

Corruption and Village: Accountability of Village Fund Management on Preventing Corruption (Problems and Challenges)

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Village funds have not been used optimally for village development. Some cases of misappropriation of village funds occur due to a lack of accountability in the use of village funds as well as the lack of supervision from related parties. The lack of competency in the use of village funds is also the reason for the occurrence of cases of abuse and corruption of village funds. This study focuses on aspects of accountability and supervision of village funds using literature. The results of this study produce an ideal model of accountability for the use of village funds ranging from supervision to use so that the village is expected to be more maximal in using village funds for development.

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INTRODUCTION

LAW Number 6 of 2014 concerning Villages, hereinafter abbreviated as Village Law, provides an important position for villages to be able to carry out their role in national development. The important role of the village is the existence of local authority owned by the village in managing its household. This strategic role is then translated into the form of implementation of village development starting from the planning process, implementation and accountability of activities. This law provides a very significant change compared to the previous law, where the village was only a "sub-system" of government without the authority of financial management independently (Temenggung 2016).

The provision of extensive, real and responsible authority in the regulation of legislation is a reflection of the democratization process in the implementation of village autonomy to help the central government in organizing governance in the village with a focus on the district/city government. The implementation of such broad and real autonomy is not a continuation. The factual empirical situation is the continuation of the implementation of village autonomy based on Law number 5 of 1974 and even previous regulations. The objectives of the decentralization policy

implied in the law are: realizing justice between village capabilities and rights; increasing village original income and reducing subsidies from the center; encourage village development in accordance with the aspirations of each village.

The Village Fund as one of the mandates of Law No. 6 of 2014 concerning Villages that must be carried out by the government not only raises excitement for villages that have been limited in the management of sources of income for village funds for the advancement of funds. The allocation of Village funds which was first started in 2015 through the 2015 APBN budget with a budget of Rp. 20,766.2 Trillion so that the average per village gets Rp. 280.3 million for 74,754 villages in Indonesia.¹

The use of village funds raises classic problems in the system of using village funds, namely the allocation does not provide appropriate results for village development. As PATTIRO's research results show that around 6% of Village funds are not in accordance with their designation in 2015, the amount will continue to grow as the annual village fund allocation increases.²

The Corruption Eradication Commission has carried out an inventory of at least 14 potential problems that cover regulatory and institutional aspects, management, supervision and aspects of human resources. The ICW Non-Governmental Organization in its annual report identified seven forms of corruption commonly carried out by the village government, namely embezzlement, misuse of budget, abuse of authority, illegal levies, mark ups, fictitious reports, budget cuts and bribery.

The seven forms of corruption show that there are five points prone to corruption in the process of managing village funds. The five critical points are:

1. planning process;
2. the process of accountability;
3. the process of monitoring and evaluation;
4. implementation process; and
5. new procurement processes and services in terms of channeling and managing village funds.³

While the mode of corruption of funds that was successfully monitored was among others (Awaludin 2016)

1. Make a Budget Plan Draft above the market price.
2. Responsible for financing physical buildings with village funds even though the project is sourced from other sources.
3. Temporarily borrow village funds for personal gain but are not returned.
4. Collection or deduction of village funds by individual sub-district officials or districts.
5. Make fictitious official trips by the village head or his staff.

¹ [...] *Online News*, <http://bisnis.liputan6.com/read>, accessed on 30/09/2018

² [...] *Online News*, <http://www.liputan6.com>, accessed on 10/03/2016

³ [...] *Online*, www.antikorupsi.org, accessed on 6/4/2018

6. Mark Up payment of honorarium for village officials.
7. Marking up payment of office stationery.
8. Collecting village tax or retribution but the results of levies are not deposited into the village treasury or tax office.
9. Purchase office inventory with village funds but are intended personally.
10. Trimming the public budget is then allocated to the interests of village officials.
11. Doing games (conspire) in projects funded by village funds.
12. Make fictitious activities or projects whose funds are charged from village funds.

The amount of funds that must be managed by the village government is quite risky in its management, especially for village government officials. The phenomenon of regional officials involved in legal cases should not be repeated in the scale of village governance. Village officials and village communities represented by the BPD must have understanding of laws and other provisions, and have the ability to carry out recording, reporting and accountability. Therefore, as mandated in the Village Law, the government, provincial government, and district/city governments also help empower village communities with assistance in planning, implementing and monitoring village development (Maharani 2018).

