



Quality analysis of village fund management on the success of development program in Letneo Village, Insana Barat District, Timor Tengah Utara Regency

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ABSTRACT

Letneo Village is one of the villages located in Insana Barat District, North Central Timor Regency which is geographically directly adjacent to the Democratic State of Timor Leste. As a village that has just been divided in the last 5 years, it has also received a large and varied amount of village funds from the central government. Village governments often encounter difficulties in managing village funds due to the lack of quality human resources. Recognizing this, the aim of this research is to determine the effect, either partially or simultaneously, between the variables of planning, implementation and monitoring of village funds on the success of Letneo village development. The analytical tool used is by using multiple linear regression analysis by taking samples from the entire village apparatus of Letneo, totaling 35 people. The results showed that either partially or simultaneously the variables of planning, implementation and supervision had a real and significant influence on the success of the development of Letneo Village, Insana Barat District, North Central Timor Regency.



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INTRODUCTION

North Central Timor District is one of the regencies in the East Nusa Tenggara Province which administratively consists of 24 sub-districts, 160 villages and 33 sub-districts (Badan Pusat Statistika Kabupaten Timor Tengah Utara, 2020). As with other regions in Indonesia, North Central Timor Regency also gets a large amount of funding for all existing villages for the sake of creating equitable development in all corners of the territory of the Unitary State of the Republic of Indonesia (NKRI). If viewed from its utilization, the Village Fund is prioritized to finance development and community empowerment in order to improve community welfare, improve the quality of human life, and reduce poverty, as outlined in the Village Government Work Plan.

Until now not less than Rp. 187 trillion sourced from the 2020 State Revenue and Expenditure Budget (APBN) has been distributed to all villages in Indonesia (Dwi Mukti Wibowo). Egidius Sanam, who currently serves as the Head of the Investment Agency (PMD) revealed that in 2020 the North Central Timor (TTU) District received a Village Fund disbursement of Rp. 65 billion, higher than the previous year (2019) of Rp. 60 Billion. The Village Fund is expected to be used as well as possible so that it can have an impact on improving welfare for all the people in it (Pos Kupang.com, 2020).

Letneo Village is one of the villages in TTU Regency, precisely in Insana Barat District with an area of 9.5 km². In 2019, it has a population of 1,089 people. Letneo Village is one of the villages that has received DD disbursement since 2015. Table 1 presents the Amount of Funds based on the source of funds obtained by Letneo Village since 2015-2019.

Table 1 Letneo Village Income by Source of Income in 2015-2019

Income Source	Year				
	2015	2016	2017	2018	2019
Village Original Income	2,000,000	-	2,000,000	2,000,000	-
Village Fund	271,850,766	607,257,851	774,338,600	917,246,300	1,089,232,000
Share from Taxes & Levies	-	-	-	-	-
Allocation of village funds	155.613,810	319,027,881	323.553.139	306.262.800	266,573,600
Provincial	-	-	-	-	-
Financial Aid	-	-	-	-	-
District Financial Aid	-	-	-	-	-
Other income	-	-	-	-	-
TOTAL	429,464,576	926,285,732	1,099,891,739	1,225,509,100	1,355,805,600

Source: APBDes. Letneo Fiscal, Year 2015-201

Based on the data in table 1, it is known that the source of revenue for Letneo Village during the observation period (2015-2019) is still very much dominated by the Village Fund and also the Village Fund Allocation. Meanwhile, the source of revenue from Village Original Income (PADes) is very small with a percentage of only 0.47% of the total income in 2015. The same thing happened in the following year, even in 2016 and 2019 there was absolutely no income. sourced from the utilization of village potential in the form of Village Original Income (PADes). This also explains that the level of dependence of the Letneo Village Government in financing various Development Programs is still very high on the Central Government. Or in other words, the Letneo Village Government has not been able to utilize all the potential of its natural resources in contributing to increasing the source of Village Original Income (PADes). It is the responsibility of all village officials together with the community so that in the future they begin to think about how to explore and utilize the potential of the resources they have in order to play a role in boosting the Village Original Income (PADes) of Letneo Village.

