
Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

Analysis of Village Government Financial Management (Case Study of Saentis Village, North Sumatra)**Puja Rizqy Ramadhan^{1*}, Enjel Marpaung¹**¹Universitas Pembangunan Panca Budi

Jl. Jend. Gatot Subroto Km. 4.5 Medan, Sumatera Utara

***Email:** pujarizqy@dosen.pancabudi.ac.id**ABSTRACT**

This study aims to analyze village financial management in order to improve the performance of the Saentis village government, Percut Sei Tuan District. This type of research uses a descriptive qualitative approach. The data used is the result of interviews by the village of Saentis. The data analysis used consists of data reduction, data presentation and data verification. The results of the study show that village financial management in general has been running in accordance with Permendagri No. 20 of 2018, but at the implementation stage it is still not optimal due to the uneven development of drainage, as well as at the reporting stage which is still not optimal due to delays in submitting financial reports to the Regent, with these constraints resulting in the performance of the Saentis village government is not being optimal due to lack of skill village officials in adjusting their competence to the demands of their work. In addition, services are still not optimal because the program has not been fully realized due to limited funds

Keywords: Village, Financial Management

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

INTRODUCTION

Indonesia is a country that adheres to a democratic government system, which has a government structure starting from the central government to the smallest government, namely the village. Villages are the smallest element of the government structure of the Unitary State of the Republic of Indonesia. According to Permendagri no. 20 of 2018 article 1 (one) states that a village is a village and adat or what is referred to by another name, hereinafter referred to as a village, is a legal community unit that has territorial boundaries and is authorized to regulate and manage government affairs, community interests, rights of origin, and /or traditional rights recognized and respected in the government system of the unitary state of the Republic of Indonesia

Village financial management is a very important thing that must be implemented by village officials, one way to improve the performance of village government is by managing village finances in a more transparent, accountable and participatory manner and in accordance with applicable regulations. In regional financial management, developing a supporting system requires more careful planning and implementation, in order to avoid rejection of the system being developed. A successful system implementation is not only determined by mere technical factors, but is also determined by apparatus competency factors, understanding of the regional financial accounting system, and internal supervision, so that regional financial management can be managed well in accordance with applicable legislation (Sugeng, 2014).

This research aims to examine village financial management in the Saentis Village area, which is one of the villages located in Percut Sei Tuan District, Deli Serdang Regency. Since 2015, Saentis Village has been one of the villages that has received Village Fund Allocation Transfer (ADD) assistance from the central government to fund the implementation of village authority. With the allocation of village funds received by Saentis village every year, the village government has a big responsibility in managing its finances.

The use of village funds in Saentis village must be used effectively. But it is not only effective, the village funds must be used in accordance with the priorities set, this is stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration concerning Priorities for the Use of Village Funds. Meanwhile, there are still some village funds in Saentis village, Percut Sei Tuan Regency, which do not comply with the priority scale of PD TT Ministerial Decree Number 7 of 2021

First, from the priority of National Economic Recovery, only the poverty alleviation program has been implemented, namely through the BLT program of IDR. 792,000,000.00 with a percentage of 17% from the Village Fund, while the formation of BUMDes and the Construction and Development of productive economic enterprises has not been implemented. Second, from the National Priority Program where Village data collection, Potential and Resource Mapping and Information and Communication technology management have been implemented through an internet creation program amounting to Rp. 8,000,000 with a percentage of 1%, while for Tourism Village Development there is no implementation or it is not implemented in the village.

Furthermore, the program for Strengthening Vegetable and Animal Food Security has been implemented for only 178,513,200 or 4% of which the allocated funds should be

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

20% of the total village funds obtained, and the Stunting Prevention program has been implemented, namely through the implementation of posyandu with funds amounting to Rp. . 38,350,000 with a percentage of 1%.