VILLAGE *in* THE CONTEXT *of* AUTONOMY: THE PROBLEM *of* CORRUPTION *and* ACCOUTABILITY

THE village according to Widjaja in his book entitled “*Otonomi Desa*” stated that: “The village is a legal community unit that has an original structure based on special origin rights. The cornerstone of thinking about village governance is diversity, participation, genuine autonomy, democratization and community empowerment” (Widjaja 2005). Law No. 6 of 2014 describes villages as customary villages and villages or what are called by other names, hereinafter referred to as Village/*Desa* is a legal community unit that has regional boundaries that has the authority to regulate and manage government affairs, interests of local communities based on community initiatives, original rights traditional proposals, and/or rights that are recognized and respected in the system of government of the Unitary State of the Republic of Indonesia.

Villages have an important position, especially in the development of various sectors at the national level. Village management also influences the social, cultural, economic, and even legal climate on a national scale. Thus, village accountability is a common concern. Accountability is a term inherent in the study of governance. Accountability has several meanings whose terminology is often associated with several concepts such as answerability, responsibility, liability and other terminology related to the expectations of the creditor with the executor of the mandate.

In a political context, accountability briefly covers expectations or behavioral assumptions of relations between the credentials and recipients of mandates, whereas in a broader concept accountability enables negative feedback after decisions or actions are taken, so accountability has a very important function to prevent misuse of facilities and public budgets by an institution (Setiyono 2014). Accountability is not only interpreted from a political context. In the context of the policy it can be seen how the mandate was carried out to fulfill the political aspirations of the people. Everything that includes the way policy choices are set, the way policies are implemented and delegated, how authority is given, and how the program is implemented are entirely based on political context. If the understanding is like that then this concept is nothing but a political consequence of accountability (Greco 2016; Lucas 2016).⁴

In line with the above understanding, it means that accountability illustrates the existence of processes and relationships between sovereignty owners, namely the people and other actors such as legislators, government officials to the lowest level of policy implementers. This relationship creates public accountability from a public institution for its actions that reflect the will and desires of the people voiced through representative institutions (Lucas 2016). Furthermore, Bickerts, Williams and John (2001) expressed “in a country and democratic government, people as holders of sovereignty need to be guaranteed a mechanism that policy makers and implementers do not abuse their authority for their own interests, which in fact is actually detrimental to the people”.

In democratic governance the process of handover of mandates occurs to actors, such as the people with people's representatives or to a greater scope between the owners of authority (who give authority) to other actors, namely recipients of authority (bureaucracy, public officials). Thus the role of accountability further clarifies the duties, obligations and rights of actors because basically the essence of accountability is the determination of clear criteria or agreements from the parties, their nature, transparency, consistent implementation, initiatives, identifying responsibilities, and encouraging participation for improvement (Manar 2015).

In accordance with the development of the current government, the application of the principle of accountability is an important requirement and increasingly strengthens its demands to be applied throughout all levels of government. According to the view expressed by Koppel, where “Accountability is traditionally understood as a tool used to monitor and direct administrative behavior by giving an obligation to be able to provide answers (answerability) to a number of external authorities. In the most fundamental sense, accountability to the public refers to the ability to answer someone related to the expected performance”.

⁴ The political power has a high influence in the management of village itself, in some cases, in other countries, this political power tends to corrupt and absolute power.

Koppel's opinion underlines that accountability is closely related to administrative behavior that must be carried out by recipients of responsibility in accepting accountability from those who have sovereignty, namely citizens as owners, for all public affairs that have been mandated (Koppel 2005). Likewise, the opinion of Bovens (2003) that as for public accountability related to public affairs carried out by public officials.

From some of the views above, Accountability relates to the obligation of government institutions and apparatus to answer (obligation to answer) all the mandates obtained from the people, their authority and performance achievements to the community, not just giving reports (giving an account), and for making policies or take actions that are in accordance with applicable values and according to community needs. Therefore, public accountability is a mechanism that involves the people—people's representatives—and public officials up to public service providers who deal directly with the people.

Accountability also has a positive correlation in managing governance, especially helping recipients of responsibility in the right decision-making process. Simon Joss said: "Processes are also supposed to enhance the legitimacy of decision-making and its outcomes through increased transparency, openness and accountability (on the policy level, between accountability and good governance) (Joss 2010; Yuhertiana, Widajatie, and Akbar 2016; Yulihantini and Wardayati 2016; Tambe *et.al.* 2016), and it can be said to increase the legitimacy in decision making, the results can be obtained through transparency, openness and accountability. This situation will also be able to help realize good governance.