All financing to meet the development needs of both physical and non-physical infrastructure in Letneo Village, comes from the Village Revenue and Expenditure Budget (APBDes) during the current year. However, the important note here is that the Fund Allocation provided must be used consistently and under control. Every activity that uses the Village Fund Allocation is required to go through several stages of a clear planning, implementation, evaluation and accountability process based on the principles of transparency and accountability.

To be able to find out various development financing programs in Letneo Village during the 2015-2019 observation period, it can be seen in table 2 below.

Table 2 Letneo Village Development Financing Based on Funding Sources for 2015-2019

Village Shopping (Field)	Year (Rp)					Total
	2015	2016	2017	2018	2019	
Implementation of Village development	271,850,766	672,584,303	644,960,700	873,086,100	1,103,669,500	3,530,161,369
Implementation of the Village Government	135,485,810	271,027,881	309.153.139	292,012,800	261.412.080	1,269,091,710
Community empowerment	-	10,715,701	72,413,000	62,695,200	42,222,700	188.046601

Village Shopping (Field)	Year (Rp)					Total
	2015	2016	2017	2018	2019	
Community Development	22,128,000	29,898,595	14,400,000	14,250,000	5,161,520	85,838,115
Disaster Management, Emergencies and Village Urges	-	-	2,000,000	2,000,000	-	4,000,000
TOTAL	429,464,576	984,226,480	1,042,926,839	1,208,044,100	1,412,465,800	5,077,127,795
SILPA Previous Year	-	57,940,748	-	87,099,900	56,660,200	201,700,848
Village Capital Participation	-	-	56,964,900	104,564,900	-	161,529,800

Source: APBDes. Letneo Fiscal, Year 2015-2019

Based on table 2, it can be seen that there are a number of development programs that have been carried out by the Letneo Village Government which are spread in several allocations of expenditure posts. However, it seems that it still accumulates in the field of village development and other routine expenditures such as in the field of Village Administration. Meanwhile, the financing post for the field of Village Community Empowerment, which is intended to increase the independence and welfare of the community, is still of very small value. For example, in 2015 the Village Government did not allocate at all to the Community Empowerment Expenditure Post. The financing post was only carried out in 2016, and even then with a very small value of Rp. 10,715,701, or equivalent to 1.09% of the Total Budget of Rp. 984,226,480.

Another issue that is no less important is the absorption of the budget in executing various development programs in Letneo Village during the observation period. In certain years it should be appreciated if the budget absorption reaches 100% or even more, but in certain years it is still far from the target. For example, in 2016, the budget absorption amounted to 93.74%, leaving the Budget Financing Over Fund (SILPA) of Rp. 57,940,748,-. In fact, the amount of this SILPA fund experienced a significant increase in 2018 of Rp. 87,099,900, and in 2019 there is still an excess of Rp. 56,660,200. The high SILPA funding reflects that there are inefficiencies in the implementation of development programs.

Or in other words, According to Permendagri No. 113 of 2014 concerning Village Financial Management, Village Financial Management is all activities that include planning, implementation, administration, reporting, and accountability, village financial management is carried out within 1 (one) fiscal year, starting from January 1 to December 31st. The Village Head as the Head of the Village Administration is the holder of the power of Village Financial Management and represents the Village government in the ownership of separated Village assets. Village finances are managed based on good governance practices. The principles of Village Financial Management as stated in Permendagri No. 113 of 2014 are transparent, accountable, participatory and carried out in an orderly and budgetary discipline.

Realizing this, the Letneo Village Government needs to apply the principles of good and correct financial management so that it leads to efforts to achieve good and clean governance. Aspects that need to be considered in order to achieve good Village Fund financial management consist of at least 5 important parts, namely: Planning, Implementation, Supervision, Evaluation and Accountability (Golmirzaei et al., 2013).

From the description that has been described above, it can be seen that the role of planning, implementing, and supervising the management of village funds is very important in achieving the efficiency and effectiveness of the success of the Village development program. On the other hand, field facts show that there are still inefficiencies in program implementation so that there are still many indicators of failure to manage Village Funds in Letneo Village. Seeing this phenomenon, the aim of this research is to find out the influence, either partially or simultaneously, between the variables of planning, implementation and supervision of village funds on the success of development in the village of Letneo Village, West Insana District, North Central Timor Regency.

