



The Role of Accounting in Financial Management of Fund Allocation in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency

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Abstract

This study aims to examine the Role of Accounting in the Financial Management of Village Fund Allocation in Tiwu Riwung, Mbeliling District. This study uses a qualitative method with in-depth interviews with related parties in Tiwu Riwung Village and direct observation of the accounting system. The results of the study indicate that the Village Fund Allocation Financial Accounting System used is by using the Microsoft Excel program in the form of a General Cash Book and a Subsidiary Cash Book for Receipts and a Subsidiary Cash Book for Expenditures. Meanwhile, the Financial Management of Village Fund Allocation in Tiwu Riwung Village is quite good and the realization is because it has been arranged according to the Budget Plan (RAB). Where one of the sources of Village Income is obtained from the Village Fund Allocation which is used for fixed income and allowances for village officials, office operations, consumables, printing and procurement, food and drinks during meetings, BPD allowances, village administration and information development systems.

INTRODUCTION

Based on Minister of Home Affairs Regulation Number 113 of 2014 concerning Village Fund Financial Management, such management encompasses all activities involving planning, implementation, administration, reporting, and accountability for village fund finances. Regional governments have a greater responsibility to oversee the performance of village governments in managing village fund finances. The goal is to ensure that village governments utilize existing resources to advance and develop their villages, given that a nation's progress is highly dependent on the progress of these villages (Ella & Andari, 2018; Tarlani & Sirajuddin, 2020; Bebbington et al., 2006; Adamowicz & Zwolińska-Ligaj, 2020). One manifestation of the central government's attention to rural development is the provision of village financial funds in the form of Village Fund Allocations (ADD), which are transferred through district/city governments (Alam, 2023; Madjid et al., 2024; Musyarri, 2024). Village Fund Allocations (ADD) are part of the balancing funds received by district/city governments, amounting to a minimum of 10% after deducting the Special Allocation Fund, in accordance with Law Number 6 of 2014 concerning Villages, Article 72. One

source of village revenue that can serve as a source for village operational activities and community empowerment is the Village Fund Allocation, also known as ADD. According to Law Number 6 of 2014 concerning Villages, the Village Fund Allocation constitutes at least 10% of the balancing funds received by the Regency/City in the Regional Revenue and Expenditure Budget after deducting the Special Allocation Fund. 30% of the Village Fund Allocation is allocated for village government equipment and operational expenses, and 70% for community empowerment costs. Upon receiving these funds, the village government must be prepared and capable of managing village finances based on the principles of transparency, accountability, and participation, and in an orderly and disciplined budget, in accordance with Minister of Home Affairs Regulation No. 37 of 2007 concerning Guidelines for Village Financial Management. Village finances are managed through activities including planning, budgeting, administration, reporting, accountability, and financial oversight, carried out by the Village Head, assisted by the Village Financial Management Technical Implementer (PTPKD) (Permatasari et al., 2024; Wibisono et al., 2025; Gundul, 2025; Rahayu, 2022; Basri & Sayuti, 2024). During the planning stage, the Village Head prepares the Village Medium-Term Development Plan (RPJMD) and the Village Development Work Plan (RKPDesa).

