IMPLEMENTATION OF THE VILLAGE FINANCIAL SYSTEM (Siskeudes) IN BANDARJO VILLAGE

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ABSTRACT
This study aims to analyze the Implementation of the Village Financial System (SISKEUDES) on the government organization in Bandarjo Village, West Ungaran District, Semarang Regency. This research uses a qualitative research approach with primary data, namely interviews and secondary data. The informants are the village head, village secretary, and head of village government affairs. The results of the study show that: (1) The implementation of the Village Financial System in Suwaan Village has been running well (2) The procedures for utilizing SISKEUDES are carried out in 4 stages: Planning, Implementation, Administration, and Reporting (3) The Village Financial System has provided a positive influence on the performance of each employee. Therefore, the Village Financial System plays an important role in the village government directly impacted by village employees. This is in line with the purpose of implementing the Village Financing System, which is to assist the work of village employees.

Keywords: Village Monetary System; Bandarjo Village; Implementation

Introduction
Villages are the smallest units in a country’s organizational hierarchy. In contrast to cities, villages consist of several small components that together drive the growth of a country’s governing body. Villages are given the ability to manage their funds and build governance for greater village development as regional development progresses. Each hamlet has the autonomy to prepare its financial reports. The village government will prepare a financial report containing data that can be used as a reference in preparing next year’s budget (Hasliani & Yusuf, 2021).

With the enactment of Law Number 6 of 2014 concerning Villages (Undang-undang (UU) No. 6 Tahun 2014, n.d.), As stated in Article 1 of the Community Law, the community must carry out development for the progress of society. Apart from that, the law on villages has also been passed, and village governments are expected to be able to implement greater autonomy in upholding good governance, and managing all community potential, including natural resources (SDA), assets, and money. You must pay attention to the following concepts when handling village finances: accountability, transparency, involvement, and order and discipline in the budget. To help villages manage their full potential and improve the level of
social and economic welfare, the central government gives them great power and funding (Karmawan, 2017).

In the context of implementing village financial management by the village government, regulations were then issued, namely Permendagri number 20 of 2018 concerning Village Financial Management (PERMENDAGRI No. 20 Tahun 2018, n.d.). Considering the increasing amount of budget allocated by the central government to villages, and with a significant sum, there is a need for proper management of village funds. Therefore, to regulate the management of village funds, the Ministry of Finance issued regulations, namely Minister of Finance Regulation Number 93 of 2015 concerning Procedures for the Allocation, Distribution, Utilization, Monitoring, and Evaluation of Village Funds (RI, n.d.). This regulation aims to ensure that the village budget allocated by the central government reaches its intended targets and is managed from allocation to evaluation.

In 2017, the government provided Village Funds assistance to 74,954 villages in Indonesia totaling 60 trillion, distributed in two stages: stage I, allocated in March and disbursed up to 60% by July of the current year, and stage II in August for 40% (Source: Kompas, July 5, 2018). Such a large budget makes village funds highly susceptible to corruption (Norliani, Harahap, & Suriyani, 2020). Based on data from Indonesia Corruption Watch (ICW) regarding corruption practices in village financial management from 2015 to 2017, there were 154 cases of village fund corruption resulting in losses of 47.56 billion rupiah. In 2015, there were 17 corruption cases with losses of 9.12 billion rupiahs, in 2016, there were 41 cases with losses of 8.33 billion rupiahs, while in 2017, there were 96 cases with total losses of 30.11 billion rupiahs (Source: Kompas, November 21, 2018). These findings indicate a proportional increase in corruption cases involving village funds between 2015 and 2017. Therefore, to ensure that these funds are effectively distributed for village development and welfare, a village financial management system is needed (Puspasari & Purnama, 2018).

