

Research article

Village Financial System Management in Kebumen Regency

Mutia Rahmadanti, Gading Gamaputra, Dian Arlupi Utami Yuni Lestari, and Putri Pinata*

Public Administration of Vocational Program, State University of Surabaya

ORCID

Putri Pinata: <https://orcid.org/0000-0003-3376-5475>

Abstract.

The purpose of this study was to examine whether the village financial system in Bocor Village in Bulupspesantren Subdistrict, Kebumen Regency, is suitable for financial management. This was a qualitative descriptive study. The research investigated the village's financial management, including its planning, implementation, management, reporting, and accountability. Interviews, observations, and document analysis were used to gather information. This study described the village's financial planning, implementation, management and responsibility, according to Minister of Home Affairs Regulation No. 20 of 2018. According to the results, there were issues with the Village Budget Implementation Report, which was not delivered on time in the first half of 2020. Therefore, the Bocor Village government needs to improve its financial planning discipline to provide more reliable reporting. From the input process to reporting and accountability, Leaky Village has used the village financial system to manage village funds. The timely submission of financial reports should help improve the quality of management in village finances, resulting in more structured and effective village governance. A well-organized village government will benefit the community.

Keywords: village finance, village financial system, village financial management

Corresponding Author: Putri

Pinata; email:

putri.20099@mhs.unesa.ac.id

Published 20 May 2022

Publishing services provided by
Knowledge E

© Mutia Rahmadanti et al. This article is distributed under the terms of the [Creative Commons Attribution License](#), which permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under the responsibility of the ICoGPASS Conference Committee.

1. INTRODUCTION

In Indonesia, a village is a division of administrative territory. According to Law Number 6 of 2014, a village is a legal community unit to territorial boundaries that is authorized to regulate and manage government affairs, and the interests of the local community based on community initiatives, origin rights, or traditional rights recognized and respected in the Republic of Indonesia's system of government. The village administration element, namely the Village Head, is supported by the village apparatus, and the Village Consultative Body provides oversight. Villages have a strategic and important role in various authorities, including village administration, village development, strengthening village communities, and fostering village communities based on community initiatives, rights of origin, and village customs, according to Law Nomor 6 of 2014 concerning


OPEN ACCESS

Village, especially Chapter 18. The village is also given the authority to manage funds by managing state and regional budgets provided by the government. The central government provides funds which then the village government is authorized to manage these funds. The amount of funds given by each village is different, the amount of village funds takes into account the geographic difficulty index, the construction price index, the number of residents, the number of poor people, and the area.

Village finance can be defined as all village rights and obligations that can be assessed using money and goods related to the implementation of village rights and obligations, as according to Law No. 66 of 2014

Guiding Villages, especially in Chapter 31 paragraph 10. The Village Head has authority in the village, and in exercising this authority, he transferred some of his power to the village apparatus. All activities related to the planning, implementation, administration, reporting, and accountability of village finances are regulated in Minister of Home Affairs Regulation No. 20 of 2018. Village finances management is vital to the village's overall growth success. The allocation of village funds, which are not small in size, directly forces the village government to promote the superiority of village apparatus resources so that they can manage the budget regularly. The village apparatus holds a great responsibility to the government and the village community. In managing finances, Village financial literacy is defined as all village rights and obligations that can be assessed using money and goods related to the implementation of village rights and obligations, as according to Law No.

66 of 2014 Governmental Villages, especially in Chapter 31 paragraph 10. The Village Head has authority in the village, and in exercising this authority, he delegated some of his power to the village apparatus. All activities related to the planning, implementation, administration, reporting, and accountability of village finances are governed in Minister of Home Affairs Regulation No. 20 of 2018. Village financial management is key to the village's overall growth success.

The Financial and Development Supervisory Agency produced a financial system called the Village Financial System to create village financial management that is on target and for the welfare of its people. The village government apparatus is the focus of this system and seeks to make village financial management much easier from the planning, implementation, administration, and accountability/reporting stages. The application of the Village Financial System is expected to help the work of the village apparatus, due to an increase in the village apparatus' performance. The Development Finance Supervisory Agency and the Directorate General of Village Government of the Ministry of Home Affairs had expanded the Village Financial System. In 2015, the

Village Financial System was introduced. Meanwhile, there is now the latest version of the Village Financial System, namely version 2.0 which was launched in 2018. The Village Financial System uses a village user id and password to operate it. The village government is expected to be able to manage village finances independently, that is the purpose of the establishment of this system. The implementation of the Village Financial System makes it easier for village officials because the village can process data input once and it can print output in the form of administrative documents until the report corresponds with statutory regulations, by existing transactions.

One of the villages located in Buluspesantren District, Kebumen Regency, is Leak Village, which uses the Village Financial System. Based on the statement from the Secretary of the Village Secretary, Mr. Ade Kurniawan on May 6, 2021, Desa Bocor began using the village financial system in 2018. The Bocor Village Office also received training from the district government when it first operated the Village Financial System and then continued to be developed and underwent several changes. version. In its implementation, obstacles are still often found by the Bocor village officials. In addition, human resources that are still not maximized, the lack of village officials, are obstacles to a Village Financial System's operation. Because of a lack of scientific knowledge, the quality apparatus resources are still relatively low, limiting operations to a few village officials. Even though all village officials are expected to be able to operate the village financial system, only the Village Secretary, Planning Head, and Finance Head use it in Bocor Village. to operate the Village Financial System to facilitate work and save time. In addition, this version of the Village Financial System which is always updated makes users always ready to learn the latest features. The availability of a system that helps manage village finances is an opportunity for the Bocor village government to maximize financial management by the rules so that the Leak village government can provide maximum services for the welfare of its people. The problem of financial management in Bocor Village shows that other indications may be found are obstacles to a Village Financial System's operation. Because of a lack of scientific knowledge, the quality apparatus resources are still relatively low, which limits operations to a few village officials. Even though all village officials are expected to be able to operate the village financial system, only the Village Secretary, Planning Head, and Finance Head use it in Bocor Village. Financial System to improve financial management in Bocor Village, Buluspesantren District, Regency Kebumen. **METHOD**

The research methodology used in this paper was qualitative with a descriptive approach. Qualitative research, according to (Gunawan, 2013), is a research technique used to identify issues in the professional life of the government, private, community,

youth, women, sports, arts, and cultural organizations to be used as a policy to be implemented for the public good.

