## ABSTRACT

This study has a problem formulation, namely how to implement financial accountability in the village of Polohungo and has the aim of describing the application of village financial accountability in Pulohungo Village.

This research uses descriptive research with a qualitative method approach, descriptive research type. This research uses data analysis techniques of the Miles and Huberman model with the following stages 1) Data Reduction, 2) Data Display and Conclusion Chart Drawing/Verification.

The results of this study indicate that the application of the Pulohungo Village Financial Accountability is satisfactory, and in accordance with the prevailing laws and regulations. In ADD and DD planning, Planning and Development Deliberation activities have been carried out both at the hamlet level, at the village level, and at the sub-district level by involving BPD, LPMD, and representatives from the community. The purpose of this activity is to accommodate the aspirations of all elements, both the community and the village administration so that it is hoped that village development will take place as planned and in accordance with the priority scale. Implementation accountability has taken place satisfactorily and in accordance with established procedures. The use of ADD and DD funds have been used in accordance with the ADD Fund Usage Plan.

**Keywords:** applicability, accountability and finance

## INTRODUCTION

Accountability is an effort to achieve good governance, especially in government agencies. The realization of accountability can be done by applying the principles. The purpose of applying these principles is so that the government can improve performance effectively and transparently supported by a strong commitment to implement them. Polohungo Village Government, Dulupi District, Boalemo Regency is a village-level government agency. Support the realization of good governance, especially accountability. One of the accountability is in the management of the Village Revenue and Expenditure Budget (APBDes) which

becomes the annual budget for implementing village programs [5].

Financial Accountability is an accountability regarding financial integrity, disclosure, and compliance with laws and regulations. The targets of this accountability are financial reports and applicable laws and regulations covering the receipt, storage and expenditure of money by government agencies [7].

The government is asked to report the results of the programs that have been implemented so that the public can judge whether the government has worked economically, efficiently and effectively or not. Accountability requires the government to be responsible for its

financial reports starting from budget planning, budget use, and full budget reporting.

Accountability related to financial reports does not only include the presentation of financial statements, in this case reports that contain relevant information and meet user needs, but also reports that are directly available and accessible to the parties who use the information [2].

These conditions not much different from one of the villages in Boalemo Regency, namely Polohungo Village, Dulupi District, whose budget reporting must be reported in detail with the aim of being open to the Community or Local Government. Financial reports to the community are a form of village government accountability in planning and budget execution in Polohungo Village. In the last five years, the amount of budget received by the Village government through the Village Fund and the Village Fund Allocation is shown in table 1 below:

**Table 1.** Polohungo Village Financial Sources and Amounts from 2016 to 2020

Year	Source of Budget	
	Village Fund	Allocation of village funds
2016	Rp. 717,642,000	Rp. 274,543,000
2017	Rp. 830,192,000	Rp. 346,513,000
2018	Rp. 943,426,000	Rp. 485,064,000
2019	Rp. 1,157,509,000	Rp. 647,834,000
2020	Rp. 1,254,044,000	Rp. 667,852,200

Source: Village Government 2020

Village finances obtained by Polohungo villages from the State Revenue and Expenditure Budget (APBN) in the form of Village Funds (DD) and Regional

Income and Expenditure Budgets (APBD) in the form of Village Fund Allocation (ADD) are public funds that need to be known about their utilization plans and development of utilization. This step is a form of village government accountability for village finances. The results of the researchers' preliminary observations indicated that in Polohungo Village, the form of financial accountability by the Village Government to the community was carried out in the form of preliminary observations.

The problem encountered with regard to accountability was the delay in issuing policies in Polohungo Village regarding village funds and village fund allocations, so that there were frequent changes to policies implemented by the Polohungo Village Government which caused confusion and uncertainty in the implementation of village fund management and fund allocation. village in Polohungo Village. This problem is mainly due to the fact that many people do not understand the regulations and policies set by the Polohungo Village Government in the management of Village Funds and Village Fund Allocation in Polohungo Village.

Sometimes these regulations can also result in overlapping, resulting in ineffective production of accountability reports. One of the other things that causes the implementation of financial accountability in Polohungo Village to be not optimal is the weak competence of the Polohungo village apparatus human resources. In fact, there is a lack of understanding of the rules regarding financial accountability in the village of Polohungo. As well as the Dulupi Subdistrict did not carry out supervision and guidance in the Polohungo Village Government.

In addition, there are still many Polohungo village people who do not understand about the use of Village Funds

and Village Fund Allocation. The community only knows until the preparation of the RPJMDes, even those invited are only those who represent each hamlet at the time of the preparation of the RPJMDes. So that representation does not fully represent the aspirations of the existing community.

