



## Village Fund Management: Pattern of Community Participation for Village Development

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### **Abstract**

This study has aim to describe the pattern of community participation in the management of village fund (VF) for the development in Tangah village, Susoh District, Southwest Aceh regency. This research was conducted through qualitative approach as the research design. The location of the research is in Tangah village, Susoh district, Southwest Aceh regency, Aceh, Indonesia. The data were divided into primary and secondary data. In collecting primary data, observation and interview techniques were used. The research informants include government officials of Tangah village, community leaders, and community members of Tangah village. Documentation study as secondary data were collected from various documentations. From the analysis, it can be concluded that in the implementation of VF in Tangah village, it turns out that the process has followed the stages that were adopted from Law No. 6 of 2014 on Villages. The support and participation of various parties in there illustrates the presence of community involvement in various activities and programs of community empowerment and village economic development, although the significance is still not optimal.

**Keywords:** *Community Participation; Village Fund; Village Development*

### **Introduction**

Currently, village development in Indonesia refers to Law No. 6 of 2014 on villages (BPK, 2014). Village fund (VF) is a source of village budget and expenditure, where its utilization is to finance the implementation of government, development, community development, and village community empowerment (Daud, 2019; Rangkuti, Marzuki, & Agusmadi, 2019). Village government service aims to improve the welfare of the community, accelerates development, economic, and regional growth. The progress of village communities and the environment serves as an intrusion of social change, so that the village and its communities are not only limited as objects of development, but can position themselves as one of the development participants (Kartika, 2012). The development of insights and knowledge of government organizers is a priority activity in the implementation of village autonomy with the availability of funds for financing or financial supporting village autonomy (Supriyanto & Azhari, 2020).

The implementation of village fund allocation in Southwest Aceh regency is based on the reality that as the lowest pillar of regional autonomy, so that the village increasingly embraces the financing of various facilities and programs to improve welfare or rural development. Village fund is used through the stages of planning, supervision and reporting that can involve the participation of the villagers.

There are various community empowerment, capacity programs, and development of village institutions including participatory planning development, entrepreneurship training, village potential identification, village information system development, and other programs spearheaded by village devices and community engagement (Permatasari & Hasan, 2018). Community empowerment at the village level is certainly having a positive and negative impact (Riya Novita Sari, Heru Ribawanto, Mohamad Said, 2015). One of the negative impacts of the uninvolved of some villagers in the implementation of village development programs, both as subjects and implementing partners, is able to occur due to poor communication or different treatment of village officials as a consequence of the external selection of village heads (*Pemilihan Kepala Desa*). On the other hand, the existence of village funds motivates the village government to be creative in realizing the development and economic programs of village communities (Hasniati, 2016). This will give positive attitude to the elements of the village in the frame of common interest. In this regard, village equipment has a responsibility to the villagers and cooperates with all elements to consult.

Similarly, it also has taken place in Tangah village, Susoh district, Southwest Aceh regency, Aceh, Indonesia. Several implementations of infrastructure development in there can be carried out due the use of village funds intended for the development and empowerment of the community on participatory community support. This makes the development is on target. The problem is that most of the project implementation workers and village development activities are not maximally utilizing local daily workers. So, it causes dissatisfaction and disappointment that has an impact on the lack of direct benefits in the form of additional income of skillful people as a daily labor force. Consequently, there is negative impact on socioeconomic. In addition, some communities do not have access to the implementation of village funds allocation. This situation has a bad effect in order to follow the participation of some communities in carrying out social control over the use of village funds.

The development of village infrastructure such as roads, ditches and sewers, irrigation of rice fields, and village offices that are beneficial to the community becomes positive action when it is executed as the result of village deliberations that include the participation of village communities. On the other hand, the result of the discussion of the plan to use the allocation of village funds is less informed to the community in general. So, the community does not know that the village gets a large funding assistance from the local government. It directly has implication towards the participation of the community that tends to be apathetic to the activities carried out by the village fund allocation manager.

The studies related to village fund management have been conducted by many scholars in Indonesia. Nababan, Amin, & Badaruddin (2020) try to see the factors that support and inhibit the implementation of VF for the development of infrastructure in Purba Manalu village, Humbang Hasundutan. They conclude that the implementation of VF is still possible to be maximized by improving some factors such as communication, bureaucratic structure, attitude, and resources. Ismail (2020) in his research attempts to see the role of *gampong* in managing VF in *gampong* Pasi Rawa, Sigli. He draws the conclusion that the role of *gampong* has vital role in managing VF to create positive impact in both process and the results. Looking at the implementation in Papua, Pattiasina, Seralurin, Kadubu, Hamadi, & Bonsafia (2020), they observe some factors affect the implementation of village fund application system (VPAS). They emphasize that bureaucratic structure possesses negative impact towards the implementation of VPAS. Dealing with those studies, this study has aim to describe the pattern of community participation in the management of VF for the development of Tangah village, Susoh district, Southwest Aceh regency.

## **Review of Literature**

### **Village Fund Management**

The village has a very strategic position and needs to be a balanced attention to the implementation of regional autonomy (Gayatri, 2018; Tjilen, Ririhena, & Manuhutu, 2019). Indications of successful implementation of regional autonomy are marked by the success of the government in the implementation of village autonomy. Therefore, the effort to strengthen the existing government in the village is a step that must be realized immediately both by the provincial government and by the district government. Village fund is one of the government policies for village taken from State Revenue and Expenditure Budget (Sudaryati & Heriningsih, 2019).

Village fund has purposes namely to a) improve the implementation of village government in carrying out government services, development, and community according to their authority; 2) improve the ability of community institutions in the village in planning, implementing, and controlling development participatoryly in accordance with the potential of the village; 3) increase income equality, employment opportunities and business opportunities for village communities; 4) encourage the improvement of cooperation of village communities. The government expects this policy can support the implementation of community-based participatory development in efforts to empower rural communities while maintaining sustainable development at the village level. With the allocation of VF, the village has funding certainty so that development can continue to be carried out without having to wait too long for the arrival of assistance funds from the central government.

The allocation of VF will encourage the implementation of village autonomy as well as empower the village government and communities (Agustina, Supriadi, & Sompa, 2019). The provincial and district governments facilitate the community in carrying out the functions of planning, implementing and supervising the use of received VF. The granting of VF is a manifestation of the fulfillment of the village's right to exercise its autonomy in order to grow and develop following the growth of the village itself based on diversity, participation, original autonomy, democratization and community empowerment. Based on some of these statements, it can be concluded that VF is one of the village revenues that is processed through the balance of the finances of the central government and district government by 10% after deducting employee spending and the funds will be used by the village government in running its government.

### **Community Empowerment**

According to Sumpeno (2011), empowerment is an effort to improve the form of interconnection contained in an order or efforts to refine the elements or components of the order indicated so that the order can develop independently. Thus, empowerment is a demonstrated effort so that an order can achieve a condition that makes it possible to establish itself. It has the meaning that the implementation of village government is shown to improve the standard of living and welfare of the community through the determination of policies, programs and activities in accordance with the essence of the problem and priorities of community needs.

Autonomous villages are given wide room in development planning as the real needs of the community and are not much burdened by work programs from government agencies or agencies. The empowerment efforts can accelerate the process of community preparation through various ways and approaches that are able to accommodate all components of human and institutional resources. Its process needs to be done very carefully, because each order has its own characteristics, so that not all strategies originating and outside the order will be effective, even in many ways not infrequently productive kotra. Empowerment requires a process of adjustment such as culture, and institutional through reinterpretation, re-actualization, and transformation. The goal to be achieved from community empowerment is to form individuals and communities to be independent. Such self-reliance includes the independence of thinking,

acting and controlling what they do. Community self-reliance is a condition experienced by the community characterized by cognitive ability, conative, psychomotor, affective, with the direction of resources owned by the community.

## **Method**

This research was conducted through qualitative approach as the research design. The location of the research is in Tangah village, Susoh district, Southwest Aceh regency, Aceh, Indonesia. The data were divided into primary and secondary data. In collecting primary data, observation and interview techniques were used. The research informants include government officials of Tangah village, community leaders, and community members of Tangah village. Documentation study as secondary data were collected from various documentations. Qualitative data analysis was done interactively and lasts continuously until complete, so that the data is saturated. Data analysis was carried out during data collection, and after completion of data collection within a certain period. During the interview, researchers analyzed the answers interviewed and analyzed them. Confirmation and analysis were steps of data triangulation, which researchers did by asking filter and explorative questions, and explanation, to some extent obtaining data that is considered credible. Stages of data analysis are data reduction, display data, and conclusion drawing / verification (Miles, Huberman, & Saldana, 2014; Sugiyono, 2012).

## **Result and Discussion**

### **Result**

#### *Village Fund Management in Gampong Tangah*

*Gampong* is a term commonly used instead of village in Aceh province (Ahyat, Badaruddin, Humaizi, & Kusmanto, 2020; Ismail, 2020). *Gampong* Tangah or village Tangah is one of 28 *gampongs* in Susoh subdistrict, Southwest Aceh Regency. Its government is based on cultural patterns and formal regulations that have been common since ancient times. *Gampong's* government was led by a *keuchik* and assisted by other customary devices. The construction of *gampong* Tangah began during *keuchik's* first leadership in 1957.

Village fund is one of the sources for village development (Syafingi et al., 2020) and alleviating poverty (Hendrianto, 2019). To prevent the misuse of village fund allocation (VFA), the government of Southwest Aceh regency stipulates the rules and management that must be obeyed by each VFA manager in each village, namely as follows: 1) the management of VF is carried out by the village head as stated in the village regulation on village budget; 2) VF management is an integral part of the village budget and its attachments; 3) all activities funded by VF must be planned; 4) VF is implemented using the principle of efficient and effective, directed, controlled, accountable and responsible; 5) the regent conducts guidance on village financial management; 6) village is one of the sources of village income; 7) VF management is carried out by the village government assisted by community institutions in the village.

Development plan deliberation or *musyawarah rencana pembangunan* (*musrenbang*) is a planning forum carried out by public institutions, namely the village government, in cooperation with residents and other stakeholders (Kurrohman, 2015). It means to build an understanding of the interests and progress of the village, by considering potentials and sources of development that are not available both from inside and outside the village. Every year in January, it is done to draw up a village development work plan (VDWP). The preparation of VDWP documents is always followed by the preparation of village budget documents. These two documents are inseparable, and are organized based on deliberation and consensus. Then, those documents are public documents and information. The village government is a public institution that is obliged to convey public information to the citizens. Openness and responsibility to the public become an important principle for the village government (Siregar, 2018).

Then, village development covers the field of organizing village government. The implementation of village development activities includes village community development and empowerment.

### *Community Participation in Village Fund Implementation in Tengah Village*

In preparing the draft village development activities, it is often referred to as the work plan of the village government which is carried out by a special team formed by the village head. The village development plan is operationalization of village governance activities, implementation of village development, village community development, and empowerment of village communities for a period of one year from the medium-term development plan that has been prepared previously. In the plan of activities, it is necessary to set which activity programs are the priorities to be funded first.

The process of preparing a village development plan was done by involving the community in the form of deliberation in Tengah village. This is in accordance with the statement by Sayuti Izwan (Community Leaders of Tengah village)

“... In the process of planning the use of village funds, we are involved in village deliberations for the allocation of village development planning. With the deliberation, it is expected to be able to facilitate our needs, especially the most urgent one is the need for the community ...” (Interview, February 20, 2020).

Similarly, Mr. Saleh, a community representative, says that,

“... We as community members will always provide input in the form of proposals for the implementation of village development planning. Then, of course, we will select which activities will be approved by the village apparatus. We hope that by donating proposals from citizens will be able to improve our welfare...” (Interview, February 28, 2020).

The village fund planning process has absorbed the aspirations of the community drawn from community involvement in the process of village deliberation and village deliberation. Villagers participate in the process of identifying existing problems including alternative solutions, potentials owned by the village, and their involvement for evaluation when changes occur. This is in accordance with the planning of the VF program in Tengah village that has gradually implemented the concept of participatory development of village communities. As the evidence, it can be seen by the application of participatory principles, responsiveness, and transparency in order to realize the empowerment of village communities VDWP. The transparency itself is important to provide accessible material for the community members (Iznillah & Basri, 2019). The supervision of VF carried out in the context of supervision of village government administration must be accountable. In the village fund supervision procedure, it is divided into 3 stages, namely pre-distribution stage, distribution and use stage, and post-distribution stage.