Qualitative research is carried out on natural objects, research is directed at understanding meaning, finding hypotheses, and constructing phenomena (Sugiyono, 2017). This study focuses on the importance that serves to highlight the limitations of the study. In the focus of this research, the researcher is As according to Minister of Home Affairs Regulation No. 20 of 2018, Chapter 29, the following conclusions are suggested:

1. Planning
2. Implemented
3. Administration
4. Reporting
5. Accountability

The investigation was conducted in the village of Bocor, Buluspesantren District, Kebumen Regency. In this study, the authors determined the Village of Bocor as the research location because the author came from the Village of Leaks and made it easier for the author to obtain the data needed during the research process. The selection of this research location was also motivated by the understanding of village officials, especially the Village Secretary and Village Treasurer regarding the importance of the Village Financial System, which has been implemented since the end of 2018.

The technique in determining the informants in the research used by the researcher Purposive sampling is a type of sampling that is done for a specific reason. Purposive sampling is a sampling strategy that takes into account several factors (Sugiyono, 2012). In this study, the appointed informants have criteria, among others, the informants are village officials/officials who have knowledge of the Village Financial System and its operation and obtain direct benefits from the existence of the Village Financial System. The informants determined by the researchers were the Secretary of the Leaky Village and the Head of the Finance Department of the Leaky Village.

In this research, Interviews, documentation, and other data collection procedures were used for observation. Sanusi (2013) describes interviewing as a technique for obtaining data by verbally asking the respondent / using communication tools such as resource persons and telephones. According to Sanusi (2013) documentation is carried out to combine secondary data from various sources personally and institutionally. In this case, the researcher takes documentation in the form of the operation process of the Village Financial System, the output of the Village Financial System, and so on. Observation is data collection through the stages of recording the behavior of

subjects, objects, or systematic events, there are no questions or communication with the individuals studied (Sanusi, 2013). The management of the village financial system in Bocor Village, Buluspesantren District, Kebumen Regency is observed in this study.

In this research, a qualitative data analysis technique was employed to analyze the data. There are four main stages, according to Miles and Huberman in (Sugiyono, 2017): Data collection In this process, the researcher writes the results of interviews and documentation so that the data is more concrete.

a. Data collection was carried out according to the results of interviews, observations, and documentation in the Leak Village. Data reduction The data obtained in the field is very large, therefore it is necessary to record clearly and carefully. Data reduction from interviews and observations regarding the Village Financial System was then carried out by simplifying the data and sorting the data and then adjusting it to the research focus.

b. Presentation of data The presentation of data from this research, presents data regarding information from interviews, observations, and documentation in the form of the financial system in the Leak Village and then adjusted to the focus of the research.c. Verification or concluding Conclusions are the initial conclusions of the study. The conclusion draws explain

The analysis of the village finance system management about Minister of Home Affairs Regulation No. 20 of

2018 produced the following results.

2. RESULTS AND DISCUSSION

The research findings are as follows, based on data gathered from interview, observations, documentation, and literature reviews conducted by the authors.

Figure 1 is a first look at version 2.0 of the Village Financial System. A transaction is entered once in the Village Financial System, and statutory provisions produce output in the form of administrative records and reports. Administrative paperwork, receipts, Payment Request Letters, reports, and Tax Payment Letters are just a few examples. The installation of the village finance system can assist employees in better planning their work and ensuring that it is done by the rules. Furthermore, the village government is believed to be able to manage the village financial cycle using current regulations from the preparation, implementation, administration, reporting, and accountability cycles.



Figure 1: Home Menu of Village Financial System via Desktop. (Source: Village Financial System)

The Village Financial System makes it easier for village officials to perform their tasks. The Village Financial System generates administrative papers for financial reporting that are required by the Act. In the Village Financial System, there are input data and output documents that include: Data input / Data Entry:

a. Planning In this planning data there are general data and the Village Plan for Medium Term Development.

The Village Plan for Medium Term Development is a 5-year development plan within the period of one government.

b. Budgeting In this menu, there are options for Revenue Budget Plan Data, Expenditure Budget Plan Data, and

Financing Budget Plan Data

c. Administration In this menu option, there are options for Village Revenue, Source of Activity Payment

Requests, and Tax Deposits.

d. Bookkeeping In this menu, there are options for Beginning balance and Adjustments.

Figure 2 shows the Data Entry menu display from the Village Financial System which consists of planning, budgeting, administration, and bookkeeping options. While the output data/output data, consists of:

a. Report on Planning The Strategic Plan Report, the Annual Village Payment Activity Plan Report, the Village Medium Term Strategic Plan Report, the Community Activity Plan Report, and the Village Indicative Ceiling Report are all included in one package.b.

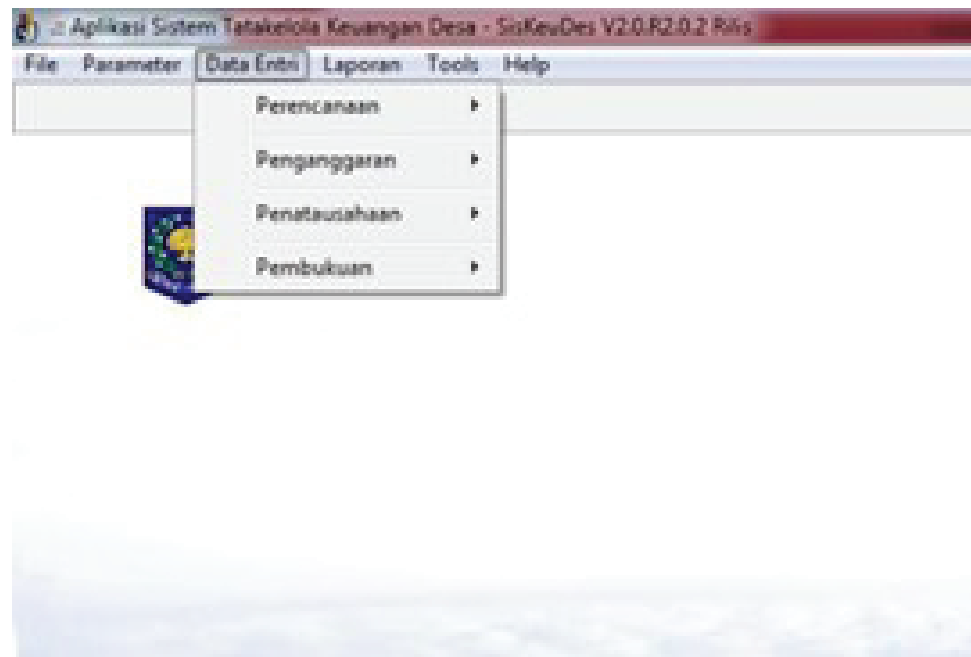


Figure 2: Menu Data input/data entry for the Village Financial System. (Source: Village Financial System).

Budgeting Report Consists of Village Revenue and Expenditure Budget Report, Income Budget Details, Expenditure Budget Details, Financing Budget Details, and a Summary of the Village Revenue and Expenditure Budget source of funds

c. General Book, Tax Subsidiary Cash Book, Register of Expenditure Payment Request Letter, and Payment

Receipt Registration are all included in the Administration Report.

d. Bookkeeping Report Includes a report on the Village Revenue Expenditure Budget's execution, a report on village assets, and a report on the absorption of village money, as well as a realization report.

The financial management stage begins with planning, the next stage is the implementation stage, followed by reporting, administration, and financial accountability of the village government. It will produce output regarding financial reports after the village financial management process is complete. Financial reports are produced as evidence of the village government's accountability for financial management.

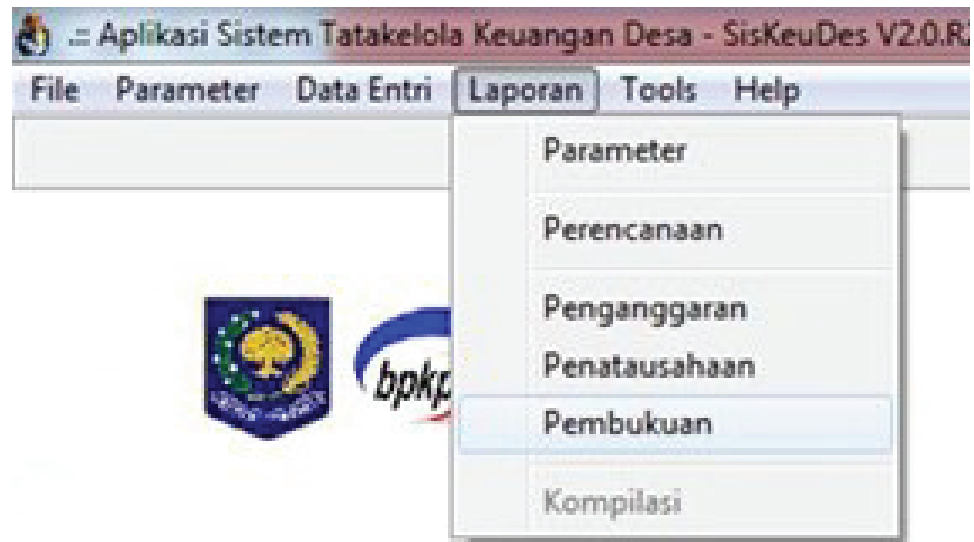


Figure 3: Menu Data output/data output of the Village Financial. (SystemSource: Village Financial System).

2.1. Planning

The Local Revenue and Expenditure Budget is a village financial management plan that plans for village government revenues and expenditures for the fiscal year (Domestic Regulation No. 20 of 2018 Chapter 31

Paragraph 1). Village financial planning is based on Domestic Regulation No. 20 of 2018, namely the following

Chapter: Chapter 32

Paragraph 1 of this Chapter discusses the initial step in planning, namely the Village Secretary submitting to the Village Head the Draft Village Regulation covering the Village Revenue and Spending Budget. Then, in paragraph 2, the Village Head submits the Flow Village Regulation for the Village Revenue and Expenditure Budget, as referred to in paragraph (1), to the Village Consultative Body for discussion and mutual agreement. The draft Village Regulation for the Village Revenue and Expenditure Budget, as mentioned in paragraph (2), is jointly agreed upon no later than October of the current year, according to paragraph 3.

Chapter 33

The Village Head provides a Draft Per Village Head about the elaboration of the Village Revenue then Expenditure Budget based on an agreement with the Village Head and the Village Consultative Body as referred to in Chapter 32 paragraph (3). The

Village Secretary, as mentioned in paragraph 1, organizes the preparation of the draft Village Head, as explained in paragraph 2.

Chapter 34

Paragraph 1 specifies that the Village Head must submit the draft Village Regulation relating to the Village Revenue and Expenditure Budget, as indicated in Chapter 32 paragraph (3), to the Regent/Mayor via the cat no later than 3 days after the agreement for evaluation. Then, in paragraph 2, while conducting an evaluation guided by the Evaluation guideline for the draft Village Regulation relating to the Village Revenue and Expenditure Budget, the Regent/Mayor is informed.

Chapter 37

The Regent/Mayor may delegate the review of the Village Revenue and Expenditure Budget Draft Village

Regulation to the Camat/other designation. Chapter 38

The proposed Village Regulation on the Village Generate revenue Budget, which has been examined and ratified by the Village Head as a Village Regulation on the Village Revenue and Expenses Budget, is discussed in paragraph 1. The Village Regulation concerning the Village Revenue and Expenditure Budget referred to in paragraph (1), is described in paragraph 2 and must be submitted no later than December 31 of the previous budget year. The proposed Village Head governing the development of the Village Revenue and Expenditure Budget is then explained in paragraph 3 as the implementing regulation of the Village Regulation concerning the

Community Revenue and Expenditure Budget.

Deliberation begins at the stage of financial management planning in the village of Bocor with the informant presenting the stages of village financial management planning, with the earliest stage being the holding of a hamlet meeting first, with the proposed programs and activities being financed by the Village Revenue and Expenditure Budget at the hamlet meeting. Various activities and proposed programs will be discussed and ranked according to priority. After that, the Village Development Planning Meeting was attended by the Bocor village apparatus and various elements of the village population, such as village youth/youth organizations, village midwives, head of the Neighborhood Association, representatives of the Buluspesantren police, representatives of the Buluspesantren koramil, community leaders. This indicates that the village of Bocor has implemented the participatory principle, where the community Participates in the planning and execution of local events.

The method in village financial planning begins with the Village Secretary preparing draft village regulations for the Village Revenue and Expenditure Budget, which is then submitted to the Village Head. The Village Head evaluates the draft regulations for the village Revenue and Expenditure Budget after observing them. If there are still changes to be made, the document will be returned to the village secretary. The draft Village Revenue and Expenditure Budget will be presented to the Village Consultative Body if it has been approved by the Village Head. The Village Consultative Body meets with the Village Head to discuss the draft Village Regulation on the Village Revenue and Expenditure Budget and agrees on the draft Village Regulation. 3 days late for the agreed-upon evaluation determination will be continued if the Regent of Kebumen deems it necessary. If there is still a correction, it is filed to the Buluspesantren sub-district head, and the village head corrects it. It becomes a Village Regulation concerning the Village Revenue and Expenditure Budget after the review of a Draft Village Regulation regarding the Village Revenue and Expenditure Budget is completed. In addition, the Village Regulation for the Village Revenue and Expenditure Budget is ready to go into effect. A budgeting procedure is included in the planning process and is used as a separate function in the Village Financial System. The Village Financial System's planning process focuses on the Village Medium-Term Development Project, while a Village Revenue and Expenditure Budget is divided by sector for planning purposes. It is included in the budgeting feature, which includes a budget for each activity to be carried out for the current year. Bocor village's financial planning has been conducted by Domestic Regulation No. 20 of 2018. This is demonstrated by the fact that the village of Bocor has completed the processes indicated in Part One Planning, namely Article 32, Article 33, Article 34, Article 37, and Article 38, to construct the Village Revenue and Expenditure Budget. of the Domestic Regulation No. 20 of 2018 which explains the stages of planning for village financial management.