Accountability as a pillar of governance has several dimensions. Dimensions are variables that can be used to measure the achievement of performance in public sector organizations carrying out functions, duties and responsibilities. One of the originators of the dimension of accountability is Koppel which stated that the five dimensions of accountability are offered transparency, liability, controllability, responsibility, and responsiveness (Koppel 2005). It means that there are five dimensions of accountability, namely transparency, obligation, control, responsibility, and responsiveness.

First, the dimension of transparency refers to "Did the organization reveal the facts of its performance? Does an organization have revealed the facts of its performance to stakeholders and the publics? *Second* the accountability dimension refers to the "Did the organization face consequences for its performance? Whether an organization has realized the consequences of its actions and activities? *Third*, the control dimension refers to "Did the organization do the principal (e.g., congress, president) desired? Whether an organization has done exactly what the interested parties expected? *Fourth*: the dimension of responsibility refers to "Did the organization follow the rules? Does an organization follow legal rules? *Fifth*, the dimension of responsiveness refers to Did the organization fulfill the substantive expectation (demand/need)? Whether the organization fulfills substantive expectations delivered in the form of needs/requests? These

questions are used as indicators of accountability in the administration of village governance and management of village funds (Rodiyah 2018).⁵

Then, furthermore, related to the management of village funds, continuous supervision and guidance is needed (Diningrat, Rochelle 2018). Efforts made by the government in order to achieve the objectives of administering the government in order to run effectively and efficiently according to the plan set. In Government Regulation No. 19 of 2008 concerning Districts, coaching is the provision of guidelines, standards for implementation, guidance, education and training, consultation, supervision, monitoring, general supervision and evaluation of the implementation of governance. In conducting supervising in the village, the sub-district government especially the sub-district head and its equipment are not only limited to the results that have been achieved but also in order to shed a development and improvement for the community, and the situation in their life is better than before.

Supervising is a supportive task because the goal is to improve skills and knowledge so that it is better than ever. Coaching includes training, assistance and assistance. In its implementation, the sub-district government always provides general direction both individually and in groups in choosing the way to solve the problem at hand. Guidance is also directed at creating a more efficient, effective, clean and authoritative apparatus and able to carry out general tasks, government and development as well as possible and based on the spirit and attitude of service to the community, the Nation and the State.

In this supervision, the ability of government officials to plan, implement, supervise and control development needs to be improved. Guidance, improvement and utilization of government tools both at the central and regional levels need to be carried out continuously so as to improve the ability of service, discipline and exemplary.

Beside supervision, it also needed controlling for the village. Sarwoto (2002) said that supervision is the activity of managers who work so that the work is carried out in accordance with the plan set and or the desired results. From Sarwoto's opinion implicitly it can be seen the purpose of supervision is to make the work carried out according to the plan. All work in question is work that is in the process of implementation and not work that has been completed. Ukas (2004) stated that supervision is a process of activities carried out to monitor, measure and if necessary make improvements to the implementation of work so that what has been planned can be carried out in accordance with the desired goals. A little different was revealed by Siagian (2001) who stated that what was meant by supervision was, the process of observation rather than the implementation of all organizational activities to ensure that all works being carried out goes according to a predetermined

⁵ In the same context, Rodiyah emphasized that administration of village government post Village Law is totally reform, from the basic thing, in the structure and authority.

plan. The most important feature of the concept that Siagian presented is that supervision can only be applied to work in progress and cannot be applied to work that has been completed.

The authors conclude that supervisory actions can be considered as activities to find and correct important deviations in the results achieved from activities planned to achieve the initial objectives. The author has the opinion that the essence of supervision is to prevent as early as possible the occurrence of irregularities, waste, fraud, obstacles, mistakes and failures in achieving the goals and objectives and implementation of organizational tasks.

The same thing was stated by Manullang (1997) that supervision is a process to determine what work has been carried out, assess and correct if necessary with the intention that the implementation of the work is in accordance with the original plan. In essence, the Manullang view above also emphasizes that supervision is a process in which the work has been carried out, then an assessment is carried out in accordance with a predetermined plan or a deviation occurs, and not only to find irregularities but also how to take steps for change and improvement stay in healthy condition.

Starting from the understanding of the experts on supervision as disclosed above, it can be concluded that what is meant by supervision is a systematic process of leadership activities to compare (ensure and guarantee) that the goals and objectives and tasks of the organization will and have been carried out well in accordance with the standards, plans, policies, instructions, and provisions that have been set and applicable, and to take the necessary corrective actions, in order to use humans and other resources that are most effective and efficient in achieving the objectives.