According to Village Law Number 6 of 2014, the proportion of the village budget allocated to village funds is at least ten percent (10%) of the total budget received by the region/city from the regional revenue and expenditure budget. Special budget deductions are made. Thirty percent (30%) of village funds are used for village government institutions and operations, and 70% is used for community development costs. According to Ardiansyah et al. (2022) Village financial management is based on Minister of Home Affairs Regulation 113 of 2014, revised and refined by Minister of Home Affairs Regulation 20 of 2018. Village financial management, as regulated in Minister of Home Affairs Regulation 20 of 2020, village finances are all village rights and obligations that can be valued in money, as well as everything in the form of money and goods related to the implementation of village rights and obligations. As is known, financial regulations, especially in village financial management, have so far referred to Ministerial Regulation No. 113 of 2014 and in planning, it refers to Ministerial Regulation No. 14 of 2014 concerning Village Development Guidelines, especially regarding the stages of preparing the Village Financial Development Plan, which is a replacement regulation for Ministerial Regulation No. 113 of 2014. Ministerial Regulation No. 20 of 2018 also revokes some of the articles contained in Ministerial Regulation No. 14 of 2014 concerning Village Development Guidelines. The validity of Ministerial Regulation No. 20 of 2018 is also regulated in the transitional provision's section VII, article 78. This shows that Ministerial Regulation No. 113 of 2014 concerning village financial management remains valid until 2018. Tiwu Riwung Village, Mbeliling District, West Manggarai Regency, there are indications of errors in administration by village officials who manage Village-Owned Enterprise (BUMDes) funds. Budget problems from the previous year have not been resolved and addressed in the current year's budget, so that the activities carried out do not comply with the established plan.

METHODS

Research Location and Time

This research was conducted on Jalan Golo Menes Wersawe, Mbeliling District, West Manggarai Regency. This research was conducted from April 8, 2025, to May 18, 2025.

Research Type

This research used a qualitative descriptive approach with data collection techniques including observation and interviews to gather information from informants

regarding the Role of Accounting in the Financial Management of Village Fund Allocations.

Data Types and Sources

The data used in this study is qualitative data, in the form of words or sentences that describe information, in terms of theories relevant to this research, provided by informants to the researcher. This data was collected through direct observation of the Role of Accounting in the Financial Management of Village Fund Allocations and interviews with the Village Head, Secretary, and Village Consultative Body (BPD). The secondary data in this study are the financial reports of Tiwu Riwung Village and population data of Tiwu Riwung Village. The information was obtained through documentation studies.

Data Collection Methods

To obtain data and information, the author used observation, interviews, and documentation methods.

Observation

Observation is a method of observing and recording the symptoms or phenomena being studied. It can be defined as the process of systematically observing, observing, and recording behavior for a specific purpose. To obtain relevant data, the researcher conducted a direct visit to the Tiwu Riwung Village office, Mbeliling District, West Manggarai Regency.

This observation technique was used by the researcher to obtain the necessary data regarding the Role of Accounting in the Financial Management of Fund Allocations in Tiwu Riwung Village, Mbeliling District.

Interviews

Interviews are an attempt to gather information verbally through direct interaction between two or more people. The type of interview used in this study was a semi-structured interview. This type of interview falls into the in-depth interview category, which is more free-flowing than structured interviews. The purpose of this type of interview is to uncover problems more openly. When conducting interviews, researchers need to listen carefully and take notes on what the informants have to say. This technique is used to collect data by asking questions about Village Fund Allocation Financial Management to relevant parties to obtain data and information.

Documentation

Documentary study is a technique for collecting and analyzing data that can be used to strengthen explanations of the research topic or problem. The data obtained from the documentation includes: History of the Tiwu Riwung Village Office. Organizational structure of the Tiwu Riwung Village Office. Tiwu Riwung Village Financial Report and Tiwu Riwung Village Population Data.

Analysis Method

According to Miles and Huberman (2014), as cited by Sofwatillah et al. (2024), data analysis during the data collection process involves a process in which researchers alternate between reflecting on existing data and formulating strategies for collecting new data. The qualitative data analysis process consists of several steps, including: Data presentation is the activity of organizing collected information to enable conclusions and decision-making (Sofwatillah et al. 2024). Researchers process data obtained from previous observations and interviews with Tiwu Riwung Village officials and present the documentation obtained from the research location.