We need to consider the following concepts when dealing with village finances: accountability, transparency, participation, and budget discipline. The Financial and Development Supervisory Agency (BPKP) and the Directorate General of Village Development of the Ministry of Home Affairs collaborate to develop an application known as the Village Financial System (Siskeudes) to realize a clean, transparent, accountable, effective, and efficient village financial management system. As stated in Nawacita, the Siskeudes application was developed to implement a major government initiative. Based on inputs from the Commission, the Village Financial System application was developed (Lukito, 2018).

Villages implement a program called the Village Financial System (Siskeudes) to manage, budget, and report their finances. The village financial system (Siskeudes) generates various necessary reports automatically, aiding in data collection, saving money and time, and reducing the likelihood of fraud and errors. In addition to being web-based, the village financial system is also made available offline, manually, considering the current community resource capacity and various conditions in each area. Ministry of Home Affairs Regulation Number 20 of 2018 regarding Village Financial Management is referred to as the "village financial system" (Siskeudes) (PERMENDAGRI No. 20 Tahun 2018, n.d.).

It is expected that the implementation of the village financial system (Siskeudes) will assist village governments in managing their received revenue sources. Village officials can create documentation and village accountability reports with just one entry. District-level
governments can also utilize the village financial system (Siskeudes) to integrate village budget plans (APBDes) with the actual realization of village budget plans made by each village.

Before the village financial system (Siskeudes) was introduced, communities manually used MS Excel in non-standard formats to create financial reports, budgets, and administrative records. Therefore, it was difficult for district governments to evaluate village budget plans in village financial reports. Hence, through the village financial system (Siskeudes), village funds can be managed effectively.

Efficient and relevant data on financial transactions and all economic activities conducted by reporting bodies are produced to offer financial reports. For the national finances to function properly, adjustments are necessary in several areas besides national finance. The accounting process generates financial information available to various parties for their purposes, making it a significant change in governmental accounting. Effective village financial management is essential to prevent mismanagement in budget management processes. The Financial and Development Supervisory Agency (BPKP) has developed an application aimed at improving the quality of village financial management to assist village governments in managing their finances. The Village Financial System (SISKEUDES) application is the one referred to. With the establishment of SISKEUDES, the government hopes to assist village governments in becoming more self-sufficient in managing village finances more effectively and efficiently, as well as enhancing financial transparency and accountability in villages. The establishment of SISKEUDES is expected to enhance the autonomy of village governments and motivate them to more diligently manage natural resources and other governance aspects. BPKP released this application in 2016, and villages have begun using it. Starting in 2016, there were certainly many challenges faced in its implementation and how village governments prepared for the use of this application.

Considering the crucial role of the village financial system (Siskeudes) in villages for the future, researchers are interested in researching “The Role of the Village Financial System (Siskeudes) on the Performance of Village Governments (A Case Study in Bandarjo Village, West Ungaran District, Semarang Regency).”

**Research Method**

The research is a qualitative descriptive study that provides explanations or descriptions of the analysis of the role of the village financial system (Siskeudes) on the performance of village governments. According to Gunawan, qualitative research is a method used to uncover issues in the functioning of government, private, community, youth, women, sports, arts, and cultural organizations, which can then be used to formulate policies for implementation to achieve collective welfare (Gunawan, 2022).

The Bandarjo Village Office, West Ungaran District, Semarang Regency will be the location for this research. The village financial system (Siskeudes) has been successfully implemented in Bandarjo Village for the last nine months, which is why this place was chosen. Apart from that, employees in Kaba-Kaba Village who specifically implement the village financial system (Siskeudes) can implement the system well and smoothly even though they have a relatively low level of education. The implementation of the system in Bandarjo Village also experienced an increase in performance (Purnama & Azizah, 2019).
The researchers determined the informants in this study using the purposive sampling method (Sugiyono Prof, 2011). Purposive sampling is a sampling technique with certain considerations (Sugiyono, 2013). The informants appointed met the criteria, namely village employees who understand the village financial system (Siskeudes) and experience the benefits of its implementation. The appointed informants are the Village Head, Siskeudes Operator, Village Secretary, Village Treasurer, Village Subdistrict Head (Kasi desa), and Village Administration Officer (Kaur Desa).

Interviews with relevant parties were conducted to obtain data. In-depth interview methods were used to interview the appointed informants. Interview guidelines containing key concepts related to the researched subject were created to facilitate focused and in-depth interviews. Data from the interviews were documented using writing tools and a tape recorder.

Observation is defined as a process of systematically observing, examining, and recording behavior for a specific purpose (Sulistyowati & Fitriyah, 2019). In this type of observation, the researcher makes observations without using observation guidelines, so that the researcher develops his observations based on developments that occur in the field.

Data validity is to see the degree of truth or trust in the research results by using certain standards. According to Patton and Moleong, four criteria are used to maintain data validity, namely: Trust (Credibility / Internal Validity), Transferability (External Validity), Dependability (Dependability / Reliability), and Certainty (Confirmability / Objectivity).

Result And Discussion

Village Financial Management

The Siskeudes application is developed to enhance the quality of village financial management, with the process of village financial management including: first, Planning and Budgeting, which covers the alignment of the Village Medium-Term Development Plan (RPJMdes) containing the village head’s vision and mission, the direction of village development policy, and activity plans covering the fields of village governance, village development implementation, village community development, and village community empowerment; Village Revenue and Expenditure Budget (APBdes), which is the annual financial plan of the village government, discussed and approved jointly by the village government and the Village Consultative Body (BPD) and enshrined in the Village Regulation. The Village Government Work Plan (RKPDes) is an extension of RPJMdes for a period of 1 (one) year. Second, implementation and administration, including tax requirements, bookkeeping administration, and revenue and expenditure administration. Third, Accountability and Reporting, which includes the report on village budget realization by funding sources, the report on the realization of the first-semester APBDes implementation, the report of the realization of the second-semester APBDes implementation, and the report on the realization of the APBDes implementation for the fiscal year.

According to Herlianto (2017), village finances can be defined as public goods needed to fund all village needs and activities. Village finances are closely related to the community, government, and development. According to Herlianto, there are several important principles to consider in managing village finances. First, village communities must be involved in financial management, meaning that village communities must be informed about it and...
involved in the planning of the Village Revenue and Expenditure Budget (APBDes) related to the village budget (Herlianto, 2017). Secondly, in the public sector, village finances should be used to develop strong human resource skills for village officials and to pay the salaries of officials. Thirdly, the social sector needs to receive sufficient funding and be prioritized in terms of programs and local activities mandated by law.

From a management perspective, village finances are almost the same as federal, provincial, and local government finances. The quantity and capacity of village officials in handling financial management are still limited; therefore, village financial management needs to be simplified without sacrificing the values of accountability and transparency. In managing village finances, it is also crucial to assess the possibility of administrative errors or substantive errors, which can cause legal issues due to the inability of the village head and officials to oversee, report, and hold village officials accountable for village finances. The success of development in a village is the result of well-managed village finances.

Some components of activities that form village financial management are planning, implementation, reporting, and financial accountability. Time limits and regulations that need to be complied with are established as a result of this process. Village programs can involve community involvement at all stages of planning by maximizing village discussions. Actions for managing and mobilizing funds and human resources to implement village projects are related to the implementation stage of the program. Village officials are specifically responsible for tracking administrative activities. Accountability and reporting are completed on a semester, annual, and periodic basis. The next, monitoring and evaluation objectives are to determine whether the plan has been followed, whether the results have been achieved, and to develop improvements for the following year.

Both village and regional governments rely heavily on financial management. It allows local and regional governments to fulfill their responsibilities as responsible citizens by regulating, allocating, and using financial resources efficiently and effectively. Budgeting, accounting, financial reporting, and auditing are the four fundamental pillars of public sector financial management, according to Venkateswaran (Farvacque-Vitkovic & Kopanyi, 2014).

A local government’s annual financial plan or budget outlines how the plan will be supported and sets operational goals. The budgeting process is critical to determining which expenditures should be prioritized and what resources are needed to execute planned expenditures. The objectives of the budgeting process, the elements of budget success, the processes within the budgeting process, and the connection between the budget and other areas of the public sector financial management process can all be better understood through budgeting assistance.

**Several important things in the budgeting process are:**

a. **Budget Preparation.** There are several steps in the budgeting process including the budget cycle, budget formulation, budget estimation, budget approval, and supplementary budgeting to help the government maintain financial discipline and accountability.

b. **Participatory Budgeting.** Participatory budgeting is a democratic process where individuals or members of the community are directly involved in decisions on how to spend and determine priorities to be implemented from the budget managed by the government. Community participation in the budgeting process can be done directly or through representation.
c. Budget Monitoring. The success of financial implementation depends heavily on monitoring, supervision, and control carried out by the government aimed at identifying weaknesses in financial implementation and making immediate decisions.

Accounting serves as the basis for documenting, classifying, and organizing financial information systematically. The accounting system is used to provide comprehensive, timely, and accurate information related to government financial management. Accounting is based on several basic principles:

a. Business entity principle. This principle requires that each organizational program be held accountable separately and clearly, then requires local governments to separately account for each controllable entity.

b. Objectivity principle. Information in financial reports must be supported by evidence to ensure that financial reports are useful and reliable.

c. Cost principle. Information in financial reports is based on costs incurred and consistent with the principle of objectivity.

d. Going concern principle. In this principle, financial statements must be prepared to ensure that programs continue to operate.

In the public sector, financial reporting strives for accountability and transparency. Various stakeholders needing information about a business can obtain it from financial reporting, which offers a comprehensive set of data. Financial reports are the government's way of sharing information with its constituents regarding financial performance.

According to the Financial Accounting Standards Board (FASB), the qualitative characteristics required for good financial reporting are:

a. Relevance. In financial reporting, information must be usable in decision-making. Relevant information is capable of influencing decisions and helps evaluate events of the past, present, and future.

b. Faithful representation. Financial reporting must reflect economic phenomena that have occurred or be based on the conformity between facts and information in financial reporting.

c. Comparability. The quality of information in financial reporting enables the identification of similarities and differences to serve as a basis for decision-making.

d. Understandability. Financial reporting is made clear and concise for easy learning and understanding of financial management activities and reports.

e. Materiality. Financial reporting must include all material information, both in nature and amount, to avoid misrepresentation and make financial reports less useful in decision-making.

f. Benefits and costs. The benefits of financial reporting information must justify the availability of costs and their use in financial management.

The auditing process helps ensure that there are no errors, waste, misuse, or misstatements in financial management and reporting. Auditing in the public sector also helps ensure that entities carry out financial management by established rules and procedures for public financial management. Some types of auditing include:
a. A financial audit is an evaluation oriented towards the accuracy and reliability of financial data. Financial audits focus on whether the financial statements prepared by the government reflect the financial condition.
b. A compliance audit focuses on whether the government complies with specific rules and procedures regarding financial management.
c. A management audit is an evaluation oriented towards the activities and performance of an organization to achieve its goals.

Village financial management needs to be goal-oriented and demonstrate what happens when excellent performance is achieved. The interests of the community should be the focus of village performance, meaning it should be directed towards efficiency and effectiveness. Effective financial management is also needed to achieve it. According to Mardiasmo (2004), financial management is an administrative activity that includes budget planning processes, as well as the storage, use, recording, and supervision of funds entering and leaving the organization. Then the basis of financial management consists of 3 (three) main principles specifically.

a. The principle of transparency or openness means fulfilling the living needs of many people, or that all people can have rights and access to finance to be able to understand the process of financial management because it concerns people's aspirations and people's desires.
b. The principle of accountability is a form of responsibility to the public, meaning that apart from knowing the budget, the public also needs to know how accountable for budget implementation not only has the right to know the budget but also has the right to demand accountability for the plan or implementation of the budget in the implementation of activities and can accountable.
c. The principle of value for money, meaning that it must be based on the main principles in budgeting, namely economics, meaning choosing and using resources in a certain quantity and quality at a cheaper price. Efficient means that the budget used can have an impact or provide good results for society. Effective means that the budget used must be by the targets and objectives for the benefit of society.

Use of the Village Financial System (Siskeudes) in Bandarjo Village

The Village Financial System (Siskeudes) has a one-time input procedure according to the transactions that occur. This can generate reports and administrative documents that comply with legal requirements. In the implementation process, the village must decide on the Modified Budget Plan (RAB) before entering data into the Siskeudes program to match the information provided in the system. The plan to be used in the upcoming year is the plan that will be entered into the RAB (Budget Plan).

As stated by Mr. Heri Kiswanto, the Village Secretary, "...if there is Siskeudes, there must be a prior plan, the RAB must be planned before entering Siskeudes."

This opinion is also reinforced by Mr. Utoyo, the Government Section Head, who stated, "...In Siskeudes, it is regulated, and there are already provisions for each. When we make the RAB and then input it into Siskeudes, if it doesn’t match what's in Siskeudes, it cannot be entered. We have to make it accordingly."
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before being implemented. The system cannot input data if the RAB does not match what is stored in it. Of course, this can also benefit workers in their workplaces, where they are expected to follow established guidelines to produce better work. In addition to the RAB, there are several documents input into the village financial system (Siskeudes), namely administration documents, receipts, Payment Request Letters (SPP), Tax Deposit Letters (SSP), budgeting reports (Village Regulation on Village Budget (APBDesa), APBDesa by funding source), and administration reports (General Cash Book, Bank Book, Tax Book, Auxiliary Book, and Register). The reports to be input into the system will be prepared by the assigned employees and divided into their respective fields. After village employees draft appropriate reports and obtain approval, they will be given to the operator for input into the system. This statement can also be strengthened by the observation results obtained at the research site.

The procedure for using the village financial system application (Siskeudes) in Bandarjo is as follows:

a. Log in to the system using the user ID and password owned by Bandarjo Village.

b. After successfully entering the system, then to enter data, select Entry Data, then select the menu listed. In data entry, there are 4 menus consisting of planning, budgeting, administration, and bookkeeping. The following is a display of the village financial system program (Siskeudes):

c. Planning Menu. Siskeudes Planning is used to enter village planning data starting from the Village Strategic Plan, RPJMDesa, and RKPDesa. Siskeudes planning is accessed from the Data Entry – Planning – Village Strategic Plan/ RPJMDesa menu as shown below:
1) The Village Strategic Plan menu is used to include the Village Government’s Vision, Mission, Goals, and Targets which have been outlined in the RPJMDesa document.

2) The Village RPJM menu is used to enter Village Government RPJM and RKP data. Included in the data entered is the indicative ceiling for each activity in each RKPDesa year.

d. Budgeting Menu. Budgeting is used to carry out the data entry process in the context of preparing the Village Revenue and Expenditure Budget (APBDesa). Data input should start sequentially according to the menu available in the application. In the budgeting menu, there are 2 options, namely Entering Budget Data and Posting Village APBD as shown below:

1) Budget data entry consists of a general village data menu, activities menu, income menu, expenditure menu, financing menu, and financing menu 2.