RESEARCH METHODS

This research was conducted in Letneo Village, Insana Barat District, North Central Timor Regency for 6 months starting from March to August 2020. The analytical tool used in order to answer the research objectives is to use multiple linear regression analysis. However, before being analyzed, there are steps that must be carried out in order to meet the statistical rules. The first test is to test the data collection instrument in the form of Validity Test and Data Reliability Test. The next thing to do is to do the Classical Assumption Test which consists of; Normality Test, Multicollinearity Test, Autocorrelation Test and Heteroscedasticity Test. The formula or formulation used to determine the effect of the independent variables which include planning (X1), Implementation (X2) and Supervision (X3) variables simultaneously on the Letneo Village Development Success variable (Y). The regression equation according to (Sugiyono, 2009):

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i$$

Information:

Y	: Village development variables
α	: Constant Value
β_1	: Coefficient X1
β_2	: Coefficient X2
β_3	: Coefficient X3
X ₁	: Village Fund Planning Variables
X ₂	: Village Fund Implementation Variables
X ₃	: Village Fund Supervision Variables

RESULTS AND DISCUSSION

Validity test

Sethe data has not been analyzed, a Test of Validity is carried out to find out whether the measuring instrument that has been compiled is valid or not. From a number of questions posed to respondents, then grouped where for the Village Fund planning variable (X1), the Village Fund implementation variable (X2), Village Fund supervision (X3), and Village development (Y) each consisting of 6 and 7 points question. After grouping the items, then testing is carried out to determine whether the measurement tool in the form of these questions can measure each of the variables used in this research model valid or not. This validity test analysis was carried out by looking for the Product Moment (Pearson) correlation between the total score of each item with a significant level (α) = 5% and degrees of freedom (dk = n-3), namely dk = 35 - 3 = 32. Based on this, an rtable of 0.349 is obtained. Question items are said to be valid if rcount is greater than rtable to find out whether the data used is valid or not, it can be seen in the following table.

Table 3 Validity Test Results

Variable	Question	r _{count}	r _{table}	Information
Village Fund Planning (X1)	1	0.708	0.349	Valid
	2	0.734	0.349	Valid
	3	0.568	0.349	Valid
	4	0.867	0.349	Valid
	5	0.874	0.349	Valid
	6	0.933	0.349	Valid
Implementation of Village Funds (X2)	1	0.815	0.349	Valid
	2	0.842	0.349	Valid
	3	0.909	0.349	Valid
	4	0.707	0.349	Valid
	5	0.882	0.349	Valid
	6	0.946	0.349	Valid
	7	0.781	0.349	Valid
Village Fund Supervision (X3)	1	0.822	0.349	Valid
	2	0.829	0.349	Valid
	3	0.832	0.349	Valid
	4	0.890	0.349	Valid
	5	0.831	0.349	Valid
	6	0.893	0.349	Valid
Village Development (Y)	1	0.835	0.349	Valid
	2	0.876	0.349	Valid
	3	0.846	0.349	Valid
	4	0.858	0.349	Valid
	5	0.852	0.349	Valid
	6	0.908	0.349	Valid

Source: Primary Data Processed Results in 2020

Reliability Test

Reliability test is intended to measure the consistency of the analytical tool to what will be measured. Instrument reliability testing was carried out using Cronbach's Alpha with a significant level of 5% to see the reliability test results can be seen in the following table.

Table 4 Reliability Test Results

Variable	Cronbach's Alpha	Information
X1 (Village Fund Planning)	0.877	Reliable
X2 (Village Fund Implementation)	0.930	Reliable
X3 (Village Fund Monitoring)	0.921	Reliable
Y (Village Development)	0.930	Reliable

Source: Primary Data Processed Results in, 2020

Based on the reliability test results above, it can be explained that Village Fund Planning has a Cronbach's Alpha value of 0.877, DD Implementation of 0.930, Village Fund Monitoring of 0.921, Village Development of 0.930. This shows that all variables have Cronbach's Alpha values above 0.3, so it can be concluded that all variables in this study are said to be reliable.

Analysis of the Effect of Village Fund Planning (X1) on the Success of Development (Y) Letneo Village, West Insana District.