2.2. Implementation

The implementation stage is the cash basis method used to record village financial management. When there is a transaction that occurs when there is cash in or out of the village account, it is a cash basis method (Zulaifah, Marwata, 2020) Village financial management entails the Village's expenditure and reception of funds through a Village cash account with a bank designated by the Regent/Mayor (Regulation Domestic Affairs No. 20 of 2018

Article 43 Paragraph 1).

At the stage of implementing village finances in Bocor Village, the Village Head becomes the power holder and is assisted by the Village Financial Manager consisting of the Village Secretary, Section Head, and Head of Affairs. The Village Secretary is tasked with being the implementation coordinator and is responsible to the Village Head. The technical implementation of activities is carried out by the section head by the section's field. Head of Affairs, occupies the element of staff who carries out the duties of implementing village financial management. The Head of Financial Affairs serves as the Treasurer for implementing village financial management (Domestic Regulation No. 20 of 2018). At this stage, the Leaky Village Revenue and Expenditure Budget changed, due to the Extraordinary Circumstances in the form of the Covid-19 pandemic, the first step taken by the Village Head after receiving the Circular of the Minister of Villages, Underdeveloped Regional Development and Transmigration No. 8 of 2020 concerning Responsive Villages. COVID-19 and the Affirmation of the Village Cash Intensive Work, the Village Head immediately held a village meeting and determined the Extraordinary Circumstances. The determination of the status of this Extraordinary situation forced the Leak Village Government to immediately design a budget to deal with these extraordinary circumstances. Designing a budget for disaster management, emergency, and urgent village implemented by the government of the village of Leak.

The steps in implementing the Revised Village Revenue and Expenditure Budget begin with the Village Head assigning the Activity Executor to prepare the budget draft. Mr. Sumngani as the Head of Welfare Affairs as the Activity Executor designed the budget for disaster management activities. The draft budget is verified by the Village Secretary. After that, the draft budget must get approval from the Village Head. The Village Head submits a request to the Regency Government through the Kebumen Village Correctional Service. After obtaining approval from the Regency Government, the budget draft is called the Budget Execution Document accompanied by supporting documents. The budget implementation document consists of the Village Budget and the Activity Plan; Budget plan; and the Village Activities Work Meeting, then the funds will be disbursed through the bank. The Village Head submits a Payment Request Letter to the Kutowinangun Regional Development Bank for disbursement of funds then the funds will enter the bank account belonging to the Leaky Village.

The financial management of the Bocor village has been running according to Domestic Regulation No. 20 of 2018. It can be proven that the Bocor village has carried out the Second Part of the Implementation described in Article 43, Article 45, Article 46, and Article 52 of the Domestic Regulation No. 20 of 2018. In addition, The Bocor village government has also implemented participatory and orderly principles and

budget discipline. The Leak Village Government involves elements of the community in carrying out village meetings and determining the Extraordinary Circumstances. Then in terms of budget discipline and order, the stipulation of Extraordinary Circumstances makes the Village Revenue and Expenditure Budget change because the budget for disaster management, emergency, and village urge increase. The Village Revenue and Expenditure Budget for the 2020 fiscal year was originally regulated in the Leaky Village Regulation No. 9 of 2019 changed to the Village Revenue and Expenditure Budget. Changes in the 2020 budget year are regulated in the Leaky Village Regulation No. 2 of 2020. So that the Leaky Village Government has implemented the principles of order, discipline and comply with Domestic Regulation No. 20 of 2018 Article 40 paragraph 1 which explains that the village government can make changes to the Village Revenue and Expenditure Budget if there are: a) additions and/or reductions in Village income in the current fiscal year.” The Leaky Village Government also complies with Article 40 Paragraph 2 which explains that Changes in the Village Revenue and Expenditure Budget can only be implemented once in 1 fiscal year, except in the case of Extraordinary Circumstances. Article 3 mentions the Criteria for Extraordinary Circumstances as referred to in paragraph (2), among others: a. Extraordinary events/epidemics/disasters; b. Special events occur, such as political crises, economic crises, and/or prolonged social unrest. The Leaky Village Government also complies with Article 4 which explains that the changes to the Village Revenue and Expenditure Budget as referred to in paragraph (1) are stipulated by a Village Regulation concerning changes to the Village Revenue and Expenditure Budget and remain guided by the Village Development Activity Plan.

2.3. Administration

Village financial administration cannot be separated from the village management process. Village financial administration is important because it can be used as a benchmark for success in development in a village. Financial administration that is carried out properly will make financial management smoother and more systematic so that it can increase the potential of resources in the village (Rohman, 2018). The financial administration of the Leaky Village is carried out through the Village Financial System. Village financial administration is regulated by Domestic Regulation No. 20 of 2018, namely in the following articles: Article 63

Financial administration is carried out by the Finance Department as the executor of the treasury function. Article 66 paragraph 1 explains that expenditures from the Village Revenue and Expenditure Budgets are made by the Village Activity Budget

Plan, which has been approved by that of the Village Head. Then, through paragraph 2, it explains that expenditures for activities carried out independently at the expense of the Village Revenue and Expense Budget are issued by the Head of Financial Affairs to the Head of the Section for implementing budget activities based on the Budget Implementation Documents and Payment Request Letters that have been submitted and approved by the Village Head. The Head of Financial Affairs then explains in paragraph 3 that expenditures for activities carried out through providers of goods/services are issued directly to the provider by the Head of Financial Affairs based on the Budget Implementation Documents and Payment Request Letters submitted by the Section Head implementing budget activities and approved by the Village Head. In paragraph 4, it is also stated that staff expenditures on the Village Revenue and Expenditure Budget are carried out directly by the Head of Financial Affairs and are known to the Village Head. The expenditure at the expense of the Village Revenue and Expenditure Budget as referred to in paragraphs (2), (3), and (4) is proved by a receipt of expenditure and receipt of receipt, as explained in paragraph 5. With additional information in paragraph 6, namely the spending receipt mentioned in paragraph (5), signed by the Chief Financial Officer. The recipient of the funds signs the receipt referred to in paragraph (5), which is outlined in paragraph 7.

The first step to administering Unexpected Expenditures for handling disaster management activities in the form of the COVID-19 pandemic is to disburse the budget through the Village Financial System, by entering the main page of the Village Financial System and selecting the Data Entry menu, selecting the Administration option and selecting Village Revenue.

After that, the Bank Receipt Realization display appears. The disbursement made for the budget for disaster management activities is funded from SILPA PAD in 2019, SILPA ADD in 2019, and SILPA DD in

2019 because there is still a budget remaining in 2019. The following is a display of the Realization of Bank

Revenue.

Then return to the Data Entry option and select Administration and then select the Cash Transfer option. The Withdrawal of Money from the Bank display appears. Here there is information that a Cash Movement has been carried out on April 15, 2020, with complete information as shown below.

Figure 7 shows that the disbursement of funds from the bank has been made with the statement "Take Silpa PAD, ADD, ADD, PBH" in the amount of Rp. 11,193,000. This fund came from Silpa last year and was then disbursed for the allocation of the Unexpected

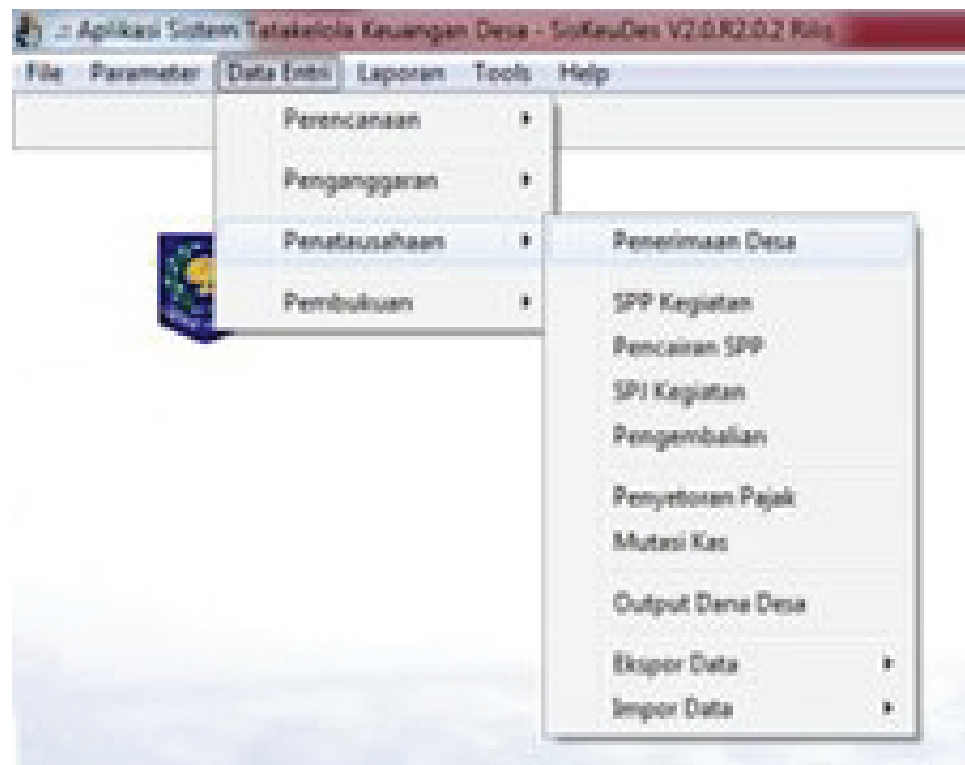


Figure 4: Options in the Administration Module. (Source: Village Financial System).

Expenditure for Disaster management activities. The next step is to select the Data Entry menu and then select the Administration option, then press the Request for Payment of Activities. The Village Financial System display will appear as shown below

A definitive Payment Request Letter is prepared after the goods and services are received by the village. This indicates that there has been a purchase on debt. In the administration of unexpected expenditures the corona pandemic disaster management activities in Leak Village are carried out with a Definitive Payment Request Letter. This is from the official report stating that the provider of goods and services is willing to provide goods and services such as payment made after the process of disbursing the Payment Request Letter is carried out. The following Figure 9 shows the appearance of the Definitive SPP.

The financial administration of the Bocor village has been running by Domestic Regulation No. 20 of 2018 as shown by the Bocor village that has carried out the Third Part of Administration described in Article 63 and Article 66 of Domestic Regulation No. 20 of 2018 and accordance with the Village Financial System Operation Instructions 2.0 issued by the Agency Financial and Development Supervisor.

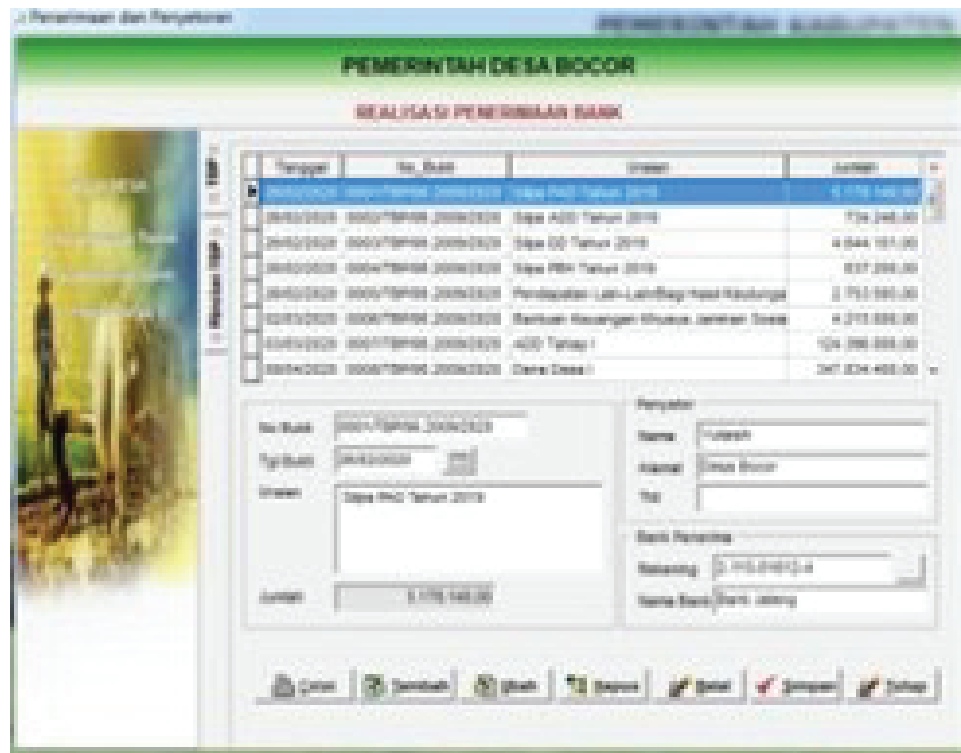


Figure 5: Realization of Bank Receipts. (Source: Village Financial System).

