

## **Management of Village Funds for Development in Serang District (Case Study in Teluk Terate Village)**

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### **ABSTRACT**

This research is to discuss the exiting conditions of the management implementation of public policies in Government of Serang Regency in the Village Fund program which at this time is being actively disbursed by the Central Government through local regency government. The research in this thesis is qualitative research which means that the primary data from this study is obtained by relying on in-depth interviews with several key informants until the data becomes saturated and explores opinions through Focus Group Discussion. The key informants from this study consisted of Serang Regent, leading sector and supporting sector in Serang Regency Government, as well as operational sectors of Village Fund activities such as Village Heads and Village Facilitators. This research was conducted in Teluk Terate Village, Kramatwatu District, Serang Regency. The writing of this paper is also carried out with reference sources from various literatures which are equipped with a subjective review of the researcher on the topic presented. From the results of the study, there were some constraints in the management of the Village Fund in general, such as the existence of a three-sectoral ego that handled Village Government, the paradox of Village Fund regulation policies, too many regulations issued, the lack of professionalism of Village Assistance, and several other obstacles. This study obtained the ideal model and ideal strategy for management implementing of the Serang Regency Government in handling the Village Fund. In carrying out a description of the implementation of the Serang Regency Government policy on the Village Fund, researchers used the approach through the theory of Edward III.

**Keywords:** Government of Serang Regency; Management; Policy Implementation; Village Funds; Village Government Apparatus.

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### **INTRODUCTION**

There is also public policy management taken by the Government because it relates to the needs of the wider community's economic growth, such as creating steady economic growth in rural areas through the Village Fund program (Bosma et al., 2020). The aim of the researcher in this paper is to discuss the condition of exiting management and public policy in Serang Regency in the development of village infrastructure through the Village Fund program, whose funds are currently being actively disbursed by the Central Government through the Regency Government. With this study, researchers will explore the problems of the Village Fund disbursed in Serang Regency and examine the existing constraints in the implementation of village development

through the Dana so that in the end researchers will create models and strategies for implementing ideal public policies in Serang Regency in terms of using Village Fund. 6 of 2004 concerning Villages as a public policy has placed the Village as the spearhead of development and improvement of community welfare.

Villages are given adequate authority and sources of funds in order to manage their potential in order to improve the economy and the welfare of the community (Cahaya et al., 2019; Farida et al., 2015; Zainal et al., 2018). Every year the Central Government has budgeted a Village Fund which is large enough to be given to villages throughout Indonesia. In 2015, the Village Fund was budgeted at IDR 20.7 trillion, with an average allocation of IDR 280 million for each village. In 2016, the Village Fund increased to IDR 46.98 trillion with an average of IDR 628 million per village and in 2017 it increased to IDR 60 trillion with an average of IDR 800 million for each village.

The results of the evaluation of the use of the Village Fund for the past two years, as recognized by the Government, stated that the Village Fund has succeeded in improving the quality of life of the village community. 6 of 2014 concerning Villages, the Government acknowledges that villages also have the opportunity to develop the community's economy, through training and marketing of community crafts, development of livestock and fishery businesses, and development of tourist areas through BUMDes. Some opinions say that the key to success for the welfare of the community in developing the village is the strong touch of initiation, innovation, creation and collaboration between the Village Apparatus and the community in realizing what is a common goal through Village Consultations. Village Fund Management is full of such analysis.

Meanwhile, according to the information from the Ministry of Finance of the Republic of Indonesia, it was stated that Law no. 6 of 2014 concerning Villages is a milestone for changing the village management paradigm. Villages are no longer considered as objects of development, but are placed as subjects of development and spearhead development and improvement of community welfare. Villages are given the authority to be able to regulate and manage government affairs in accordance with the interests of the local community and based on community initiatives, origin rights, customs, and socio-cultural values of the village community.

Meanwhile, there are several Regional Regulations and Regulations of the Regent of Serang Regency since 2006 until the time of the research on the distribution and management of Village Funds in Serang Regency as well as several regulations from the Central Government. However, the management that forms the basis for the distribution of the Village Fund does not run in a vacuum without shortcomings and criticisms in its implementation. Based on positive and negative things from the implementation of several Regional Regulations and Regulations of the Regent of Serang Regency from 2006 to the present as well as several regulations from the Central Government in the distribution of Village Funds in Serang Regency, the implementation of Village Fund management in the leading sector will be evaluated. supporting sector, as well as the operational sector at the Village Fund application level with the theoretical scope of Edward III.