FLOW of VILLAGE FUND MANAGEMENT: AVOIDING CORRUPTION WITH ACCOUNTABILITY

IN the Village Law and Minister of Home Affairs Regulation No. 113 of 2014 as technical instructions regarding the principles of village financial management as stipulated in the Village Financial Management explicitly state, village fund management must be carried out with four main principles, namely Transparent, Accountable, Participatory and Orderly and Budget Discipline. The four principles are explained as follows:

a. **Transparent**

The transparent meaning of village financial management, money management is not hidden or kept confidential from the community, and in accordance with applicable legal or regulatory principles. In this principle, all sources and expenses for the village can be identified and monitored by other authorities. This transparent principle is very important, because all sources of income and expenditures made through village funds can fulfill community rights and avoid horizontal conflicts in

village communities. In this transparent principle, all village officials must indirectly carry out public information disclosure so that village officials who are sociologically cultural leaders will get complete trust and legitimacy from the public in this case the village community.

b. Accountable

Accountable based on the study of State Administration has the understanding that every action of the government / institution can be accounted for to those who have the right or authority to ask for information on accountability. The implementation of activities and use of the budget must be properly accounted for, from the planning process to accountability. The Accountable Principle indirectly requires the Village Head to take responsibility and report on the implementation of the Village Budget (APBDesa) (Subiantoro, Asmony, and Pituringsih 2018), in an orderly manner, to the community and to the ranks of government above it, in accordance with the laws and regulations.

c. Participatory Village Finance Management

This principle has the meaning that every action taken must include the involvement of the community either directly or indirectly through representative institutions that can channel their aspirations, namely the Village Consultative Body (BPD), or other names that have the same name. This participatory Village Financial Management Principle indirectly implies that the management of village funds since the planning, implementation, administration, reporting and accountability stages must involve the community, village stakeholders and the wider community, especially marginalized groups as beneficiaries of development programs or activities in Village.

The involvement of all stakeholders since the beginning of all village original income used for development in the village is determined based on the needs of the village community, not the wishes of the village government along with village elites. The existence of participation from the beginning is expected that all the rights of the village community can be fulfilled by itself will grow a sense of belonging and self-reliance of the community in village development.

d. Order and Budget Discipline

Village Finance in an orderly and budgetary discipline means that all village budgets must be carried out consistently, and recorded their use in accordance with the principles of financial accounting in the village. In the realization of tertiary village finance and budget discipline, the management of village funds must be law-abiding, must be on time, must be the right amount, and in accordance with existing procedures. The goal is to avoid irregularities, and increase the professionalism of management. *Asas* or principle, in the Large Indonesian Language Dictionary (third edition) published by the Language Center of the Ministry of National Education, Balai Pustaka, 2006., basic means basic or basic law. The principle or basis means something that becomes the foundation of

thinking or opinion. In the formation of a regulation or legislation the principle is the philosophy that underlies the formation of regulations or legislation. In essence the principle explains something direction, a guideline, something obligation or something that is considered right, and something prohibited.

At present the village's financial resources, which are Village Original Revenues, which are growing every year, are increasing in number, should the village actually be able to focus more on introducing public services and development on a smaller scale. Autonomy that is owned under the Village Law is an accumulation of all assets that allows the village to get richer with its capital. Village income sources originating from non-village funds and village fund allocations can be used to improve public services (Irawan, Gani, Suryadi, and Wijaya 2017), so that the community can be more efficiently and effectively served by the village government.

The implementation of village governance has illustrated the low level of support for facilities and infrastructure so that services in the village are not optimal. The allocation of development originating from the government, villages can accelerate infrastructure development in the long run so that sustainable village development occurs. The reality of the village so far shows weak economic growth, high poverty and unemployment which has reduced village competitiveness compared to cities.

Sources of state finances are at least likely to drive the pace of village economic growth so that they are not far behind the city. Even so, the APBN allocation is not merely a manifestation of the local state government approach, but rather is the responsibility of the state mandated by the constitution.