So that sometimes the community feels unsure if only representatives from each hamlet are included in the preparation of the village medium term development plan. Even the current phenomenon proves that the community perceives and does not believe in the leadership of the Village Head in managing and developing the village of Polohungo. So that from the leadership of the village head, it even makes financial management in the village of Polohungo seem closed. For this reason, it is necessary to improve the governance of village financial implementation and full attention and supervision from the community to the Polohungo Village Government.

The identification of several research problems is the delay in issuing policies in the village of Polohungo regarding village funds and village fund allocations and the lack of supervision and guidance in the Polohungo Village Government.

The focus of the research is the Implementation of Financial Accountability in Polohungo Village.

1. The formulation of the problem in this research is how is the implementation of financial accountability in the village of Polohungo?
2. Management is a process or framework, which involves the guidance and direction of a group and people towards organizational goals with real intentions?
3. Management is an activity, its implementation is 'managing' management, while its implementation is called a manager or manager.

Management is the science and art of regulating the process of utilizing human resources and other sources effectively and efficiently in order to achieve certain goals [6].

Management is generally associated with planning, organizing, controlling, placing, directing, motivating, communicating and making decision-making activities carried out by each organization which aims to coordinate the various resources owned by the company so that it will produce a product or service efficiently. 6].

Management has several functions, namely:

1. The planning function (planing) is an activity related to efforts to formulate a program which contains something to be implemented, the determination of objectives, policies, directions to be taken, procedures and methods involved in achieving goals, namely: formulating a vision and mission, formulating goals and targets, formulating strategies, human resource planning, material planning and budgets.
2. The function of organizing (organizing) is a process of connecting people involved in certain organizations and integrating their duties and functions within the organization, namely: the preparation of organizational structures, technology procurement and production targets and environmental conditions.
3. The function of directing (actuating) is an activity that moves and makes efforts so that workers can carry out their duties and obligations in accordance with their respective expertise and profession and immediately carry out plans in concrete activities directed towards the objectives that have been implemented.
4. The control function is a systematic effort to set performance standards with the main objective of planning, designing a feedback system [3].

Other functions of Management are as follows:

1. *Planning*, To determine goals that will be achieved during a future and what must be made in order to achieve these goals.
2. *Organizing*, Grouping and determining various important activities and giving the power to carry out these activities.
3. *Staffing*, To determine human resource requirements, screening briefings, training and workforce development.
4. *Motivating*, Provide direction or channel human behavior towards goals.
5. *Controlling*, Measure implementation and aims to determine the causes of storage and take corrective actions if necessary [8].

The management elements have the respective "7 M" terms, namely:

1. *Man* (workforce), This is related to the reduction of the number, qualifications and competence of human resources required in an organization.
2. *Money* (money), This is related to the planning of the organization's requirements needed to finance the implementation of organizational tasks.
3. *Materials* (material), raw materials (raumaterials) that will be managed by the organization. Material planning means determining the quantity and quality of materials to be processed by the organization.
4. *Methods* (method), This is related to the planning of what work procedures and methods will be used to carry out various work in the organization. With a planned work method, work execution will be faster and achieve predetermined work standards.
5. *Machine* (machine), a machine here is not just a machine, but all the equipment that will be used to help carry out work can be done more quickly, accurately and satisfactorily.
6. *Market* (market). In this planning it can be predicted which people and

institutions will use the products and services produced by an organization.

7. *Minute* (time), Minute means planning the timing of the organization's work. In this activity, all work that has been determined is made a schedule for the implementation of its work, when to start and when to finish [6].

Explain that the village head prepares village development plans according to his authority by referring to district-city development planning and guarantees linkages and consistency between urban planning, budgeting, and implementation. Village development plans prepared for and supervision [11].

In its implementation, the village budget that has been previously determined results in revenue transactions as well as village expenditures. All of these revenues and expenditures are the implementation of village authority which is carried out through village accounts. For a village that does not yet have banking services in its territory, the regulations will be stipulated by the Kabupatekn/City Government. So that all village revenues and expenditures must be supported by evidence complete and valid.

A There are several factors that must be considered in implementation, namely:

1. All Village governments are responsible for implementing program activities.
2. All Village governments assisted by Dusun, RT and RW collect funds to finance expenses.
3. All village governments allocate funds to finance the implementation of activities.
4. The Village Head shall coordinate and supervise the running or not of government, community and development activities.
5. The community also contributes manpower, funds and participates in supervising the running or not the implementation of activities [8].

Based on this definition, it can be concluded that implementation is an action or implementation of a plan that has been prepared in detail.

Accountability for probability is related to the avoidance of abuse of power, while legal accountability is related to guaranteeing compliance with laws and regulations in Polohungo village.