Data sorting is the process used to group data based on the core discussion and simplify sentences for easier understanding. Data analysis involves selecting, focusing on simplification, abstracting, and transforming raw information from field notes. This process occurs continuously into more detailed categories for easier interpretation (Sofwatillah et al. 2024). Researchers selected data by questioning the Village Head and Village Officials regarding financial reports. Data verification, as explained by Sugiyono (in Leandro, 2023, p. 58), begins with examining the data through searching, testing, checking, and re-understanding for meaning, patterns, rules, or other explanations. The interview data is then examined for credible evidence. Conclusions, according to Sugiyono (in Leandro, 2023, p. 58), are conclusions drawn in the form of descriptions of an object by clearly displaying cause-and-effect relationships, hypotheses, or theories of the object that were previously unclear. The conclusions of this research are drawn by summarizing and presenting the collected data. The purpose of this process is to ensure that the conclusions reached are valid and reliable, reflect the current situation, and support responses to the issues raised.

RESULTS AND DISCUSSION

In this chapter, the researcher discusses the data and findings obtained using the methods and procedures outlined in the previous chapter. The data were obtained through observation and interviews as data collection techniques. The researcher also used documentation to supplement the data obtained through observation and interviews. This research was conducted from April 18, 2025, to May 18, 2025. The location of the research, "The Role of Accounting in the Financial Management of Village Fund Allocations," was Tiwu Riwung Village, Mbeliling District, West Manggarai Regency. This location was chosen for several reasons, as the level of accounting in the financial management of village fund allocations needs to be improved to support the realization of good governance. Based on the interviews, the researcher obtained the following data:

Description of the Role of Accounting in the Financial Management of Village Fund Allocations in Tiwu Riwung, Mbeliling District, West Manggarai Regency

Interview on the Role of Accounting in the Financial Management of Village Fund Allocations in Tiwu Riwung, Mbeliling District, West Manggarai Regency The results of an interview conducted by the researcher with Mr. Marselus Roni Feryani, Head of Tiwu Riwung Village, stated that:

"In terms of accounting for the financial management of village fund allocations in Tiwu Riwung Village, financial recording is carried out online, both in terms of village accounting records and reporting of village financial transactions. This is marked by the gradual implementation of the Village Financial System (Siskeudes) application, which functions to record all necessary transactions, and each village has its own website." (Interview on April 24, 2025).

The informant's statement above can be understood as meaning that the financial accounting records for Tiwu Riwung Village Fund Allocations are in the form of a General Cash Book, a Subsidiary Cash Book for Receipts, and a Subsidiary Cash Book for Expenditures. The General Cash Book is a book used to record all financial transactions conducted by the expenditure treasurer related to state spending (Sriyani 2020). Meanwhile, the Subsidiary Cash Book is a subsidiary book useful for recording cash receipts and expenditures by the expenditure treasurer. Regarding the Role of Accounting in the Financial Management of the Tiwu Riwung Village Fund Allocation, Mbeliling District, West Manggarai Regency, based on interviews obtained by researchers from the Tiwu Riwung Village Head, the 2023 Tiwu Riwung Village Fund Allocation has been quite good because it is in accordance with the Budget Plan (RAP), although sometimes there are still minor obstacles. Where the Financial

Management of Village Fund Allocation has been integrated into one APBD located in the Village Revenue component. One source of Village Revenue is obtained from the Village Fund Allocation. The management of funds sourced from the Village Fund Allocation is focused on Facilities and Infrastructure. The discussion above explains that the Role of Accounting in the Financial Management of the Allocation of Village Funds in Tiwu Riwung, Mbeliling District, West Manggarai Regency shows that the use of an accounting financial recording system has been carried out with the help of a computer using the Microsoft Excel program, including the General Cash Book, the Subsidiary Cash Book for Receipts, and the Subsidiary Cash Book for Expenditures. Over time, the role of the Village Financial System (Siskeudes) and Village Information System (SID) applications that contain data such as village profiles also supports the computerized and online accounting recording process.

Description of the Disbursement Mechanism for Village Fund Allocations in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency

The disbursement mechanism for Village Fund Allocations in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency, follows the path established by West Manggarai Regent Regulation No. 1 of 2024. Village Funds are disbursed in three stages, totaling 100%.

Interviews conducted by researchers with Mr. Ernest P. Bon Putra, Village Secretary, explained:

"The disbursement mechanism for Village Fund Allocations follows the implementation of village development projects. The task force submits a budget proposal to the Village Head based on the needs. The disbursement is then carried out according to the budget previously submitted to Bank NTT through the Village Head, as the Village Head is the budget user." (Interview on April 29, 2025).

The above statement was reaffirmed by Mr. Marselus Roni Feryani, Head of Tiwu Riwung Village, who stated that

"The disbursement mechanism for Tiwu Riwung Village Fund Allocations is carried out in three stages. The first stage is 40%, the second stage is 40%, and the third stage is 20%, totaling 100%." (Interview on April 29, 2025)

The Village Fund Allocation Disbursement Mechanism is as follows: Determination of the Village Revenue and Expenditure Budget (APBDes). The Village Head prepares and stipulates the APBD, which contains the planned use of Village Funds for various development and community empowerment activities. Distribution from the State General Treasury Account (RKUN) to the Regional General Treasury Account (RKUD). Village Funds are distributed from the RKUN to the RKUD according to the established schedule. Disbursement from the Village Budget (RKUD) to the Village Cash Account (RKD) The Village Budget (APBDes) is approved and disbursed from the RKUD to the RKD.

Disbursement of village funds from the RKD can only be made jointly by the Village Head and Village Treasurer. Phased Disbursement Village funds are disbursed in three phases: the first phase (40%) from January to May, the second phase (40%), and the third phase (20%) from October to December, totaling 100%. Village funds are used to finance government administration, development implementation, community development, and community empowerment. Allocation of Village Funds The budget has been previously submitted to Bank NTT through the Village Head, as the Village Head is the budget user. The Village Fund Allocation is used for village-scale development and community empowerment activities.

Development priorities in Tiwu Riwung village include improving village roads, improving education and health facilities, empowering women and children, improving economic empowerment, and preserving culture. The special provisions stipulate that if any Village Fund Allocation cannot be disbursed, the Regent will inform the Village Head to re-budget it in the following year's Village Budget (APBDes) draft. The informant's statement above can be understood to mean that the disbursement of Village Fund Allocation funds is pending information from West Manggarai Regency. Whether or not the funds have been disbursed will be reflected in the village account. Village officials typically check with the nearest Bank NTT branch in West Manggarai Regency. If the account contains the specified amount, the funds can be used in accordance with the village plan previously submitted by village officials to implement village development programs.

Description of the Stages of Financial Management Preparation for Village Fund Allocations in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency

The stages of financial management preparation for Village Fund Allocations are carried out through several stages: Planning, Implementation, Monitoring, and Accountability to ensure that all plans are properly implemented according to the established stages.

Minister of Home Affairs Regulation No. 20 of 2018 states that the planning stage requires the village secretary to prepare a draft village regulation on the Village Budget (APBDes) based on the Village Work Plan (RKPDes) for the current year. The village secretary then submits the draft village regulation on the APBDes to the Village Head, who then submits it to the Village Consultative Body (BPD) for discussion and mutual agreement in a deliberation no later than October of the current year. This is reinforced by an interview with Mr. Husen, Head of the Tiwu Riwung Village BPD, who explained that

"To ensure transparency in the management of the Village Budget (APBDesa), regular meetings are held between the BPD, LPMD, community leaders, and the APBDesa manager at least twice a year to evaluate budget implementation. He added that in addition to oversight, the BPD also plays a role in accommodating and following up on community aspirations to ensure they align with village needs." (interview on May 5, 2025).