The villagers are very hopeful that the village apparatus of Tengah village can carry out its function to supervise the use of VF. From many cases of misappropriation of VF, there are also various modes carried out by the village head as well as village devices, ranging from embezzlement, misuse of budget, abuse of authority, illegal levies, and fictitious reports, budget-cut to bribes. This is a crucial point that is considered prone to corruption. To avoid this, it is necessary for the participation of the community in supervising the management of village funds, because the community has the right to request and obtain information on the management of village funds, as stated in Article 68 of Law No. 6 of 2014 on villages (BPK, 2014), so that what is the purpose of village funds can be realized properly. Supervision carried out by the community is one form of his love for the country. In Tengah village, with the involvement of all elements in the village for the benefit of the villagers, of course, this is also inseparable from *Tuha Peut's* active role as the supervisor of the government in the village. Community involvement in village fund management is very important for openness and positive impact on the community.

### *The Significance of VF on Empowerment and Development of Tangah Village*

A good empowerment program carried out in Tangah village is also able to bring forth various potentials typical of the community. It is helped by the role of a companion or facilitator who will accelerate the empowerment process so that the value added is high. Then, the process to facilitate and encourage the community can place them proportionately and become the main actors in utilizing its strategic environment to achieve a sustainable development for the long term.

Related to the impact of VF implementation on the welfare of the community and the development of Tangah village, Mr. M.Nasir (Secretary of Tangah village), says:

"... Seeing the economic condition of Tangah village community in general, it is actually not too bad, even before there is this VF. People have jobs such farmers, trader, civil servants and others. This VF is prioritized for infrastructure development for this year. So, the condition of infrastructure before the existence of VF is quite different from after the existence of VF. Before the existence of VF, infrastructure condition had not received repairs. Roads and bridges had been no improvement or repairment. In addition, when we, the village government, want to make infrastructure improvements, we have problem in funding. It is quite difficult before there is existence of village funds ..." (Interview, February 28, 2020).

From the interview result, it can be concluded that community empowerment before the existence of village funds is very limited in terms of funding and programs that will be implemented by the village government. Community empowerment and infrastructure development of Tangah village at that time was done voluntarily by the community. The impact of the role of VF is felt to be very helpful. It is also supported by the research done by Mamu & Allorante (2020) clarifying that VF has positive impact in socio-economic improvement of the community in Wajo. With the presence of VF, the government can run programs that have been mutually agreed between the village government, communities, and institutions in Tangah Village.

The participation of village communities in the implementation of VF in Tangah village in the last 3 years is often reduced due to limited budget in each village government. It makes the programs implemented in the villages do not run significantly. The empowerment process or program in Tangah village began to change in many ways.

Nevertheless, in the implementation of empowerment, the Tangah Village government itself adjusts to what the community wants, and which becomes the need for the people of Tangah Village itself. In this case, they involve the community in the process of preparing an agenda of empowerment activities to be carried out. This is intended so that in its implementation, the community can express all the aspirations and desires of its citizens, and most importantly all activities of the program implemented by village government. So, it can be really felt by all communities. This situation can be seen from the support of Mr. Ridwan Sofyan (community leaders) who says that:

"... Tangah Village community, I think, they care about especially in development activities or others as well. They must take the time to be as active in the activities as possible. For the problem of community empowerment programs with village funds, the community is at least active or participating. For example, when the village government asks to formulate what the community needs, they are present to contribute their ideas, and what they want. Then, when in the implementation of the development program, the community is present. They participate in cooperation in implementing the program. In my opinion, this is a form of community participation in the development program that has been provided by the village government..." (Interview, May 15, 2020).

## Conclusion and Suggestion

In the implementation of VF in Tangah Village, it turns out that the process has followed the stages that were adopted from Law No. 6 of 2014 on Villages. The support and participation of various parties in there illustrates the presence of community involvement in various activities and programs of community empowerment and village economic development, although the significance is still not optimal. The recommendation of this research is the need for large-scale or routine supervision carried out by the district government in the process of financial management so that village funds are not hampered and all village development processes can run smoothly without obstacles. Furthermore, training is needed on village law so that village apparatus has better understanding related to the procedures for making accountability in reporting the use of VF.

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