The focus of this research is on Village Development through the disbursement of the Village Fund State Budget, the contents of which include the readiness of the Village Apparatus in Village Fund management, the problem of supervising the use of the Village Fund in the implementation of Village development, the effectiveness of the use of the Village Fund, the problem of the sectoral ego of the three Ministries in village management in Indonesia. , as well as local problems that arise with the Village Fund.

## METHOD

This research is an explorative research where with this exploratory research it is expected to be able to explain the questions contained in the research proposition (Creswell & Clark, 2017; Creswell & Creswell, 2017; John W Creswell, 2013). This study uses a case study qualitative research method. Now et. al who spoke about social research methods said that case studies focused on gathering information about a specific problem, event, or activity, as an issue for an 'important unit' in an organization or activity/program. The focus of this research is specifically only prioritized to be carried out in Teluk Terate Village, Kramatwatu District so that this research is inductive. The selection of Teluk Terate Village carried out by researchers was based on information from the results of the Public Administration seminar at the Banten Governor's Hall on February 12, 2018 which stated that Teluk Terate Village could be communicative for scientific research and had several shortcomings in several respects, as researchers have stated. in front of. The data for this study consisted of primary data and secondary data as stated in the researcher's description above. Researchers will collect primary data through observation, in-depth interviews with several units of analysis in Serang Regency, and conduct focus group discussions. Now et. al. mentions that the unit of analysis refers to the level of aggregation of data collected during the data analysis process stage. The unit of analysis in this study is the subject as well as the object in the form of individuals, work groups, in the form of hierarchical communication, resources, government structures, village development work activities, and BUMDes activities; carried out through in-depth interviews and field observations.

## RESULT AND DISCUSSION

Serang Regency which is the focus of this research is one of the regencies in Banten Province. The language spoken by the community is Sundanese and a small number of its citizens speak Banten-Javanese which is used in the north coast area. As one of the areas where the majority of the population embraces Islam, education in Serang places a lot of emphasis on Islamic education in accordance with the slogan "Serang Bertakwa", so that in Serang District many carry out Islamic-based education, both official and non-official. The consequence is that the Village Government must have the authority to regulate its own household, also take care of the community accompanied by the ability of the Village Government from the aspect of its funding capacity which must be assisted by all parties, including the Central Government, Provincial Government, and Regency Government, and it is very possible to be able to explore the potential of the village. in the form of extracting village income sources from the results of the implementation of their authority into village original income.

The Secretary of the Serang Regency Community and Village Empowerment Service said that in 2014 there were several efforts made by the Serang Regency Regional Government towards villages in order to carry out their authority with the following description:

2015 was the first year that a number of funds were given to the Village Government both from the Central Government and from the Serang Regency Government. The amount of funds given from 2015 to 2018 can be tabled as follows (Source of data: Serang District Government, 2018).

**Table 1**  
**Village Fund, 2015**

Source of Funds	Amount of Assistance (Rp)
1. Village Fund (DD) APBN	89.813.784.000,-
2. Village Fund Allocation (ADD) from the Regency APBD	104.243.096.700,-
3. Regional Tax Revenue Sharing (BHPD) from the Regency APBD	26.278.045.750,-
4. Sharing Regional Retribution Revenues (BHRD) from the District Budget	3.100.277.540,-
Amount	223.435.203.990,-
Average number per Village (326 Villages)	685.384.061,-

**Table 2**  
**Village Fund, 2016**

Source of Funds	Amount of Assistance (Rp)
1. APBN Village Fund (DD)	201.570.728.000,-
2. Village Fund Allocation (ADD) from the District Budget	116.287.000.000,-
3. Regional Tax Revenue Sharing (BHPD) from the District Budget	28.143.000.000,-
4. Share Regional Retribution Revenue (BHRD) from the Regency APBD	3.423.900.000,-
Amount	394.424.628.000,-
Average number per Village (326 Villages)	1.209.891.496,-

**Table 3**  
**Village Fund, 2017**

Source of Funds	Amount of Assistance (Rp)
1. Village Fund (DD) APBN	257.166.094.000,-
2. Village Fund Allocation (ADD) from the Regency APBD	116.843.853.800,-
3. Profit Sharing of Regional Taxes and Regional Levies (BHPRD) from the Regency APBD	28.151.850.000,-
Amount	402.161.797.800,-
Average number per Village (326 Villages)	1.233.625.146,-

**Table 5**  
**Village Fund, 2018**

Source of Funds	Amount of Assistance (Rp)
1. Village Fund (DD) APBN	227.750.343.000,-
2. Allocation of Village Funds (ADD) from the Regency APBD	116.182.362.000,-
3. Revenue Sharing of Regional Taxes and Regional Levies (BHPRD) from the Regency APBD	33.347.649.500,-
Amount	377.280.354.500,-
Average number per Village (326 Villages)	1.157.301.700,-

The Serang Regency Government in terms of general policies will direct the Village to be able to synergize the development plan in its village with the Serang Regency Regional development plan. So in compiling the village development plan in 2019 it is directed to quality

with the strategic goals for village development management being:

1. Development of rural infrastructure with steady quality, namely the Village Road concretization model.
2. Increasing the village community development index based on village local wisdom, namely improving the quality of basic education services in villages, improving the quality of health services in villages and developing village-scale local economies through partnership patterns, village cooperation and the establishment of Village-Owned Enterprises.