The allocation of funds from the City/Regency APBD is not merely a manifestation of the *local self government* approach, but a regional government law order. So, even though the village in this law is a *self governing community*, the state and local government (Basria, and Nabiha 2014) are still responsible for recognizing, respecting and maintaining the sustainability of government, development and empowerment of the community in the village. State recognition of the village can be seen from the recognition of the reality of village diversity in various regions (recognition principles). Whereas the concretization of state respect for the village is the opening of the direct state allocation faucet that will be managed by the village (subsidiarity principle). Even though the use of these two principles is preceded by constitutional recognition of the diversity and boundaries of the village in the general sense (village, traditional village and/or other names), at least it becomes a concrete foothold in further village regulation at the respective regional level. In village funds, the causes of corrupt behavior can be divided into four factors, namely:

1. Lack of involvement of the community in the process of planning and monitoring village funds. Community access to information on village fund management and active involvement in planning and management is

practically limited. In fact, article 68 of the Village Law regulates the rights and obligations of village communities to gain access and be involved in village development. Community involvement is the most basic factor because it is the villagers who know the needs of the village and directly witness how the development in the village.

2. Limited competence of village heads and village officials. This limitation is particularly concerning the technical management of village funds, procurement of goods and services, and the preparation of village financial accountability.
3. Not optimal village institutions that directly or indirectly play an important role in village-level community empowerment and democracy, such as the Village Consultative Body (BPD) and others.
4. It is also important to note that political cost disease is high due to the competitive arena of village head elections. Increased village budgets are accompanied by increasing interest in many parties to advance in village head elections without the agenda and commitment to develop villages.

MODEL *of* ACCOUTABILITY *of* VILLAGE FUNDS: AN INDONESIAN EXPERIENCE

IN the participatory principle in the management of village funds, it is clearly stated that the village community must be involved in the planning of sources of income and village development. One of the things the village government must do based on the mandate of the Law is to hold a village meeting (Susan and Budirahayu 2017). In the explanation of the Village Law, the Village Conference is a process of deliberation between the Village Consultative Body (BPD), the Village Government, and community elements organized by the BPD to agree on strategic matters. In short, in the author's opinion, the village meeting is an agreement between all stakeholders in the village community to agree on strategic matters in the village. Article 54 of the Village Law states that:

- (1) Village Consultation is a consultative forum followed by the Village Consultative Body, Village Government, and elements of the Village Community to discuss strategic matters in the implementation of the Village Government.
- (2) Strategic matters as referred to in paragraph (1) include:
 - a. village arrangement;
 - b. village planning;
 - c. Village collaboration;
 - d. investment plans that enter the village;
 - e. establishment of BUM Desa;
 - f. addition and release of Village Assets; and
 - g. extraordinary event.

- (3) Village Deliberations as referred to in paragraph (1) are carried out at least once in 1 (one) year.
- (4) Village Consultations as referred to in paragraph (1) are financed from the Village Revenue and Expenditure Budget.

Law No. 32 of 2004 concerning Regional Government and its implementing regulation, PP 72 of 2005, does not regulate specific village meetings. However, the correlation between these two regulations can be seen from the discussion on village planning referred to in Article 54 of the Village Law. Village meetings as desired in Article 54 are a significant step in village development, especially village planning. One of the annual scheduled village plans is the Village Planning and Development Deliberation (*Musrenbangdes*). The legal umbrella for the implementation of *Musrenbang* is generally regulated in Law No. 25 of 2004 and technically the implementation is regulated through a Joint Circular (SEB) of the State Minister for National Development Planning / Head of Bappenas and Minister of Home Affairs concerning Technical Guidelines for the Implementation of *Musrenbang* issued every year. In particular the *Musrenbangdes* is regulated in Permendagri No. 66 of 2007 concerning Village Development Planning which includes technical guidelines for organizing *Musrenbang* for the preparation of the Village Medium Term Development Plan (RPJMDes) and the annual Village Development Work Plan (RKPDDes) which is then further revised through the Letter of Director General PMD No. 414.2/1408/PMD dated March 31, 2010 concerning Technical Guidelines for Village Development Planning.

In practice, according to the mixed construction used by the Village Law, it is very possible that there will be differences in the interests of each of the elements that make up the *Musdes*. Therefore, it is very possible that the Village Head who brought the interests of the district /city administration refused to implement the *Musdes* decision, both openly and subtly. Explanation of Article 54 of the Village Law has actually given a clear line: "These results serve as a guide for the village government and other institutions in carrying out their duties". In the event of a conflict of interest, the technical regulations must provide a decisive solution, for example, the extent to which village communities have the authority to reprimand the Village Head. Article 68 paragraph (1) of the Village Law does give the village community the right to supervise village administration activities and express their aspirations, suggestions and opinions. In the case of a conflict of interest relating to village origin and local rights, the Village has the power to regulate and manage. Whereas if it relates to the assigned authority and other authority of the *supra-desa*, then the Village only has the authority to administer (vide Article 20 and 21 of the Village Law). Even in terms of village arrangement, the final decision remains in the hands of the district / city government. Village meetings are only a forum to provide consideration and input (Explanation of Article 54 paragraph 2 of the Village Law). As stated in Article 54 of the Village Law, the Village Consultation is a forum to discuss strategic matters in the administration of government.

In accordance with the meaning summarized in the meaning of the Village as a legal community unit that has the right to regulate and manage its own interests, the role and involvement of the community in the administration of government and village development is a necessity. Because of basically the Village is a community-owned organization, village governance explicitly requires that, it can be seen from the main function of the Village Conference as the highest discussion forum in the village for the Village Head (Village Government) (Antlov *et.al* 2016),⁶ BPD, and community elements to discuss strategic matters for the existence and interests of the village. The role and involvement of the community is also a necessity in Village Financial Management (PKD). Every stage of PKD activities must provide space for the role and involvement of the community. The community is loosely understood as a local villager, 2 or more people, individually or jointly, playing a role and being positively involved and contributing to Village Financial Management. The roles and intended involvement should be carried out by the villagers in an organized manner through Community Institutions and/or Community Institutions in the local village.

The role and involvement of the community are important factors, because: (1) Growing a sense of community responsibility for everything that has been decided and implemented. (2) Cultivating a sense of belonging, so that the community is aware and able to maintain and develop the results of development (self-help), and (3) Give legitimacy/ validity of everything that has been decided.

In the practice of accountability in managing village funds there are three things that are of concern. *First*, in the contest of prevention efforts through strengthening formal and non-formal supervision function which that community participation is supervision that is believed to be the most effective so that its implementation is important. In this case, the commitment of the village government to open access to information and space for community involvement is important. And, the BPD needs to be more maximal in absorbing aspirations and inviting the public to be actively involved in village development, from mapping village needs, planning, management, to accountability. In fact, the role of the community is also important in the village's electoral space. Formal supervision needs to be optimized. The Ministry of Village has established a Village Fund Task Force that can maximize supervision and provide training for assistants and Village Heads. Another thing is the importance of the Ministry of Home Affairs (Ministry of Home Affairs) to strengthen the capacity of village officials. Until now, this effort has not been clearly seen. Even though, the management of the village budget especially in the presence of very large village funds must be supported

⁶ At this context, Hans Antlov *et.al* emphasized that the institutional management become one of the important thing in village management as well as on making good village governance.

by good quality human resources. It does not rule out the possibility of widespread corruption due to ignorance or inability of village officials to manage the budget. Therefore, if capacity building is not carried out then fraud will continue to occur (Tambe *et.al.* 2017).⁷

Second, in the context of efforts to prosecute and provide deterrent effects that the role of law enforcement officers is important, events such as in Pamekasan may not be repeated. There needs to be good coordination between the Attorney General's Office, the Police and the KPK. Of course institutions such as the KPK cannot be given such a large burden of responsibility to oversee every village fund allocation throughout Indonesia. This is because the availability of the Human Resources (HR) of the KPK is classified as minimal, so it is impossible to be required to oversee all villages in Indonesia. It is precisely the Prosecutor's Office and the Police that can play a role in ensuring that there are no violations of the law in allocating village funds and their implementation in the regions. As the provision of deterrent effects for the offender, in addition to the criminal process, the government (regional) should dismiss or dismiss the Village Head or Village Officer who is proven to have committed corrupt practices. Dismissal should also be made to the *Lurah* or *Camat* who make illegal levies or deduct the distribution of village funds to the Village Head.

Third, the government needs to carry out a comprehensive evaluation and improvement regarding the distribution and management of village funds. This evaluation is important so that events such as in Pamekasan Regency do not recur. The government should follow up on recommendations from the KPK so that the system of managing village funds is changed to make the system simpler and not overlapping.

CONCLUSION

THE issue of the use and management of village funds after the Village Law and Village Autonomy in Indonesia continue to roll out especially related to corruption. The number of village heads involved in the abuse of village funds and / or errors and discrepancies in the use of village funds is of particular concern. The steps that can be taken in anticipating and optimizing the use of village funds are through the concept of transparency and accountability of village funds. So that there is a continuous, clear, and community participation process that is also guaranteed in managing village funds.

⁷ In some cases, decentralization provide more accountability and anti-corruption commitment.

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Law Quote

“A man who has never gone to school may steal a freight car, but if he has a university education, he may steal the whole railroad.”

—

Theodore Roosevelt

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