

Management of Village Fund Allocation to Improve The Welfare of The People of Torongrejo Village

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INDEXING	ABSTRACT
Keywords: Keyword 1; Management Keyword 2; Village Fund Allocation Keyword 3; Improve Keyword 4; Welfare Keyword 5; Torongrejo Village	This study aims to analyze the management of village fund allocation (ADD) to improve the community's welfare in Torongrejo Village. Using a qualitative method approach, this research deeply explores village fund utilization's planning, implementation, and evaluation process. The study identifies village government strategies to optimize village fund allocation for economic empowerment, infrastructure development, and improving community living standards. Data was collected through in-depth interviews, field observations, and document studies. The research results show that village fund allocation management in Torongrejo Village has significantly contributed to improving community welfare, although some challenges remain in its implementation. The success of managing village fund allocation in Torongrejo is reflected in implementing the principles of good governance. Transparency is shown through information disclosure and community involvement in every program planning and implementation stage. Accountability is built through a strict and systematic accountability mechanism, and supervision involving various elements of society. The village government needs to continue to improve transparency and accountability in managing village funds so that the community can monitor and assess the performance of the village government. Moreover, managing village fund allocation in Torongrejo Village can be more effective in improving community welfare.

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INTRODUCTION

Following the rules of Law Article 23 of 2014 concerning local government, the region has the authority to make policies about villages, especially in service providers, improvement of initiatives, and empowerment of village communities which are aimed at the welfare of the community (Rahmadi *et al*, 2024). As expressed by Sulistyowati *et al* (2024) village government is a government institution that has authority over norms, values, and structures. Disciplined and regularly scheduled management of village finances is based on the core concepts of transparency, responsibility, and engagement. (Indrihastuti *et al*, 2023).

The allocation of Village Funds (ADD) is always carried out in a responsible, transparent, directed, coordinated manner, and involves all parties. Therefore, achieving better governance is the goal (Sulistyowati *et al*, 2024). The effective

implementation of Village Fund Allocation (ADD) will certainly increase village autonomy because both decentralization and village autonomy aim to bring the state closer to the community rather than just distributing authority to various levels of government (Herianti and Litdia, 2022). According to Law Number 6 of 2014 concerning Villages in article 78 paragraph 1 which reads; Village development aims to improve the welfare of village communities and the quality of human life as well as poverty alleviation through the fulfillment of basic needs, village facilities and infrastructure, the development of local economic potential and the sustainable use of natural resources and the environment (Permatasari *et al*, 2021).

Torongrejo Village is one of the villages located in Malang Regency, East Java Province. This village has considerable economic potential, but there are still many people living below the poverty line. Therefore, it is necessary to conduct research on the management of village fund allocation to improve the welfare of the people of Torongrejo Village.

LITERATURE REVIEW

Village Fund Allocation

The management of village fund allocation is a strategic effort by the village government to improve community welfare through a comprehensive and systematic approach. The village fund management process is built on three main pillars: clear goals for community empowerment, transparent and accountable policies, and programs that have a direct impact on improving the quality of life of residents (Lestari *et al*, 2023). The Village Fund Allocation is not just fulfilling administrative regulations, but is an instrument of sustainable socio-economic transformation, taking into account local potential, community aspirations, and real needs for regional development, as well as described by Kozera *et al* (2021), and also Marhaeni *et al* (2024).

The effectiveness of the program is measured by the direct impact on improving welfare, such as community economic empowerment, infrastructure development, improving the quality of public services, and strengthening village institutional capacity. In addition, it is necessary to increase community participation in the decision-making process for village fund management, so that the programs implemented meet the needs and aspirations of the community. The village government also needs to increase the capacity of village apparatus in managing village funds, so that they can implement programs effectively and efficiently (Hermawan, 2019).

RESEARCH METHOD

This research was carried out using qualitative research So related to qualitative research Qualitative research is a research method used to research on natural conditions, (as opposed to experiments) where the researcher is a key instrument, data collection techniques are carried out in a triangulation (combined) manner, data analysis is inductive, and qualitative research results emphasize meaning rather than generalization (Sunarto *et al*, 2021).

The researcher conducted the research at the office of Torongrejo Village, Junrejo District, Batu City. The focus of this research was carried out to limit qualitative studies as well as limit research to choose which data is relevant and which is irrelevant. The limitations in this qualitative research are more based on the level of importance/urgency of the problems faced in this study, as well as described by Loraine *et al* (2020).

The data sources in this study include secondary data and prime data. Techniques and data collection can be carried out in several ways including using interviews, observations, and documentation. The informants in this study are the village Head, