

**IMPLEMENTATION OF THE VILLAGE FINANCIAL SYSTEM
(SISKEUDES) APPLICATION IN KOTA PARIAMAN****Iqrha Zain**iqrhazain9@gmail.com**Universitas Andalas**

ABSTRACT: Since the enactment of Law No. 6 of 2014 concerning Villages, the amount of village funds sourced from the APBN where in 2015 the village fund budget allocation reached Rp. 20 trillion. This large village fund budget is considered effective in empowering village communities, however providing large village funds is ineffective considering the possibility of misappropriation of village funds by village officials. In anticipating these problems, the Village Financial System Application was developed. The implementation of the Siskeudes Application is not only expected to be able to change the village financial reporting system to be more effective and efficient, but it is also expected to be able to change the village financial reporting standards needed to address village financial accountability and transparency obligations. In 2017, the implementation of the Siskeudes Application which was implemented in Pariaman City was said to be successful, where Pariaman City succeeded in receiving an award from the World Bank as the only city in Indonesia where all its villages had implemented the Siskeudes Application. This research itself is focused on implementing the Siskeudes Application in Pariaman City. The aim of this research is to analyze the implementation of the Village Financial System Application (Siskeudes) policy in an effort to overcome village financial problems. To answer this question, researchers used descriptive qualitative methods. The data collection techniques used were interviews and documentation. The selection of informants was carried out using a purposive sampling technique. Meanwhile, the data validity technique used is triangulation. From the research results, it was found that the implementation of the Siskeudes Application in Pariaman City could run well because every element that supports policy implementation could be implemented, such as: standards and objectives, resources, characteristics of implementing agents, communication between the organization and implementing activities, and implementation disposition. Meanwhile, the findings regarding the successful implementation of the Siskeudes Application cannot be separated from the attitude of implementing officials who are committed to implementing the Siskeudes Application.

Keywords: Village Funds, Public Policy and Policy Implementation.

INTRODUCTION

The village is a representation of the smallest legal community unit that has existed and has grown along with the history of Indonesian society and has become an inseparable part of the life structure of the Indonesian nation. As a form of state recognition of villages, especially in order to clarify the functions and authority of villages, as well as strengthen the position of villages and village communities as subjects of development, a policy of structuring and regulating villages is needed which is realized by the enactment of Law Number 6 of 2014 concerning Villages. A village is a legal community unit that has territorial boundaries and is authorized to regulate and manage government affairs and community interests based on: community initiative, origin rights, and/or traditional rights that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia.¹

In order to support the implementation of village duties and functions in administering government and village development in all aspects in accordance with the authority they have, Law Number 6 of 2014 gives the government a mandate to allocate village funds. Village funds are funds that come from the allocated State Revenue and Expenditure Budget (APBN). for villages transferred through the Regional Revenue and Expenditure Budget (APBD) districts/cities amounting to 10%, which is from and outside regional transfer funds in stages.²

The provision of Village Funds by the Government which is relatively large is considered effective in empowering the community both in terms of infrastructure and in increasing community income, however providing large village funds is ineffective considering the increasing possibility of misuse of Village funds by Village officials. Indonesia Corruption Watch (ICW) revealed that there were 110 cases of use of village funds handled from 2015 to 10 August 2017. In these 110 corruption cases, it is suspected that there were 139 perpetrators, of which 107 perpetrators were village heads, causing state losses of up to Rp. 30 billion. In holding an event entitled "ICW Monitoring of Village Fund Corruption Cases" in which Kurnia Ramadhana as one of the speakers at the event said:

"There has been a significant increase in losses of state money due to the cunning practices of regional heads in using village budget funds. When compared to 2016 and 2017, in 2016 the State's financial losses reached IDR 10.4 billion, while until August 2017 the State's losses increased to IDR 19.6 billion."³

The large number of cases of misuse of village funds is due to the roles and responsibilities accepted by villages not being balanced with adequate human resources (HR) both in terms of quantity and quality. Another common obstacle is that villages do not have procedures and support for facilities and infrastructure in managing their finances and the community is not yet critical of the management of the village income and expenditure budget. The large amount of funds that must be managed by the village government carries quite high risks in its management, especially for village government officials. The phenomenon of regional officials involved in legal cases should not be repeated on a village government scale. Village government officials and village communities represented by the BPD must have an understanding of laws and other provisions, and have the ability to carry out recording, reporting and accountability.⁴

In anticipating problems that arise with the implementation of Law Number 6 of 2014 concerning villages as explained above, a Village Financial System Application was developed. The Village Financial

¹ Ministry of Finance of the Republic of Indonesia, Village Fund Smart Book: Village Funds for the welfare of the people, 2017, p.1 (accessed on 10 March 2018 https://www.kemenkeu.go.id/media/6749/buk_u-pintar-dana-desa.pdf)

² See Government Regulation Number 60 Year 2014

³ See ICW Finds 110 Cases of Village Budget Corruption for the 2016-2017 Period. Accessed Thursday 2 November 2017 at 15.13 WIB. <http://www.tribunnews.com/nasional/2008/17/11/icw-cepat-110-cases-corruption-village-budget-period-2016-2017>.

⁴ See Financial and Development Supervisory Agency materials. "Instructions for Implementing Guidance and Consultation on Village Financial Management", Deputy for Regional Financial Administration Supervisory Division. Accessed on January 28 2020.

System application itself at first was developed by the West Sulawesi BPKP Representative as a pilot project within the BPKP environment in May 2015. This application was first implemented in the Mamasa Regency Government in June 2015. The successful development of this application was then handed over to the Deputy Head of BPKP (Regional Financial Implementation Supervision Division) after passing the Quality Assurance (QA) stage by the appointed team. As of July 13 2015, the handling of this village financial application has been taken over by the Deputy for Supervision of the Regional Financial Administration of the BPKP in Jakarta.⁵ In its implementation, one of the cities that has succeeded in implementing the Village Financial System Application (Siskeudes) is Pariaman City, West Sumatra Province. It started with the piloting of the Siskeudes Application carried out by representatives of the West Sumatra Province BPKP which was realized by receiving an award from the World Bank as the only city whose 55 villages had successfully implemented the application.

THEORETICAL FRAMEWORK

1. Public Policy

Public Policy Every individual in daily life always interacts with others, but sometimes these interactions always bring up problems. In this case, the government's role is demanded to address them. To address these issues, many policies are created by policy actors. Public policy, according to Thomas Dye, is any government choice to do or not to do something, actions meant in this concept are actions in addressing public problems.⁶ The same understanding of public policy is also defined by James E. Anderson as policies set by government bodies and officials.⁷ According to David Easton, when a public policy is formulated by the government, it allocates values to society at that time.⁸ Harrold Laswell and Abraham Kaplan explain that public policy should contain goals, values, and social practices existing in society.⁹

If a public policy contradicts the firmly held values of the community, then that policy will face obstacles in its implementation process. Public policy comprises decisions or choices of actions that directly regulate the management and distribution of natural and human resources for the public interest, namely the general populace, inhabitants, community, or citizens.¹⁰ Therefore, policy is a competition, synergy, and compromise among various ideas of policy actors representing interests related to public issues. According to William N. Dunn in his book titled 'Public Policy Analysis:

Public policy is a complex pattern of interdependent choices, including decisions not to act, made by government bodies or offices.¹¹

There are several essential elements in public policy,¹² namely:

1. Public policy, in its initial form, consists of the establishment of government actions.
2. Public policy is not merely stated but implemented in tangible forms.
3. Public policy, whether to take action or not, is guided by specific intentions and purposes.

Numerous interpretations have been articulated by experts to explain the definition of public policy. Most experts define public policy in relation to government decisions or determinations to

⁵Look http://www.bpkp.go.id/sakd/konten/2448/Lea_flet-Simda-Desa.bpkp. Accessed on Tuesday 12 February 2018 at 06.00 WIB.

⁶ Subarsono, *Public Policy Analysis, Theoretical Concepts and Applications*, Yogyakarta: Student Library, 2006, p. 2.

⁷ *Ibid*

⁸ The values referred to by David Easton are values that concern the lives of many people. This value can be in the form of welfare, prosperity, even equality and equality among society.

⁹ Subarsono, *op.cit.*, p. 3.

¹⁰ Edi Suharto, *Social Policy as Public Policy*, Bandung: Alfabeta. 2008, p. 3

¹¹ William n. Dunn, *Introduction to Public Policy Analysis*, Yogyakarta: Gajah Mada University Press, 2003, p. 123.

¹² *Ibid*

undertake an action perceived as beneficial for the welfare of its citizens.¹³

2. Implementation of Public Policy

Implementation is a policy study that focuses on the process of carrying out a policy. According to Daniel Mazmanian and Paul Sabatier in their book 'Implementation and Public Policy' (1986:61), they define policy implementation as: 'The execution of fundamental policy decisions, usually in the form of laws, but can also take the form of orders or significant executive decisions or decisions of judicial bodies. Typically, these decisions identify the problems to be addressed, explicitly state the goals or objectives to be achieved, and various ways to.¹⁴

The implementation model proposed by Van Meter and Van Horn consists of two parts: the relationship between independent variables and dependent variables. There are two variables included in the independent variables (main variables), namely the standard variable and the goal variable, and the resource variable.¹⁵

a. Standard and Objectives

These are independent variables or main variables. A policy must have clear standards and objectives for each program. This is intended so that its implementation can be easily carried out. Failure in policy implementation can occur if the standards and objectives are unclear.

b. Resources

This is the second main variable. Policy resources must be available to facilitate the administrative implementation of a policy. These resources consist of human resources, funds, or other incentives that can facilitate the process of implementing a policy, as well as facilities or equipment that can support policy implementation. The lack or limitation of funds or other incentives in policy implementation is a factor that can lead to the failure of policy implementation.

c. Characteristics of Implementing Agencies

The characteristics of implementing agencies can also be referred to more simply as the Traits of Implementing Bodies. The focus on implementing bodies includes both formal and informal organizations. For formal organizations, it closely relates to bureaucratic characteristics, the nature of implementing bodies/agencies involving potential as well as actual relationship patterns.

d. Communication between Organizations and Implementation Activities

Communication is crucial in information delivery. This relates to the activities of policy implementers regarding consistent/uniform standards and objectives across various pieces of information. According to Van Meter and Van Horn, issues can arise due to deficient communication structures between implementing organizations and policy objects. Such situations occur when policy objects are not adequately informed about the possibilities offered by the government or the obligations that must be fulfilled.

e. Socioeconomic and Political Conditions

Differences in conditions within a governmental region that influence the achievement of objectives outlined in a policy. The socioeconomic and political conditions observed here are those that genuinely occur within the policy targets. To what extent does the external environment contribute to the success of public policy? Social, political, and economic environments that are not conducive can become sources of problems and failures in policy implementation performance. Therefore, policy implementation efforts require a conducive external environment.

f. Disposition of Implementers

The disposition or attitude of implementers in public policy implementation is defined as the desire or agreement of implementers to execute the objectives and standards of the policy. As explained by Van Horn and Van Meter, there are several response elements that can influence the

¹³ Edi Suharto, op.cit., p. 3

¹⁴ Leo Agustino, *Basics of Public Policy*, Bandung: Alfabeta, 2006, p. 139.

¹⁵ Subarsono, op.cit., pp. 99-100.

ability or willingness of implementers to carry out a policy. These elements include: firstly, their direction of response—whether accepting, neutral, or rejecting—and secondly, the intensity of implementation towards the policy.