The development profile in Teluk Terate Village from 2015 to 2018 whose sources of funds are from the Village Fund, Revenue Sharing Taxes and Levies, and Village Fund Allocations can be detailed as follows:

1. Total Revenue 2015: Rp268,033,098,-
2. Total Revenue 2016: Rp601.092.00,-
3. Total Revenue 2017: IDR 1,183,887,000,-
4. Total Revenue 2018: IDR 1,183,829,000,-

The amount of funds above shows that Teluk Terate Village in Serang Regency has received Village Funds above Rp. 1.1 billion per year since 2017 which means that Teluk Terate Village can maintain village roads for about 1.5 kilometers and can improve some village area infrastructure. This requires transparent village finance management and the implementation of good governance, namely the implementation of solid and responsible development management that is in line with democratic principles, avoiding misallocation of aid funds, preventing corruption both politically and administratively, implementing budget discipline and creating legal and political framework for village growth activities.

According to him, policy implementation is a dynamic process, where there are many factors that interact and influence policy implementation. These factors need to be displayed in order to find out how the influence of these factors on implementation. Therefore, Edward III emphasized that in the implementation study, two main questions must first be asked, namely:

1. What are the prerequisites for policy implementation?
2. What are the main factors in the success of policy implementation?

In order to answer this question, Edward III proposed four factors that play an important role in achieving successful implementation. Factors that influence the success or failure of policy implementation are communication, resources, disposition, and bureaucratic structure factors (Akib, 2012; Farida et al., 2015).

## Communication

Communication in policy implementation includes several important dimensions, namely information transformation, clarity of information (clarity) and consistency of information (Suprpto & Sunarsi, 2020). The transformation dimension requires that information be conveyed not only to policy implementers but also to target groups and related parties. The clarity dimension requires that information be clear and easy to understand. In addition, to avoid misinterpretation of policy implementers, target groups and parties involved in policy implementation. While the consistency dimension requires that the information conveyed must be consistent so as not to cause confusion for policy implementers, target groups and related parties (Daraba et al., 2018; Langkai et al., 2019; Limpo et al., 2015).

## **Resource Management**

### **1. Resource Management**

It is a fact that the quality of the human resources of the Village Government Apparatus is still very limited. Meanwhile, the Village Government is faced with an enormous authority and financial assistance to be able to build and empower the village community. One of the inspectors at the Serang Regency Inspectorate said that the Serang Regency Government needs to develop a strategy for developing Village Apparatus HR in stages according to their respective budget capabilities. According to him, the district government and sub-district governments (which have been managing their own finances) are given the authority to conduct technical education and training in accordance with their budgetary capacities and capabilities, and village governments are also given the freedom to use the budget in their villages in order to increase the capacity of their village apparatus.

### **2. Financial Resources**

Village Funds are APBN funds intended for Villages which are transferred through the Regency APBD and are prioritized for the implementation of development and empowerment of rural communities.

The Head of the Regional Financial and Asset Management Agency of Serang Regency said that 2018 was the start of the trial period for the use of the SISKEUDES Online application which was accompanied by the implementation of a reporting model for the use of Village Finance that utilizes email from the Village Government, District Government and Regency Government in implementing Digitallist Administration in managing their Village Finances. . The Serang Regency Government then received an appreciation from the Supreme Audit Agency and Development at the Center as the only Regency that has implemented the SISKEUDES Online application which is equipped with the application of a reporting administration model that uses email in the form of Digitallist Administration. In order to create accountability for the distribution of funds in the Village, non-cash transactions are also implemented in the management of Village Finance in the Village Budget.

Meanwhile, the Head of the Regional Financial and Asset Management Agency of Serang Regency said that the Village Government should be able to be better because of the Village Fund Allocation (ADD) and the Village Fund and could be used to improve the financial accounting system, such as through the Village Financial Information and Management System (SISKEUDES). ) Village Government which has been created by the Serang Regency Government. Therefore, based on the 2017 Serang Regent's Accountability Report regarding the implementation of the Village Government in Serang Regency in carrying out services, development, and empowerment of the local village community, it is necessary to have a strategy.