The informant's statement above demonstrates that during the planning stage, programs and activities are formulated at the beginning of the fiscal year through deliberations at the hamlet and village levels, which are then transformed into the Village Work Plan (RKPDes). This plan is approved and ratified as the APBDes by the BPD after reaching consensus during the deliberations. The document is then submitted to the sub-district for recommendations, then submitted to Bapemas and verified by the relevant team. Once ratified, the RKPDes is included in the expenditure component of the APBDes. All of these stages reflect the application of transparency principles in Village Budget planning, allowing the community to understand and participate in monitoring the process. In the implementation phase, the initial step is for the activity implementer to request funding from the Regional Budget (APBD) established during the planning stage to carry out the activity. The following provisions must be observed in implementing village financial management, in accordance with Minister of Home Affairs Regulation Number 20 of 2018: All village revenues and expenditures related to the implementation of village authority are processed through the village treasury, with specimen signatures from the village head and the head of finance. This has been implemented in Tiwu Riwung Village, where all revenues and expenditures are processed through the village treasury account, and the implementation of village financial management is supervised by village facilitators, supported by complete and valid evidence. The village head

assigns the head of finance and the implementing section to prepare the Village Budget Plan (DPA). This has been implemented in Tiwu Riwung Village, where the head of finance and the implementing section detail each activity, the allocated budget, and the planned disbursement of funds for the activity to be implemented. The head of finance prepares a draft Village Budget Plan (RAK) based on the DPA approved by the village head. The head of finance prepared the RAK, but the RAK was lost and no copy was found in the Siskeudes application, so the third indicator has been implemented. The Head of Budget and the Head of Budget Implementation submit a Budget Implementation Plan (SPP) for each budget activity implementation according to the period stated in the Budget Implementation Plan (DPA). In this case, the Village Treasurer submits the SPP for fund disbursement, which is then submitted to the Village Consultative Body (BPD) for approval. This has been implemented in the village. The Head of Budget and the Head of Budget Implementation prepare a Budget Plan (RAB) for the implementation of the unforeseen expenditure budget. This has been implemented in Tiwu Riwung Village, where the Head of Budget and the Head of Budget Implementation prepare a Budget Plan (RAB) for the implementation of the unforeseen expenditure budget. The Head of Finance deducts taxes from village cash expenditures. This has been implemented in Tiwu Riwung Village, with evidence of tax deductions, thus the sixth indicator has been implemented.

The implementation of various activities funded through the 2024 Village Budget (APBDes) is entirely carried out by the Village Head and the Village Implementation Team. To ensure transparency of information to the public, each physical activity is required to display an information board at the activity location. This board must at least include the name of the activity, the work volume, the total budget from the Village Budget (APBDes) and community contributions, and the implementation timeline. Furthermore, all information regarding the Village Budget (APBDes) programs must be available at the village office and accessible to the public. This effort demonstrates the principle of transparency in village development, ensuring that residents have access to existing programs and can provide input or criticism to improve the management of village funds.

In the implementation of the Village Budget (APBDes) program, the principles of participatory and transparent decision-making should be prioritized. However, in reality, this has not fully met the expectations of the community and village officials. This is reinforced by an interview with Mr. Husen, the Head of the Village Consultative Body (BPD), who explained that

"Decision-making is carried out through the Budget User Authority (KPA), and the community remains involved, although not always directly. This involvement usually occurs through deliberation forums. The village government is also obliged to provide information to the community so they can provide input on the implementation of activities." (interview on May 5, 2025).

The above statement was reaffirmed by Mr. Marselus Roni Feryani, Head of Tiwu Riwung Village, who stated that

"The principle of accountability in the implementation of the Village Budget (APBDesa) is implemented through a routine reporting system. Reports are prepared monthly and after each activity stage by implementers at the village level, then forwarded to the Sub-district Facilitation Team and then to the district level. Reporting is carried out using a predetermined format in a hierarchical and orderly manner." (interview on May 5, 2025).

Supervision in village financial management includes monitoring and controlling the use of village funds. The primary objective of this activity is to ensure that the budget established by the village government is allocated appropriately and to serve as a

basis for evaluating financial management. Based on Minister of Home Affairs Regulation Number 113 of 2014 concerning Guidelines for Village Financial Management, the Provincial Government is responsible for providing guidance and supervision over the distribution of Village Funds, Village Fund Allocations, and revenue from shared taxes and regional levies from the district/city level to villages. Meanwhile, district/city governments are required to provide guidance and supervise financial implementation at the village level.

In addition to supervision carried out by the district/city government, the Village Consultative Body (BPD) also plays a role in oversight. Pursuant to Law Number 6 of 2014 concerning Villages, the BPD is authorized to supervise and request clarification from the village government regarding the implementation of village governance. Furthermore, the BPD also has the right to express opinions regarding the implementation of village governance, development, community development, and village community empowerment efforts. This statement is supported by an interview with Mr. Husen, Head of the Tiwu Riwung Village BPD, who stated,

"One of my important duties is to oversee development in the village to ensure it proceeds smoothly and without any obstacles, as previously planned." (Interview, May 5, 2025).

Minister of Home Affairs Regulation No. 20 of 2018 stipulates that the Village Head submits an accountability report on the realization of the Village Budget (APBDes) to the Regent/Mayor through the Sub-district Head at the end of each fiscal year. Both the realization and accountability reports are disseminated to the community. Accountability for the implementation of the APBDes has been running well from a technical and administrative perspective. However, in terms of financial administration accountability, limited human resource competency remains a major obstacle. Therefore, support from local government officials is still needed to adapt to the annual regulatory changes. This statement is reinforced by an interview with Mr. Husen, Head of the Tiwu Riwung Village BPD, who stated that

"Responsibility for financial management of village fund allocations encompasses various elements, such as the Village Head, Village Treasurer, and community participation. The financial reporting process is implemented based on the principles of transparency and accountability, with community involvement in oversight. Optimal implementation of these principles can drive improved village government performance and the quality of services to residents." (interview on May 5, 2025)

The discussion above explains that the budget preparation stages in the financial management of Village Fund Allocations in Tiwu Riwung Village adhere to the provisions of West Manggarai Regent Regulation Number 1 of 2024 concerning guidelines for village financial management. This process includes planning, implementation, monitoring, and accountability. Planning begins with a Village Deliberation (Deliberation) that discusses the use of Village Fund Allocations, focusing on expenditures such as fixed income and allowances for village officials, operations, office services, meeting consumption, BPD allowances, and the development of village administration and information systems. Meanwhile, the accountability process is combined with the Village Budget (APBDes) accountability report, which consists of the General Cash Book, receipts, memos, activity receipts, and various other supporting documents.

Description of Obstacles Faced in the Role of Accounting in the Financial Management of Village Fund Allocations in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency

The interview with Mr. Husen, Chair of the Village Consultative Body (BPD), stated:

"In dealing with the role of accounting in the financial management of village fund allocations in Tiwu Riwung Village, there are obstacles such as the relatively low level of human resources and the community's role in the role of accounting in the financial management of village fund allocations." (Interview on May 5, 2025)

The informant's statement above indicates that Tiwu Riwung Village faces the following obstacles: In Tiwu Riwung Village, village officials still lack adequate competency, particularly a lack of understanding of technology. These two aspects are major obstacles in implementing the village government system, particularly regarding accounting records and Village Fund Allocation (ADD) financial management. This lack of competence impacts difficulties in preparing financial reports and understanding the latest regulatory developments, which frequently change in line with government policies. One of the main requirements for becoming a village official is a minimum of a high school education or equivalent, and an age between 20 and 42 years. This means that those with this age are considered capable of operating the technology available at the Tiwu Riwung village office. This ensures that the government in Tiwu Riwung Village can function effectively and in accordance with procedures established by the Central and Regional Governments. The community plays a key role in overseeing various Village Government activities, as the funds used come from community contributions. However, communities often lack awareness of development in their local communities. This can lead to a lack of community participation in overseeing the implementation of village development programs funded through the Village Fund Allocation. The discussion above explains that several obstacles exist in the implementation of accounting and financial management of the Village Fund Allocation in Tiwu Riwung Village, including limited human resource capacity and low community participation or involvement in the process.