Then, the inclusive village development program has been implemented well, through the program providing a Koran teacher honorarium of Rp. 62,400,000 with a percentage of 1.31%. Third, from the priority of Mitigation and Handling of Natural and Non-Natural Disasters, mitigation for handling natural disasters has been implemented through a program of installing paving blocks and installing drainage and making hand washing places, amounting to Rp. 997,296,000 or 18.83% then mitigating and handling non-natural disasters or Covid-19 is only IDR. 107,699,680 with a percentage of 2.27%.

Based on this background, it is still found that there are priorities for using village funds that are still less effective. Errors and inaccuracies in the implementation of village funds are a form of lack of community knowledge and concern regarding Saentis village funds. This can be seen from the absence of a budget for the formation, development and capacity building of BUMDes management, where the BUMDes in Saentis village were no longer operational in making Paving Blocks in 2018 due to lack of funds or costs.

METHOD

The approach in this research is to use a qualitative descriptive method. This research was conducted at the Office of the Head of Saentis Village, Percut Sei Tuan District, Deli Serdang Regency, North Sumatra. The type of data used in this research is qualitative data, where this data was obtained from interviews with the Village Head, Village Secretary and Head of Finance in Saentis Village, Percut Sei Tuan District, Deli Serdang Regency. The blood analysis uses descriptive analysis.

RESULT AND DISCUSSION

Financial management is an important and fundamental aspect that village officials must have in realizing transparency and accountability in village financial management, where village financial management consists of:

1. Planning

Village financial management planning is the planning of village government revenues and expenditures in the relevant fiscal year as budgeted by the Village APB. In accordance with the results of research conducted by researchers, the management of Saentis village funds is in accordance with existing regulations, which at the planning stage is in accordance with Permendagri No. 20 of 2018 Article 33 paragraph 1 which states that determining village priorities must be discussed in the musrenbang and is the result of a joint decision. In line with the results of this research in accordance with research by Maharini and Utomo, (2019) the planning for fund management in Banguntapan village, Bantul Regency in 2018 is in accordance with Permendagri No. 20 of 2018.

2. Implementation

Implementation of village financial management consists of village revenues and expenditures carried out through the village cash account at the bank designated by the Regent/Mayor. In accordance with the results of research conducted by researchers, the implementation stage was in accordance with Permendagri No. 20 of 2018 article 43

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

paragraph 1 states that the implementation of Village financial management consists of Village revenues and expenditures which are carried out through the Village cash account at the bank appointed by the Regent/Mayor.

In line with the research results of Gulo, et al (2020) that implementation is in accordance with Permendagri No. 113 of 2014 article 24 which states that every receipt and expenditure must go through the village cash account.

3. Administration

Administration of village financial management is the activity of recording every receipt and expenditure in one budget year. This recording is carried out in a general cash book which functions to record all transactions, both receipts and expenditures, related to cash. From the scale that the author has explained above, administration is appropriate, this can be seen from its compliance with Permendagri No. 20 of 2018 Article 63 paragraph 2 states that all types of village revenues and expenditures are recorded in the village general cash book.

In line with research conducted by Aprilia and Susilo (2022) that at the administration stage it complies with applicable regulations, which has been successfully implemented by producing output for recording activity receipts, namely, general cash book, bank subsidiary book, and tax subsidiary book. With the results of this output, the village treasurer can control obstacles that occur and can monitor activities that have been implemented.

4. Reporting

Village financial reporting is an activity carried out to convey matters related to the results of work that has been carried out during a certain period as a form of carrying out responsibility for duties and authority. In accordance with the results of research conducted by researchers, the reporting stage of Saentis village was still less than optimal or not in accordance with Permendagri No. 20. 2018 because the submission of financial reports to the regent was not on time, where the submission of financial reports should have been submitted in January 2023 but later this month March 2023, this is due to village officials not being able to adapt their competencies to job demands, such as village officials on the Activity Implementation Team not understanding enough in submitting financial reports to the village treasurer. In line with research conducted by Lumingkewas and et al, (2020) stated that the reporting stage was still not appropriate because there was a delay in submitting the final semester report. The Taraitak village head reported the final semester report in March 2019.

5. Accountability

At the accountability stage, Saentis village is in accordance with the Minister of Home Affairs Regulation. No. 20 of 2018 article 72 paragraph 1 states that the village head submits an accountability report. The realization of APBDes implementation must consist of income, expenditure and financing and each report must be informed to the community. In line with the research results of Kusuma, et al (2023) that the results of the accountability stage research are in accordance with Permendagri No. 20 of 2018, namely that the village head submits an accountability report to the regent through the sub-district head, apart from that, the accountability report is also submitted to the village community through information media. In Saentis village, village financial management has been running effectively in accordance with applicable regulations, although there are still

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

obstacles such as at the implementation stage it is still less than optimal due to uneven drainage development, as well as at the reporting stage which is still less than optimal due to late submission of financial reports to the Regent.

CONCLUSION

Based on the results of this research which discusses the Analysis of Village Financial Management in the Context of Improving the Performance of the Saentis Village Government, researchers can draw the conclusion that Village Financial Management is less than optimal because there are several programs that are not in accordance with Village Ministerial Regulation No. 7 of 2021 and Presidential Decree no. 104, however, the stages of village financial management consisting of planning, implementation, administration, reporting and accountability are generally in accordance with Permendagri regulation no. 20 of 2018, it's just that the implementation stage is still less than optimal because the implementation of drainage construction has not been realized throughout the hamlet and at the Reporting Stage it is also still less than optimal due to the delay in the financial report being submitted to the Regent via the Subdistrict Head.

ACKNOWLEDGEMENT

We would like to express our thanks to the apparatus and the people of Sentis Village for their willingness to be involved in this research data collection effort.

REFERENCES

- Abdallah, Z., & Lestari, R. A. (2021). Analisis Kinerja Pemerintahan Dalam Pengelolaan Dana Desa Pada Desa Kampung Dalam Kecamatan Hamparan Rawang Kota Sungai Penuh. *STIE Sakti Alam Kerinci*.
- Aprilia, D., & Susilo, D. E. (2022). Pengelolaan Keuangan Desa Dalam Upaya Meningkatkan Pembangunan Desa dan Pemberdayaan Masyarakat Desa. *Technomedia Journal*.
- Arfan. (2019). *Jurnal Akuntansi*. Jakarta: Kota Salemba.
- Cendana, A. G., & Oktariyanda, A. T. (2022). Analisis Kualitas Pelayanan Publik Pemerintah Desa Jombang Kecamatan Ngoro Kabupaten Jombang. *Publika*, 1089-1100.
- Dwiyanto, A. (2015). *Penilaian Kinerja Organisasi Pelayanan Publik*.
- Fitria, N., & Wibisono, N. (2019). Regulasi, Komitmen Organisasi, Sumber Daya Manusia, dan Pengelolaan Keuangan Desa terhadap Kinerja Pemerintah Desa. *Journal of Applied Accounting and Finance*, 85-98.
- Gulo, E., Arfianti, D., & Pane, Y. (2020). Analisis pengelolaan keuangan desa (studi kasus di desa hiliwalo'o-I Kecamatan Mandrehe Kabupaten Nias Barat. *Jurnal Akuntansi Bisnis Eka Prasetya*, 1-14.
- Kalangi, L., Lumingkewas, G. S., & Gerungai, N. Y. (2021). Kepatuhan Aparatur Desa dalam Penatausahaan Pengelolaan Keuangan Desa Berdasarkan Permendagri Nomor 20 Tahun 2018 (Studi Kasus pada Desa Taritak Kecamatan Langowan Utara Kabupaten Minahasa). *Jurnal EMBA*, Hal. 163-172.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