Thus it can be concluded that the Serang Regency Government in carrying out the development of local villages through the Village Fund has used the Village Financial management information system used by the Village, namely the Village Financial Management Information System (SIMAKDES) issued by the Regency Government. This application is used by all Village Governments in Serang Regency and was first introduced in the 2015 Fiscal Year and since 2017 has been named the Village Financial System (SISKEUDES). This application is expected to make it easier for Village Apparatus in financial management from the planning stage to the reporting and accountability stage.

## Disposition

The attitude of the policy implementers will greatly influence the implementation of the policy. If the implementer has a good attitude then he will be able to carry out the policy well as desired by the policy maker, on the contrary if his attitude is not supportive then the implementation will not be carried out properly (Papilaya et al., 2015). According to the Secretary of the Serang Regency Community and Village Empowerment Service, the above strategies must be operationally supported by implementing a strategy for achieving output targets through various dispositions. One of the inspectors at the Serang Regency Inspectorate said that in implementing the Village Fund, there were several dispositions issued by the Serang Regency Regional Government and local government organizations.

## Bureaucratic Structure

Guidance and supervision of the administration of government in Serang Regency towards villages is a big undertaking with very broad consequences, because the entities that are the object of the guidance and supervision are very large, namely 326 villages and 29 sub-districts. The secretary of the Serang Regency Community and Village Empowerment Service said that a pattern of distribution of authority over the guidance and supervision was needed as one of the strategies that would be implemented within the Serang Regency Regional Government towards villages..

## CONCLUSION

Public policies such as Law no. 6 of 2014 concerning Villages are policies made by the Government as the owner of the policy-making authority to achieve certain goals in society where the preparation is carried out through various stages. A policy taken by the Government initially does not immediately become a public policy agenda. There are stages of a problem that is finally on the agenda of the Government for policy to be taken. The government sees whether the problem or need is widespread in the community, so the government needs to take action in the form of a policy regarding the problem in order to meet the needs and satisfaction of the community. Most of the public policies have various objectives for the welfare of the community through development, service, and empowerment. One manifestation of this public policy is the Village Fund which has been implemented by the Central Government since 2015 and is the embodiment of Law no. 6 of 2014 concerning Villages.

From the results of the study, researchers can conclude the following regarding Village Funds:

1. Imperfections in Central Government policies are due to the formation of the sectoral egos of three ministries (Ministry of Home Affairs, Ministry of 'Village, Development of Disadvantaged Regions and Transmigration', and Ministry of Finance) which are directly tasked with fostering and supervising the implementation of Village Government. Each of them claims that various things are their area of authority with different regulatory models.
2. Village Facilitators who are appointed by the 'Ministry of Villages, Development of Disadvantaged Regions and Transmigration', do not have the necessary capabilities in carrying out mentoring tasks, so that their competence is not better than the Human Resources of the Village Apparatus.
3. The number of village assistants is very minimal. Village Facilitators at the sub-district level should at least consist of two Village Facilitators, namely one empowerment assistant and one technical assistant and can work professionally.
4. There is excessive simultaneous supervision of Village Fund activities such as::

- a. Supervision is carried out by the Government Internal Supervisory Apparatus (APIP) consisting of the Regency Inspectorate, Provincial Inspectorate, Inspectorate General of the Ministry, Supreme Audit Agency (BPK), Financial and Development Audit Agency (BPKP).
  - b. Supervision is carried out by the Law Enforcement Apparatus (APH) consisting of elements of the police from the District, Regency, Province to the Central level as well as elements of the Prosecutor's Office from the Regency, Province, to the Central level.
  - c. Supervision by non-departmental government institutions such as the Corruption Eradication Commission (KPK), the Village Fund Task Force formed by the Ministry of 'Village, Development of Disadvantaged Regions and Transmigration' under direct coordination with the secretariat of the Vice President, Provincial Ombusman, and others, and
  - d. Supervision carried out by non-governmental organizations, the media/press and the public.
5. Imperfections in Policy Implementation in Regions where the Village Apparatus does not yet have the standard ability to compile various kinds of documents related to Village Finance such as the five-year planning policy (RPJMDesa), the annual development plan policy (RKPDesa), the annual budget policy (APBDesa), reports on government administration Village (LPPDesa) five-yearly and annually, as well as the five-year and annual report on the accountability of the Village Government (LKPDesa).
  6. The program of activities carried out by the Village Government in the use of Village Funds has not fully utilized the potential and human resources of the existing community so that its benefits have not been felt by all village communities.

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