Description of Efforts Made to Overcome Obstacles in the Role of Accounting in the Financial Management of Fund Allocations in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency

The interview with Mr. Husen, Chair of the Village Consultative Body (BPD), stated:

"Efforts to overcome the obstacles in Tiwu Riwung Village include full awareness from the community and the Village Head, who regularly conduct outreach." (Interview on May 5, 2025)

The informant's statement above can be understood as addressing the obstacles in Tiwu Riwung Village, namely: To address the low level of human resources, especially among village officials, related to low levels of education and a lack of understanding of technology, these are important factors that the Village Head must consider in the upcoming term to be more selective in appointing village officials. In addition, specific technical guidance and development is provided to Village Officials to ensure they understand the administration of Village Government, particularly regarding village finances, particularly regarding financial recording and management of village fund allocations. Regular outreach is also being conducted. The lack of community outreach has significantly impacted their participation. To enhance this role, the local government should conduct regular outreach and provide education and motivation to the community regarding the importance of their role in village development and oversight, thereby generating positive feedback that will lead to the successful implementation of village development activities funded by Village Fund Allocations. The discussion above explains that in the implementation of accounting and financial management of Village Fund Allocations in Tiwu Riwung Village, efforts are being made to address existing obstacles, including increasing human resource

capacity and community participation, or community involvement in the process, to achieve goals.

Accounting and Village Fund Financial Management

This study highlights the pivotal role of accounting in supporting the financial management of Village Fund Allocation in Tiwu Riwung Village. The findings demonstrate that the adoption of basic computerized accounting practices, initially through Microsoft Excel and gradually through the Village Financial System (Siskeudes), has contributed positively to administrative orderliness and financial accountability. This result aligns with prior studies which argue that the use of standardized accounting systems at the village level enhances transparency and reduces the risk of mismanagement in public fund administration (Rahayu, 2022; Permatasari et al., 2024; Anggareka, 2024; Gundul, 2025; Junaidi & Adnan, 2023). The availability of General Cash Books and subsidiary cash books for receipts and expenditures reflects compliance with formal accounting procedures required under Indonesian village financial regulations.

The gradual transition from manual recording to digital systems such as Siskeudes and the Village Information System indicates an institutional effort to align local financial practices with national governance standards. Similar findings were reported by Gundul (2025), who emphasized that the implementation of village financial systems significantly improves accountability when supported by adequate administrative discipline. However, this study also reveals that the effectiveness of accounting systems is not solely determined by technological adoption, but is highly dependent on the capacity of human resources operating these systems. Limited technological literacy among village officials remains a persistent challenge that may reduce the optimal use of available accounting tools (Ebirim et al., 2024; Dirgatama et al., 2024; Ayandibu & Ayandibu, 2024; Rohayati et al., 2022).

Regarding the financial disbursement mechanism, the three-stage disbursement model applied in Tiwu Riwung Village demonstrates conformity with regulatory frameworks established by the regional government. This phased disbursement mechanism is intended to ensure budget absorption efficiency and financial control throughout the fiscal year. The findings are consistent with Madjid et al. (2024), who argue that staged fund disbursement strengthens fiscal discipline and minimizes the potential for misuse. Nevertheless, the study found that delays in information flow from the regency level may temporarily hinder program implementation, indicating a need for improved intergovernmental coordination (Suardiyanti et al., 2025; Asmorowati et al., 2022).

The planning and budgeting stages of Village Fund Allocation management in Tiwu Riwung Village reflect the principles of participatory governance as mandated by Minister of Home Affairs Regulation No. 20 of 2018. Village deliberation forums involving the Village Consultative Body and community representatives serve as a formal mechanism for incorporating public aspirations into the Village Revenue and Expenditure Budget. This participatory approach is consistent with the concept of good village governance, which emphasizes inclusiveness, transparency, and accountability in public financial management (Wibisono et al., 2025; Susanti et al., 2025; Ardiputra et al., 2025; Malela et al., 2025). However, the study reveals that community participation remains largely procedural rather than substantive, as involvement is often limited to formal meetings without sustained engagement in monitoring implementation.