The use of the Village Fund is basically the right of the Village Government in accordance with the authority and priorities of the needs of the local village community while still prioritizing the principle of justice. However, in order to oversee and ensure the achievement of Village development targets, the Government sets priorities for the use of Village Funds every year. The use of Village Funds is regulated in the Minister of Finance Regulation Number 49 of 2016 concerning Procedures for Allocation, Distribution, Use, Monitoring, and Evaluation of Village Funds in article 21 of the Regulation of the Minister of Finance Number 93 of 2015, Village Funds are used to finance government administration, development, community empowerment, and society. However, to achieve the intended development goals, every village government needs to apply a participatory planning pattern.

The results of the study show that so far the village fund budget disbursed by the central government has not been able to be utilized optimally in order to improve the welfare of all the people in it. This shows that some people who work in the agricultural sector are still classified as poor. One of the fundamental problems related to the management of village funds lies in the planning aspect which is less accommodating to the needs and aspirations of the community. Policy making related to development programs still seems elitist in the village government structure. To find out how the results of data analysis from the description of the condition of the community in Letneo Village can be seen in the data table below.

Table 5 Results of Data Analysis of the Effect of Planning (X1) on the Success of Development (Y) Letneo Village, West Insana District.

Constant (0)	Regression Coefficient	Correlation Coefficient (R)	R Square (R2)	tcount	Value of Sig.
0.321	0.863	0.818	0.669	8.172	0.000

Source: Primary Data Processed Results in 2020

Based on table 5 it can be explained that the value of the correlation coefficient (R) produced is 0.818. This shows that the Village Fund planning variable (X1) has a very strong relationship to the Village Development success variable (Y). The value of the coefficient of determination (R2) of 0.669 means that the variation in the value of the Village Development variable (Y) is determined by the DD Planning variable (X1) of 0.669 or 66.9 percent and the remaining 33.1 percent is influenced by other variables outside the model. The adjusted R Square is 0.659 while the Std Error of the Estimate is the standard error of interpretation with a value of 2.536. The results of the study also explain that good village fund planning has a significant influence on the success of Letneo village development which is indicated by the t value of 8.

Analysis of the Effect of Implementation of Village Funds (X2) on the Success of Development (Y) Letneo Village, West Insana District.

In accordance with its designation, the implementation of village funds is regulated in Government Regulation No. 60 of 2010 and also Law no. 6 of 2014 concerning villages in which the use of APBDes has a minimum provision of 70 percent of the total village budget to be used to finance various development programs, both physical and non-physical, such as village government, coaching and community empowerment. Meanwhile, 30 percent of village funds are used to finance operational

expenditure activities for village government officials such as village head allowances and Village Consultative Body incentives. In addition, APBDes is also used to carry out the development of rural areas in order to improve the accessibility of government services and also efforts to increase economic growth so that it has an impact on increasing community welfare.

The results showed that during the observation period the Letneo Village Government had not been able to implement good and clean governance because in fact during the implementation of the development program many activities were not sourced from the aspirations of the community but came from the elitist concept of the village head and other village apartments. Community participation is very minimal so that it often causes internal conflicts. To be able to find out how the results of data analysis describe the current condition of the Letneo Village community, it can be seen in the following table.

Table 6 Results of Data Analysis of the Effect of Implementation (X2) on the Success of Development (Y) Letneo Village, Insana Barat District

constant (0)	Regression Coefficient	Correlation Coefficient (R)	R Square (R2)	tcount	Value of Sig.
3,159	0.627	0.738	0.544	6,277	0.000

Source: Primary Data Processed Results in, 2020

Based on the results of data analysis as shown in table 6, it can be seen that the value of the constant generated is 3.159, which means that if there is no change in the variable of good village fund implementation, the success of development will remain at 3.159. However, if the implementation of good development is increased by one unit, the success of development will increase according to the regression coefficient value of 0.627. The correlation coefficient value of 0.738 also shows a very strong relationship between the implementation of development and the success variable for the development of Letneo Village.

Analysis of the Effect of Village Fund Supervision (X3) on the Success of Development (Y) Letneo Village, Insana Barat District.

Supervision activities in the village development implementation process here mean that all village development activities that have been carried out must be in line with the plans that have been set out in the planning document and included in the APBDes during the current year. This is also intended so that what has been determined through the village level Musrembang mechanism can actually be carried out properly according to the target time and goals to be achieved together.