RESEARCH RESULTS AND DISCUSSION

1. Standards and Objectives

Identification of performance indicators is a crucial stage in the analysis of policy implementation. These performance indicators assess the extent to which basic measures and policy objectives have been realized. Standards and objectives are useful in outlining objectives overall. The success of a policy is determined by the extent to which the policy has achieved its goals.

Basically, village financial management is regulated by law and in its understanding Village Finance according to the Village Law is 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. These rights and obligations give rise to income, expenditure, financing which need to be regulated in good village financial management. The village financial management cycle includes planning, implementation, administration, reporting and accountability, with a periodization of 1 (one) budget year, starting from January 1 until December 31. There are stages in the village financial management process that have rules that must be understood and implemented according to predetermined time limits. Village finances are managed based on good governance practices. The principles of Village Financial Management as stated in Minister of Home Affairs Regulation Number 113 of 2014 are transparent, accountable, participatory and carried out in an orderly and budgetary manner.¹⁶

The practices and principles of village finance as outlined in the Village Law and in Permendagri Number 114 of 2014 can be used as standards in managing village finances. The use of village financial standards in the law itself has the aim of overcoming problems in the village financial management process. In practice, village financial management has rules and standards that serve as a reference for village treasurers in carrying out the village financial reporting process, but there is a lack of understanding. Village treasurers regarding the standards and objectives that have been implemented have become a polemic that hinders the implementation of the village financial management process. Implements' lack of understanding regarding the standards and objectives of a policy will determine how far the policy will go. The village treasurer as the implementing agent for the Village Financial System Application (Siskeudes) policy should understand the rules, standards or objectives in managing village finances so that the implementation of this application can be successful. It can be interpreted that the standards for implementing the Siskeudes Application itself have been regulated in law with the aim of the village government being able to carry out the village financial management cycle in an accountable manner starting from planning, implementation, administration, reporting, accountability and supervision. The implementer's understanding of the importance of standards and objectives in implementing a policy is a necessity, this is because the implementation of the Siskeudes Application could fail if the implementers do not understand what the standards and objectives are in implementing the Siskeudes Application.

2. Resource

Resource factors: There are two variables that are assessed so that a policy can be implemented well, namely the budget and Human Resources (HR) variables. In the budget variable, it can be concluded that there are no problems in this variable, where in the explanation of the

¹⁶ Interview with Ferma Yasmida as Staff of the Community and Village Empowerment Service, Date. 08 October 2018, 10.30 WIB.

paragraphs above, the implementation of the Siskeudes Application was initially only implemented in one village as a pilot, however, due to the excess budget, the Mayor of Pariaman was committed to implementing the Siskeudes Application to all village in Pariaman City. Even though there are no problems in terms of budget, in terms of resource factors, especially in the Human Resources (HR) variable, the implementation of the Siskeudes Application still has problems, including HR which is considered not ready and still below average, making it difficult for them to understand the operation of the Siskeudes Application.

This Human Resources problem caused the implementation of the Siskeudes Application to be hampered, and to overcome the HR problems that occurred in the implementation of the Village Financial System Application (Siskeudes), DPMD as the Regional Apparatus Organization (OPD) which was responsible for implementing the Siskeudes Application took various methods in an effort to implement the Application This Siskeudes, not only through BIMTEK which was resourced by BKPK, the Community and Village Empowerment Service with a commitment to ensure that the implementation of the Siskeudes Application runs well also improvised through a relay system. The relay system here means where village officials who understand the operation of the Siskeudes Application are asked to teach village treasurers who do not understand the operation of the Siskeudes Application. Therefore, it can be concluded that even though there are problems with resource factors, the implementation of the Siskeudes Application can be carried out through the commitment, will and optimism of the implementing apparatus.