The implementation stage shows that accounting practices function as an essential control mechanism in ensuring that expenditures align with the approved budget plan. The preparation of Budget Plans, Payment Requests, and tax deductions reflects compliance with regulatory requirements. These findings support Basri and

Sayuti (2024), who found that adherence to standardized financial procedures enhances administrative accountability at the village level. Nonetheless, the absence of complete documentation in some instances, such as missing Budget Cash Plans, indicates weaknesses in record management that may compromise audit readiness and financial transparency (Rwegayula, 2023; Kipngeno, 2024).

Supervision and accountability mechanisms in Tiwu Riwung Village involve multiple actors, including district authorities and the Village Consultative Body. The study confirms that regular reporting and oversight activities contribute to maintaining financial discipline. This aligns with the argument that multi-layered supervision is essential in preventing governance failures in decentralized public finance systems (Permatasari et al., 2024; Amini-Philips et al., 2023; Boufounou et al., 2024; Ma et al., 2025). However, limited human resource capacity remains a structural constraint that affects the quality of financial reporting and the ability to adapt to frequent regulatory changes.

The identified obstacles, particularly low human resource competency and limited community involvement, are consistent with challenges reported in other rural governance studies in Indonesia. Alam (2023) notes that insufficient accounting knowledge among village officials often results in dependency on external facilitators, which may weaken institutional sustainability. Similarly, Musyarri (2024) highlights that community disengagement reduces social control over public funds, increasing the risk of inefficiency. The findings of this study reinforce the notion that accounting systems alone cannot guarantee accountability without parallel investments in human capacity development and civic awareness.

Efforts undertaken by the village government to address these challenges, such as technical training for officials and community outreach initiatives, represent proactive steps toward strengthening financial governance. These initiatives are in line with the deliberate practice framework proposed by Ericsson (2004), which emphasizes continuous learning as a pathway to professional competence. However, the effectiveness of these efforts depends on their consistency and institutionalization within village governance structures.

CONCLUSION

All transactions recorded from the Village Fund Allocation in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency, utilize a computerized accounting system using Microsoft Excel, comprising a General Cash Book, a Subsidiary Cash Book for Receipts, and a Subsidiary Cash Book for Expenditures. With the gradual implementation of the Village Financial System (Siskuedes) and Village Information System (SID) applications, such as village profiles, the accounting system is computerized online. The disbursement mechanism for village revenue sources, including the Village Fund Allocation in Tiwu Riwung Village, Mbeliling District, West Manggarai Regency, complies with regulations regarding the distribution of Village Fund Allocations, regional tax revenue sharing, regional distribution, and village funds. All revenue received by Tiwu Riwung Village from the disbursement of village revenue sources, particularly Village Fund Allocations, is transferred by West Manggarai Regency through the centralized regional treasury into a single account. 3. The budget preparation stages for the Village Fund Allocation Financial Management in Tiwu Riwung Village refer to West Manggarai Regent Regulation No. 1 of 2024 concerning Guidelines for Village Financial Management, starting with Planning, Implementation, Supervision, and Accountability. The planning process begins with a Village Deliberation. The Village Fund Allocation in Tiwu Riwung Village is used for fixed income and allowances for village officials, operational expenses, office services, meeting meals and beverages, BPD allowances, and the development of village administration and information systems. Accountability is integrated into

the Village Budget (APBDes) through the preparation of an APBDes Accountability Report containing the General Cash Book, Receipts, Notes, Activity Receipts, and other activity attachments. The implementation of Village Fund Allocation Accounting and Financial Management in Tiwu Riwung Village faces several challenges, including limited human resource capacity and community participation in the process. 5. In the implementation of accounting and financial management of village fund allocations in Tiwu Riwung Village, there are efforts to overcome existing obstacles, namely by increasing human resource capacity and community participation or the role of the community in the process in order to achieve goals.

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