The findings from the field during the research found that the role of the village community to participate in monitoring activities was still very lacking. Letneo villagers are not involved as an integral part of development in their own village. This is shown that there are often inconsistencies between the implementation of development programs and the predetermined time targets and there are also symptoms of budget deviations in each item of financing for development program activity items. All supervisory activities are absolutely carried out by government agencies at higher levels, whether they come from the Inspectorate Agency at the district, provincial and central government levels through formal mechanisms in accordance with the nomenclature of applicable laws.

Table 7 Results of Data Analysis of the Effect of Supervision (X3) on the Success of Development (Y) Letneo Village, Insana Barat District

constant (0)	Regression Coefficient	Correlation Coefficient (R)	R Square (R2)	tcount	Value of Sig.
1,241	0.911	0.912	0.832	12,795	0.000

Source: Primary Data Processed Results in, 2020

Based on the results of data analysis as shown in table 7, it can be explained that between the variables of supervision and the success of the development of the Letneo village has a very strong relationship which is indicated by the correlation coefficient value of 0.911. In addition, it can be seen that there is a real and significant influence between the monitoring variable and the success of development as seen from the t-count value of 12.795 > 1,693 t table value and also sig value of 0.000 < 0.005 alpha value. The value of the coefficient of determination (R2) is 0.832. This means that the variation in the value of the Village Development variable (Y) is determined by the DD Planning variable (X1) of 0.832 or 83.2 and the remaining 16.8 is influenced by other variables outside the model. Adjusted R Square adjusted by 0.827. While the Std Error of the Estimate is a standard error of interpretation with a value of 1.806.

Analysis of the Effect of Planning (X1), Implementation (X2) and Supervision of Village Funds (X3) on the Success of Development (Y) Letneo Village, West Insana District.

Multiple linear regression analysis is intended to be used to determine the effect of the independent variables Village Fund Planning (X1), Village Fund Implementation (X2), Village Fund Monitoring (X3) simultaneously on the dependent variable Village Development (Y). The results of data analysis show that the three independent variables simultaneously have a significant effect on the dependent variable. For more details, it can be seen in the following table.

Table 8 Results of Data Analysis of the Effect of Planning (X1), Supervision (X2) and Supervision (X3) on Development Success (Y) Letneo Village, West Insana District

Constant (0)	Regression Coefficient	Correlation Coefficient (R)	R Square (R2)	Fcount	Value of Sig.
-1.099	0.689 (X1) -0.386 (X2) 0.774 (X3)	0.952	0.897	99.305	0.000

Source: Primary Data Processed Results in 2020

Based on the results of the multiple linear regression analysis above, it can be explained that the Planning, Implementation, Monitoring of Village Funds is proven to have a significant effect on Village Development. This is indicated by the calculated F value of 99.3605 > 2.91, the F table value and also the significance value of 0.000 < 0.05 alpha value. The value of the coefficient of determination (R2) explains the variation in the value of Village Development (Y) determined by the variables of Village Fund Planning (X1), Village Fund implementation (X2) and Village Fund Supervision (X3) which are considered. From the results of the analysis of the coefficient of determination (R2), a value of 0.906 is obtained, this means that the magnitude of the development variable (Y) is influenced by the variables of Village Fund Planning (X1), Village Fund Implementation (X2) and Village Fund Supervision (X3) of 90.6% and the remaining 9.4 is influenced by other variables that are not included in this research model.

In addition, the results of this data analysis also explain that the better the Planning, Implementation and Supervision of Village Funds in Letneo Village in a strict and efficient manner, the expected development goals can be achieved in accordance with what is expected to lead to an increase in community welfare. Likewise, if the planning, implementation and supervision of the Village Fund are not in accordance with what the Village community wants and needs, then Village development will not succeed.

CONCLUSION

Based on the results of research and data analysis, it can be seen that the variable Village Fund Planning (X1), Implementation of Village Funds (X2), Village Fund Monitoring (X3) partially or simultaneously have a real and significant influence on the success of the development of Letneo Village, West Insana District, North Central Timor Regency. Therefore, some things that the author can suggest are that the Village Government in managing Village finances must be transparent, accountable and participatory so that the community understands the flow of use and utilization of Village Funds. In addition, what needs to be done is that the Village Government must hold an open socialization carried out by the Village Government so that the community knows the allocation of funds and the use of funds that will be or have been managed for Village Development..

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