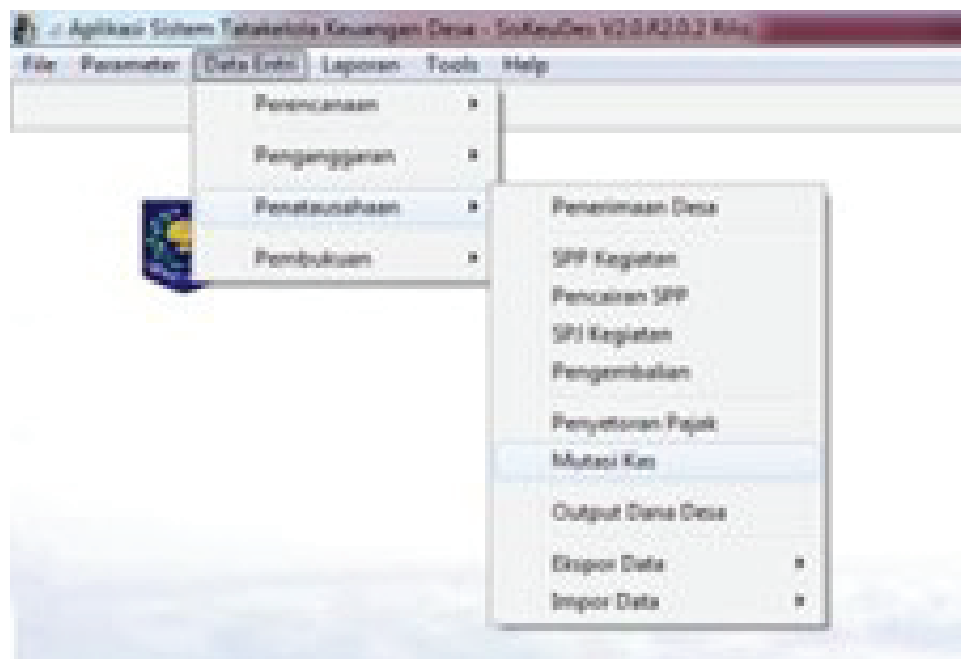


Figure 6: Cash Transfer Menu Options. (Source: Village Financial System).

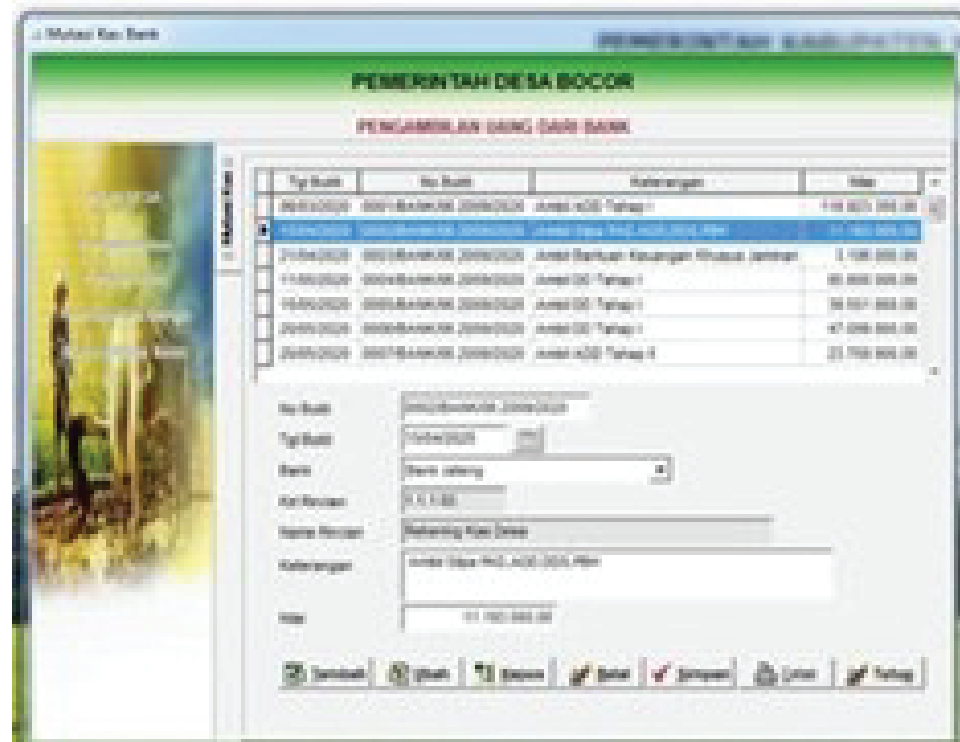


Figure 7: Withdrawing Money from the Bank. (Source: Village Financial System).

2.4. Reporting

Financial reporting information is disclosed and held accountable through reporting from the executive to the leadership and the public (Nurlinda, 2018). According to Domestic Regulation Number 20 of 2018, one of the expressions of the village government in managing finances is the reporting stage. The following articles of Minister of Home Affairs Regulation No. 20 of 2018 control village financial reporting: 68th Article The Village Head delivers reports on the implementation of the first semester Village Revenue and Expenditure Budget to the Regent/Mayor through the sub-district head, as explained in paragraph 1. Then, in paragraph 2, it is explained that paragraph (1) consists of two parts: a. a report on the Village Revenue and Expenditure Budget's execution; and b. a report on activity realization.

Financial administration through the Village Financial System will provide output in the form of financial reports. Financial reports regarding the management of Unexpected Expenditures for handling extraordinary circumstances are carried out by first selecting the report menu and then selecting the bookkeeping option.