3. Characteristics of The Implementing Agency

In the implementation of the Siskeudes Application, there are formal institutions that play a role in its implementation, including the Community and Village Empowerment Service, the Regional Financial Agency of Pariaman City and the BPKP, but specifically the implementation of the Siskeudes Application itself has a task force unit which has been decided by the Mayor of Pariaman City, which is the apparatus. Those involved are those who understand and understand how to implement the Siskeudes Application.

4. Communication between Organizations and Implementation Activities

Communication is an important thing to support policy implementers to carry out them well. Good communication will result in good relationships. If the policy implementers are good, of course this will also have an impact on the implementation of the policy and in this case the implementer of the Village Financial System Application (Siskeudes) runs well and smoothly and has good communication. Therefore, in order to facilitate communication between implementors, the policy implementing agents improvised by creating a dedicated WhatsApp group to make it easier to provide information regarding the implementation of the Siskeudes Application. The use of the WhatsApp application as a communication medium is considered effective and efficient in disseminating information, especially at this time, on average, every person uses the WhatsApp application as a medium for communication.

5. Social, Economic and Political Conditions (Economic, Social and Political Conditions)

In implementing a policy, of course there are factors that influence whether or not the process of implementing a policy goes smoothly. These factors are the social, economic and political conditions of a society which is the target of implementing the policy, then also socio-economic and political conditions become a factor in the occurrence of a policy. The problems that arise in society so that the problems that arise are rooted in socio-economic and political conditions that are not conducive. This variable does not have a significant influence on the implementation of the Siskeudes Application, this is because the implementation of the Siskeudes Application is basically aimed at changing a bureaucratic system that is less effective and efficient into a more effective and efficient system.

6. Implementation Disposition (the disposition of implementors)

The disposition or attitude of implementers in implementing public policy is defined as the desire or agreement of implementers to implement policy goals and standards. As explained by Van Horn and Van Meter, there are several response elements that can influence the ability or willingness of implementers to implement a policy, including: first, the direction of their response, whether they accept, neutral or reject, and second, the intensity of implementing the policy. In implementing a policy, an implementation disposition is needed, namely the attitude of the implementers towards the implementation of a policy to implement a standard of a policy, and the need for maximum work to fulfill the objectives of the policy, and what is the intensity of the implementers (implementors) towards the policy that must be implemented? implemented, and in this case a policy will be successful quickly if in implementing a policy, the implementer (Implementor) does the work optimally. During the implementation of the Siskeudes Application, the assessment regarding the attitude of the implementers was considered good. This can be seen by the success of Pariaman City in receiving an award from the World Bank as the only city in Indonesia where all villages have implemented the Village Financial System Application (Siskeudes).

CONCLUSION

Based on the research conducted on the Implementation of the Village Financial System Application (Siskeudes) in Pariaman City in 2017, it can be concluded that the implementation of the Siskeudes Application went well. This is because every element supporting policy implementation was realized, such as standards and objectives, resources, characteristics of implementing agencies, communication between organizations and implementation activities, and the disposition of implementers. Although it can be said to have gone well, it doesn't mean the implementation of the Siskeudes Application was flawless without any challenges.

Some challenges in the implementation of the Siskeudes Application include the lack of understanding among village treasurers regarding the standards and objectives of implementing the Siskeudes Application. Concerning human resources, village treasurers, as implementing officials operating the Siskeudes Application, were considered insufficiently skilled in operating the Siskeudes Application. To address these issues, the Siskeudes Application implementers initiated various efforts and improvisations, such as creating relay systems or establishing a WhatsApp group to facilitate communication among implementers.

The success of implementing the Siskeudes Application is also influenced by the commitment of policy implementers who consistently provided technology socialization and guidance to village treasurers, the officials tasked with operating the Siskeudes Application. In the future, through various improvements, it is hoped that the Siskeudes Application will be able to transform the entire village financial management process throughout Indonesia.

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