Process accountability is related to whether the procedures used in carrying out the task are good enough in terms of the adequacy of accounting information systems, management information systems, and administrative procedures. Process accountability is manifested through the delivery of public services that are fast, responsive, and inexpensive in cost. Program accountability is related to the consideration of whether the stated objectives can be achieved or not, and whether the program alternatives that provide optimal results with minimal costs have been considered.

Policy accountability relates to the accountability of the government, both central and regional, for the policies taken by the government towards DPR/DPRD and the wider community.

Financial management is an amalgamation of science and art that discusses, studies and analyzes how a financial manager uses all company resources to raise funds, manage funds, and share with the aim of being able to provide profit or prosperity for shareholders and sustainability. ) business for the company.

Financial management is the activity of company owners and management to obtain the cheapest source of capital and to use it effectively, efficiently and productively to earn profit [4].

Financial management is all activities of a company or organization related to how to obtain funds, use funds, and manage assets according to the overall goals of the organization [1].

The good and bad of government can be assessed if it has intersected with all the elements of the principles of good governance. Realizing the importance of this problem, the principles of good governance are described one by one as listed below:

1. Participation, every member of the community has equal voting rights in the decision-making process, both directly and legally representative institutions according to their respective interests and aspirations. This broad participation needs to be built in an order of freedom of association and opinion, as well as freedom to participate constructively.
2. The application of the law (Rule of Law), the framework of the rule of law and legislation must be just and can be enforced and obeyed completely (impartialy), especially regarding the rule of law and concerning human rights (HAM).
3. Transparency, transparency must be built within the framework of the free flow of information, various processes, institutions and information must be freely accessible to those who need it and must be provided adequately and easily understood so that it can be used as a monitoring and evaluation tool.
4. Responsiveness, every institution and its processes must be directed at efforts to serve various interested parties. Alignment between programs and service activities provided by public organizations with the needs and desires of the community programmed and run by public organizations, the better the performance of the organization will be.
5. Consensus Oriented (Consensus Orientation), Good Governance (Good Governance) will act as an intermediary (mediator) for various different interests to reach a consensus or agreement that is best for the interests of each party, if possible can also be applied to various

- policies and procedures that will be set by the government.
6. Justice (Fairness), a good government will provide equal opportunities for both men and women in their efforts to improve and maintain the quality of life.
  7. Effectiveness and Efficiency. Every activity and institutional process is directed to produce something that is really in accordance with the needs through the best possible use of the various available sources.
  8. Accountability, decision makers in service sector organizations and civilian citizens have an accountability to the public as well as to stakeholders. This accountability varies depending on the type of organizational decision that is internal or external.
  9. Strategic Vision (Strategic Vision), Leaders and citizens have a broad and long-term perspective on good governance (Good Governance) and human development, together with the perceived need for development [5].

Historical, cultural and social complexity aspects that underlie their perspectives. The nine basic principles are mutually reinforcing and cannot stand alone. Based on the description above, it can be concluded that the form of good governance is solid and responsible governance, effective and efficient by keeping constructive interactions between the domains of the state, the private sector and the public.

Meanwhile, with regard to the management or management of village finances, they are as follows:

Regarding Village Financial Management, it is stated that financial kesa are all the rights and obligations of the village that can be valued in money and everything in the form of money and goods related to the implementation of village rights and obligations. Village financial sources generally come from Village Original Income (PAD), funds from the

Government, and proceeds from BUMDes [9].

The implementation of regional government affairs by the village government will be funded from the APBD, while the implementation of central government affairs organized by the village government will be funded by the APBN.

Minister of Home Affairs Regulation No. 113 of 2014 explains that, village financial management is all activities that include planning, implementation, administration, reporting, and village financial accountability. To be able to carry out better management, the stages or cycles of village financial management can be started from planning, then followed by budgeting, implementation, administration, reporting, accountability and supervision.

## **RESEARCH METHODS**

This type of research is research that is not intended to test a particular hypothesis, but only describes what it is about a variable, symptom, or condition [10].

Qualitative methodis a research method used to examine the condition of a natural object where the researcher is the key instrument [10].

The reason for using this type of descriptive research and a qualitative approach is to describe the implementation of financial accountability in Polohungo Village.

## **RESEARCH RESULTS AND DISCUSSION**

Based on the results of the research, the management of the Village Fund and the Village Fund Allocation of the Polohungo Village government begins with the formulation and determination of the RPJMDes, RKPDesa and APBDesa which are part of the planning stage in the management of Village Funds and Village Fund Allocation which become an integral

part of village finance. This is in accordance with Article 20 (1) of the Minister of Home Affairs Regulation Number 113 of 2014 concerning Guidelines for Village Financial Management which states that in planning the village secretary compiles a village regulation draft on APBDesa based on the RKPDesa of the current year.