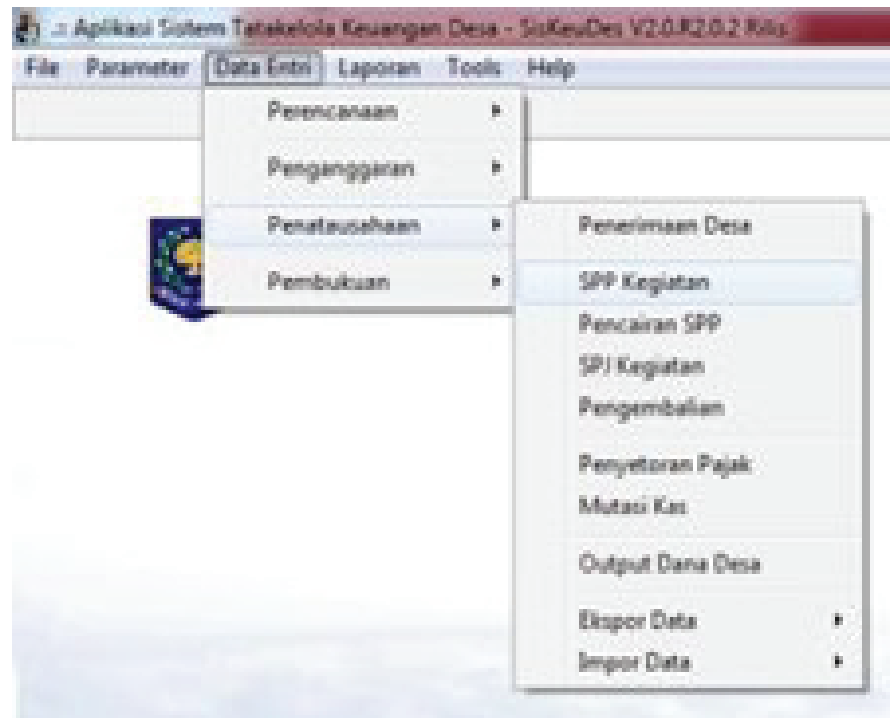


Figure 8: Activity Payment Request Letter Options. (Source: Village Financial System).

Then the Village Financial Bookkeeping is displayed. To print the Village Budget Realization Report per Activity, first, fill in the existing identity. Then the results of the Village Revenue and Expenditure Budget Realization Report (especially the Expenditure for Emergency Management, Disasters, and Village Mendes) can be printed. The holder of the power to manage village finances is the Village Head (Domestic Regulation No. 20 of 2018 Article 1 Paragraph 15). Therefore, the Village Head is obliged to carry out the reporting process and accountability for the resources he manages. The form of reporting for the village head of Bocor is to provide a report on the implementation of the Generate revenue Budget for the Kebumen Regen in the form of an early semester report. This has been explained by the informant that reporting on village financial management is divided into 2 periods, namely the first-semester report and the year-end semester report. Budgets from various components of the village Revenue and Expense Budget are compared to the realization of various components of the Village Revenue and Expenditure Budget in the first-semester report. This report covers transactions that occurred between January and the end of July. The first-semester report must be filed by the end of July of the following year. The year-end report is published three months after the end of the fiscal year in question.

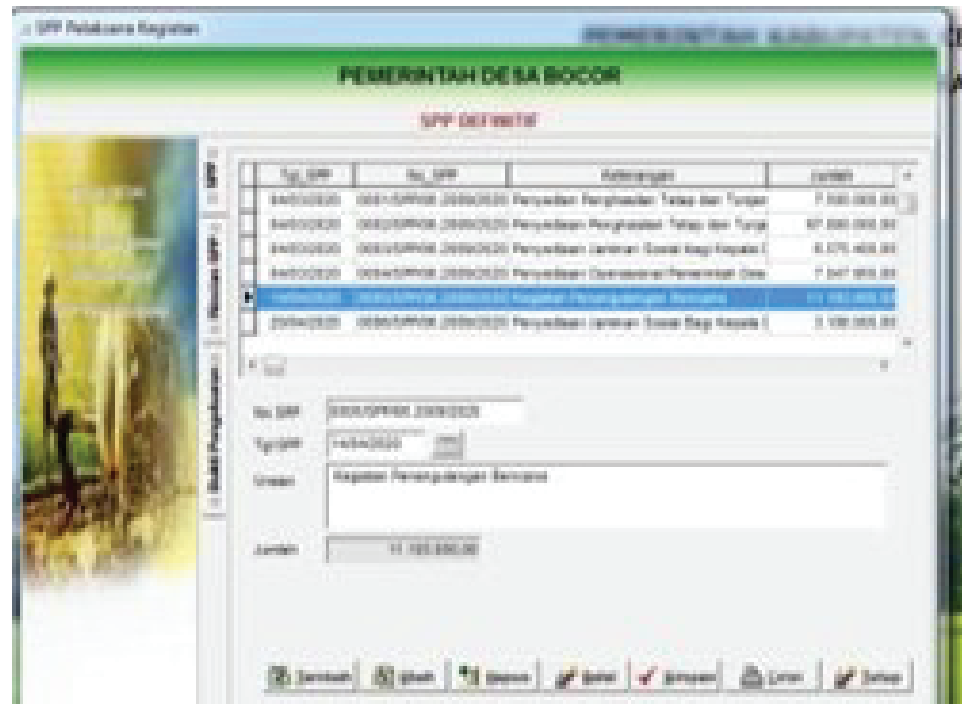


Figure 9: Definitive SPP. (Source: Village Financial System).



Figure 10: Report Menu Options. (Source: Village Financial System).

In the financial reporting of the first semester of the 2020 fiscal year in Bocor Village, there was a delay, this was because several Bocor village officials were exposed to COVID-19 in June, so the Bocor Village office had to lock down and some work was hampered, including the preparation of this early semester report. Bocor Village's

Figure 11: Village Financial Bookkeeping. (Source: Village Financial System)

financial reporting did not comply with Domestic Regulation No. 20 of 2018, Article 68, which states that the Village Head reports to the Regent/Mayor through the sub-district head on the implementation of the first semester Village Revenue and Expenditure Budget.

2.5. Accountability

Financial accountability is the village's obligation to implement policies and manage resources that have been entrusted by the community to the village government (Sugiyono, 2017). Village financial management that has been running must be reported and accounted for. Reporting and accountability are two interrelated stages. The report contains details of the allocation of village finances based on village accounting by the village financial report format that can be accounted for. Accountability is an effort from the village government to easily understand and explain financial reports by users of village financial report information.

Based on the informant's narrative, the accountability for financial management in the Leak village is in the form of submitting the 2020 Final Report to the Regent. In the

submission of the Accountability report at the end of 2020, there was almost a delay, because there was a change in the Village Revenue and Expenditure Budget in the form of Unexpected Expenditures for the covid-19 pandemic, but village officials tried to complete the report and did overtime for several days to compile and manage these reports such as collecting proof of purchase from the provider of the goods, and at that time the provider of the goods was also affected due to the covid-19 pandemic, so the service from the provider of the goods was also hampered, it could not be maximized. But in the end, the report was completed and submitted to the district on time. The accountability report is part of the village administration report.

Bocor Village also informs the realization report of the Village Expenditure Budget to Bocor residents in writing using a banner that is printed and displayed in the front hall of the village office. In this way, In the handling of village finances, Bocor has applied the idea of transparency. This demonstrates that the Village Financial System can print the results of village financial management, which should make disclosure of village financial information easier for the village. The financial accountability of the Leaky Village has been carried out by Domestic Regulation Number. 20 of 2018 Article 70, which states that at the end of the fiscal year, the Village Head submits an Accountability report just on the realization of the Village Generate revenue Budget to the Regent/Mayor through the sub-district head, and Article 72, which states that the Village Government submits information regarding reports on the realization of the Village Generate revenue Budget to the Regent/Mayor

3. CONCLUSION

The following conclusions can be made based on the author's theory, investigation, data collecting, and analysis of the management of the Village Financial System in Bocor Village, Buluspesantren District, Kebumen Regency.