- Kusuma, F. I., Satria, F., & Desitama. (2023). Pengelolaan Keuangan Desa Sumberejo Wetan Kecamatan Ngunut Kabupaten Tulungagung Berdasarkan Permendagri Nomor 20 tAHUN 2018. *Jurnal Penelitian Pendidikan Sosial Humaniora*.
- Lawelai, H. (2022). Analisis Kinerja Pemerintah Desa Terhadap Pengelolaan Dana Desa di Desa Mulia Jaya Kabupaten Buton. *Jurnal Ilmu Pemerintahan*.
- Miles, & Huberman. (2016). *Analisis Data Kualitatif*. Jakarta: Ui Press.
- Miles, Huberman, & Saldana. (2018). *Qualitative Data Analyis*. America: Sage Publications.
- Mukhtar. (2013). *Metode Penelitian Deskriptif Kualitatif*. Jakarta: GP Press Group.
- Mudhofar, M. (2022). Analisis Implementasi Good Governance Pada Pengelolaan Keuangan Desa. *Jurnal Riset Akuntansi dan Keuangan*, 21-30.
- Mustangin, M. A. (2020). Permasalahan Pengelolaan Keuangan Desa Tinjau Dinas Pemberdayaan Masyarakat dan DEsa Kabupaten Magelang. *Jurnal Akuntansi dan Manajemen Mutiara Madani*, 193-206.
- Musyafah, A. (2019). Analisi pengelolaan keuangan desa di desa Kebumen Kecamatan Banyu Biru. *Jurnal Visi Manajemen*, 51-65.
- Muttiarni, Amiruddin, & Amelia, R. (2020). Evaluasi Pengelolaan Keuangan Desa Di Desa Timbuseng Kecamatan Pattallassang Kabupaten Gowa. *Accounting Profession Journal (ApaJi)*.
- Permendagri No.20 Tahun 2018 Tentang Pengelolaan Keuangan Desa. (2018).
- Permendes PDTT No.7 Tahun 2021 Tentang Prioritas Penggunaan Dana Desa. (2021).
- Perpres no. 104 2021 Rincian Anggaran Pendapatan dan Belanja Negara Tahun Anggaran 2022. (n.d.).
- Rahmah, N. A., Pratiwi, L., & Rismayani, G. (2021). Analisis Pengelolaan Dana Desa dan Prioritas Penggunaan Dana Terhadap Kesejahteraan Masyarakat Desa Sindangkasih di Era Pandemi Covid-19(2021). *Jurnal Ekonomi Perjuangan(JUMPER)*, 55-67.
- Rini, B. P., & Utomo, R. B. (2019). Analisis perencanaan pengelolaan dana desa (studi pada dana desa tahun 2018 di desa banguntapan, kecamatan banguntapan, kabupaten bantul. *JRAMB*.
- Rudiadi, Losa, A. I., & Sukri, S. A. (2021). Optimalisasi kinerja pemerintah desa dalam penyusunan rencana kerja pembangunan desa. *Jurnal El-Riyasah*.
- Sahara, M. (2020). Analisis Kualitas Kinerja Perangkat Desa Di Desa Sawah Kecamatan Kuantan Tengah Kabupaten Kuantan Singingi Tahun 2020. *Jurnal Akuntansi Bisnis*.
- Sholikah, & Oktarina. (2018). Pelaksanaan Pengelolaan kearsipan Untuk Menunjang Akuntabilitas desa. *Jurnal Ekonomi*.
- Sugeng. (2014). Faktor-faktor yang mempengaruhi pengelolaan keuangan daerah dan implikasinya terhadap kinerja pemerintah daerah di Kabupaten Kerinci. *Jurnal Riset Ekonomi dan Bisnis*, 16-26.
- Widianingsih, R., Rizal, N., & Liyundira, F. S. (2019). Analisis tingkat efisiensi dan efektivitas terhadap pengelolaan keuangan di desa pulo kecamatan tempeh kabupaten lumajang. *Journal Of Accounting*, 70-74.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

Yuliani, & Setiana. (2017). Pengaruh Pemahaman dan Perangkat Desa Terhadap Akuntabilitas Pengelolaan Dana Desa Jawa Timur. Jurnal Fakultas Ekonomi dan Bisnis Universitas Muhamadiyah, 206.