2) Post Village APBD. If the budget data input process has been completed and the APBDesa has been evaluated, APBDes posting can be done. It post was carried out by the Regency/City admin or sub-district admin.

e. The Bookkeeping Menu. The bookkeeping menu is used to process data entry for the implementation of the Village Revenue and Expenditure Budget (APBDesa). Data entry should commence sequentially according to the transaction dates. Additionally, bookkeeping is used to record village revenue transactions, village expenditure transactions, both advances and definitive, cash mutation transactions, and tax deposit transactions. Meanwhile, the data export and import menu is used to transfer data from one computer to another. The bookkeeping menu can be performed as follows: Data Entry - Bookkeeping as shown below:
Impact of the Use of Village Financial System (SISKEUDES) in Bandarjo Village

The users of the village financial system (SISKEUDES) can utilize several different applications. The performance of employees changes with the implementation of the village financial system (SISKEUDES) in Bandarjo Village. Certainly, the implementation of the village financial system (SISKEUDES) will affect performance besides its many benefits. Employees are directly affected by the regional financial system (SISKEUDES). Bandarjo Village Operator, Mrs. Afif Ahmad, stated the following: "Actually, with the presence of SISKEUDES, it can help and facilitate us in our work, so we can focus on working. For example, if we input one, the report appears immediately like the bank book has appeared, the tax book has appeared. So, we just input, for example in bookkeeping, there is for salary expenses, there the tax is already deducted, how much, all the reports have appeared. With SISKEUDES, it helps us here, our performance is also getting better, besides that, the reports are also more accurate. The purpose of this application is also to overcome cheating, if there are fraudulent activities, it will not be possible. The village funds provided are clearly stated for what purposes, how much is left, so it's difficult to cheat*."

Similar sentiments were expressed by Mrs. Fitria Noor Hidayah, who serves as the Financial Assistant and also the village Treasurer, stating: "If it can be said, the impact is very good indeed. With the presence of SISKEUDES, it can help us in our work. We can learn to work better, more accurately as well. So it's made easy with the system".

From the opinions of these informants, it can be concluded that the impact of the use of SISKEUDES in Bandarjo Village is:
a. Motivating employees to work well and correctly.
b. More organized operational activities administratively.
c. Reducing the occurrence of both intentional and unintentional fraud.
d. Improving the performance of employees.
e. Being able to use village funds provided according to the needs of the village.
f. Creating accountable financial reports.

The statements above are also supported by observations and document analysis conducted in Bandarjo Village. The performance of employees is also affected by the implementation of the village financial system (SISKEUDES) in Bandarjo Village. This is also supported by the statement of Mr. Sayoko, S.Pd., the Head of Bandarjo Village, who said: "Yes, it is clear because it also serves as control. In SISKEUDES, it has been guided with mapping that can be entered, it is related to any activity that must be adjusted, it cannot be omitted because it will be rejected by the system. So with SISKEUDES, it has a significant impact on the performance of our employees. It can be said that the performance of our employees is increasing, the results are getting better."

The introduction of information systems within organizational structures is anticipated to streamline and hasten task completion for each individual. Consequently, it is expected to enhance individual performance within the organization. Thus, it can be inferred that the adoption of the village financial system (SISKEUDES) in Bandarjo Village has the potential to elevate the performance of village employees. The effectiveness of the system relies on its implementation, user-friendly interface, and the trust and confidence users have in the system’s ability to fulfill their task requirements and align with their needs. This trust is not
solely determined by the system’s inherent characteristics but also by users’ perceptions of its capability to meet their specific task demands.

Conclusion

From the results of research that has been carried out, it is clear that the implementation of the Village Financial System in Bandarjo Village has gone well even though there are several obstacles faced. Based on the results of the discussion that has been obtained previously, the following conclusions can be drawn:

a. The procedures for using the Village Financial System in Bandarjo Village are carried out by Village Financial Management procedures, namely Planning, Implementation, Administration, and Reporting.

b. The readiness of the Village Government to implement the Village Financial System Application can be said to be ready because, in terms of human resources, it has been fulfilled.

c. The benefits of the Village Financial System Application make the Village Government work more effectively and efficiently in producing Financial Reports.

d. The obstacle to implementing the Village Financial System Application is that errors often occur during the input process.

e. There are still several reports that have not been input into the system and manual reporting is still used.

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