1. The village of Bocor's financial planning has been carried out by the Minister of Home Affairs Regulation Number. 20 of 2018. This one is demonstrated by a hamlet meeting held at the early phases of village financial planning to explore suggestions for programs and activities that wish to use the Village Revenue and Expense Budget. Then, based on existing regulations, a village assembly was conducted to establish a Village Regulation on the Village Revenue and Expenditure Budget. Bocor Village's financial planning has completed the stages of designing the Village Generate revenue Budget as outlined in Part One Planning, namely Paragraph 32, Paragraph 33, Paragraph 34,

Paragraph 37, and Paragraph 38 of the Minister of Home Affairs Regulation Number. 20 of 2018, as stated in Chapter It explains the stages of village financial planning.

2. Village finances have been implemented by Domestic State Regulation Number. 20 of 2018, which was received when the Minister of Villages, Development of Disadvantaged Regions, the Transmigration issued Circular Letter No. 8 of 2020 on COVID-19 Response. Villages, the village government of Bocor immediately held a deliberation to determine the External Circumstances Ordinary and make changes to the

2020 Village Revenue and Expenditure Budget due to an increase in the budget in the Disaster Management, Emergency, and Village Urgency Sector for COVID-19 pandemic disaster management activities. The implementation of this change in the Village Revenue and Expenditure Budget is carried out by the provisions in Domestic Government Regulation No. 20 of 2018 Chapter 40 paragraph 1.

3. The financial administration of the Bocor village has been running based on Domestic Government Regulation No. 20 of 2018, indicated by budget administration for Covid-19 disaster management activities from the process of submitting the disbursement of funds to the process of disbursing these funds and their allocation through the Village Financial System is running according to Part Three Administration and explained in Chapter 63 and Chapter 66 of Domestic Government Regulation No. 20 of 2018 and according to the Operational Instructions for the VILLAGE FINANCIAL SYSTEM 2.0 compiled by the Financial and Development Supervisory Agency.

4. The financial reporting of the Bocor village has not been carried out based on the Domestic Government Regulation No. 20 of 201, due to the delay in the financial reporting stage of the first semester of the 2020 fiscal year in the Bocor Village. The financial reporting of the Bocor village has not met Domestic Government Regulation No. 20 of 2018 Chapter 68 which explains that the Village Government, through the sub-district head, submits a report to the Regent/Mayor on the implementation of the first semester

Village Revenue and Expenditures.

5. The financial accountability of the Leak village is carried out by Domestic Government Regulation No. 20 of 2018, as evidenced by the timely submission of the end-of-fiscal-year report to the Kebumen Regent and the provision of a written Village Generate revenue Budget realization report to the villagers via a printed banner showcased in the village office's front hall. This demonstrates that the Village Financial System can print the results of financial management, which is poised to deliver village financial information more accessible to the public.

6. The financial accountability of the Leaky Village has been carried out by Domestic Government Oversight No. 20 of 2018, Chapter 70, which states that at the end of each fiscal year, the village head needs to submit an accountability report on the realization of the Village Generate revenue Budget through the sub-district head to the Regent/Mayor, and Chapter 39, which states that the Village Head conveys information regarding the Village Generate revenue Budget to the Regent/Mayor.

4. SUGGESTION

The researchers provide the following recommendations based on the research's findings and conclusions:

1. The Leak Community Government is supposed to be able to maintain the highest level of strategy, administration, and reporting requirements for the village. To achieve a structured and quality village financial planning result, the Bocor village administration must maintain discipline in handling village money. Village administration that is well-structured will increase the community's well-being.

2. The report on the implementation of the Leaky Village Revenue and Expense Budget will be submitted in a more timely manner. This is to minimize delays in the release of money in the Village Generate revenue Budget the following year as a result of the delay in submitting the report on the realization of the Village Generate revenue Budget the previous year.

ACKNOWLEDGMENT

The researcher would like to thank those who have helped the process of writing this Chapter, including God Almighty, thanks to His grace and guidance so that researchers can complete the writing of this Chapter. My parents, who never tire of encouraging and supporting me in compiling this Chapter. Mr. Gading Gamaputra, S.AP., MPA, Yuni Lestari S.AP,M.AP and Dian Arlupi Utami S.Sos,M.AP as a supervisor who has provided support, direction, and enthusiasm for researchers to complete Chapter writing.Vocational Faculty who are ready to fund and DIV State Administration lecturers.All village officials at the Bocor Village office, Buluspesantren District, Kebumen Regency.

References

- [1] Financial and Development Supervisory Agency. Operating instructions financial governance system desa. Jakarta. 2018. Available from : https://www.bpkp.go.id/public/upload/unit/sakd/files/Pedoman_Keudesa
- [2] Gunawan I. Qualitative research methods: Theory and practice. Jakarta: Earth Literacy; 2013.
- [3] Hardiana DGU. Implementation of permendagri 113 of 2014 concerning the management of village fund allocations (Case study on villages, Jinegdalem, Buleleng District). Maulana Malik Ibrahim State Islamic University. Malang. 2017.
- [4] Linda N. Village financial accountability. Journal of Accounting and Financial Research. 2018;6:1.
- [5] Minister of Home Affairs regulation number 20 of 2018 concerning village fund allocation management.
- [6] Rohman A. Fundamentals of public management. Malang: Four Two; 2018.
- [7] Rohman A, Sasti I, Erma D. Management of village government financial administration. Yogyakarta: 2018.
- [8] Sanusi A. Business research methodology. Jakarta: Salemba Four; 2013.
- [9] Siswanto M, Jamal M, Hasanah N. A study on the role of the village consultative body in supervising development in Sambora Baru Village, Marang Kayu District, Kutai Kartanegara Regency. E-Journal of Government Science. 2018;6:3.
- [10] Sugi Y. Quantitative, qualitative, and R&B research methods. Bandung: Alfabeta; 2012.
- [11] Sugi Y. Research methods quantitative, qualitative, and R&D approaches. Bandung: Alfabeta; 2017.
- [12] Sugi Y. Village financial management planning in Pituruh District, Puworejoo Regency. Sebelas Maret University; Surakarta : 2017.
- [13] Law of the Republic of Indonesia no. 6. (2014). Village. In the State Gazette of the Republic of Indonesia number 5495.
- [14] Zulai F. Ambar I, Marwa T. Village financial management planning. Journal of Accounting and Taxes. 2020;21:1.