After planning, the Polohungo Village government implements the Village Fund programs and activities that have been designated as a manifestation of Articles 24 to 34 of the Minister of Home Affairs Regulation Number 113 of 2014 concerning Guidelines for Village Financial Management. During the implementation of programs and activities, the Polohungo Village government also records and collects administrative completeness which is a form of administration in accordance with Article 35 (2) of the Minister of Home Affairs Regulation Number 113 of 2014 concerning Guidelines for Village Financial Management states that the Village Treasurer is obliged to record every income and expenditure, as well as closing the books at the end of each month in an orderly manner.

The results of the administration are then used as material for preparing reports to the Boalemo Regency government and other related stakeholders as a form of reporting in submitting reports on the realization of the use of the Village Fund for phase I, stage II and reports on the realization of the use of the annual Village Fund to the Regent. In addition, accountability is also carried out to the community and stakeholders. The whole series of stages starting from planning, implementation, administration, reporting and accountability are the efforts of the Polohungo Village government to realize accountability for the management of Village Funds. This is because of accountabilityGovernment financial

management is an accountability regarding integrity, disclosure and compliance with laws and regulations.

Indicators of compliance with procedural performance relate to the implementation of effective and efficient Village Fund management which can be seen based on discipline or time order as a consequence of the clarity of the stages in the prevailing laws and regulations. The accountability of the Village Fund management in Polohungo Village based on this indicator is the accountability regarding the implementation of Village Fund management procedures according to the schedule and time stipulated in the applicable regulations.

Procedure cost compliance indicators relate to the clarity and reasonableness of costs used in the implementation of Village Fund management procedures as a consequence of clarity of stages in applicable laws and regulations. The accountability of the Village Fund management in Polohungo Village based on this indicator is the responsibility of the government 138 in Poluhongo Village regarding the costs used in implementing the stages of Village Fund management in accordance with applicable regulations.

The outcome indicator of the program being implemented relates to the statement of the achievement of the results of the implementation of the program whose funding source comes from the Village Fund. Based on this, the accountability of the Village Fund management in Polohungo Village is the responsibility of the government in Polohungo Village for answer and explain the results of the implementation of programs and activities to parties who have the right or authority to request information or accountability.

The results of the interview with (MT) dated November 10, 2020, said that: "The procedure for using village funds and ADD in the village of Polohungo, namely the Village Head and related officials

discuss with the community and collect all the aspirations of the community that are attempted by the BPD. All community proposals are accommodated and discussed in deliberations to determine the RKPDes and after being determined by the BPD, the financial management of village funds begins. in Polohungo Village and specifically in 2020, it will focus more on handling Covid so that 35% of the village funds budget is absorbed by BLT village funds and the rest is for empowerment and infrastructure development".

It can be concluded that in implementing procedures for the use of village funds and ADD in Polohungo Village, it is only carried out if deliberations have been carried out and aspirations will be accommodated. By giving guarantee of compliance with laws and other regulations required in the use of village funding sources and ADD.

The results of the interview with MT, November 10, 2020 said that:

"The types of village regulations that have been provided by the village in the use of DD in the village of Polohungo include regulations of the village head regarding the payment of village fund BLT, then village head regulations regarding the distribution and use of village funds".

It can be concluded that the Polohungo Village Government has implemented the regulations stipulated in the existing policies, especially those related to the priorities of the village apparatus.

Based on the results of the interview with the Village Head, said that:

"Every activity that uses DD and ADD is followed by official decisions because all decisions taken are legal and have a clear legal entity because in village financial management it does not run away from Law no. 6/2014 and its distribution in the Permendagri-Permendagri which has been determined and wrapped by a Regent or Regional Government Regulation".

Almost the same as the income of one of the people who says that:

"The implementation and use of DD and ADD in Polohungo village are in accordance with the existing regulations". The implementation of development in Polohungo Village originates from DD and ADD by adjusting the regulations set based on village deliberations. In the determination until the implementation of development, further evaluation must be carried out in the existing financial reporting.

As the results of the interview with the village head (November 10, 2020) said that:

"The process of financial evaluation and reporting is carried out in meetings with village officials and with minutes of financial evaluation and reporting."

After it has been determined in the preparation of the budget, it will continue to be approved and then discussed in the APBDes. The details of the use of Village Funds are not regulated according to programs and activities, but the amount of the documentation budget can be said indirectly reasonable because where the evaluation is in the village regulation draft regarding APBDesa and can cross out and ask for improvement of the village head if the design is not in accordance with the public interest higher laws and regulations.

The management and implementation of village financial programs or activities, of course, found problems and factors that hinder the accountability of the Polohungo Village Government, indicating that there are factors that hinder the creation of accountability.

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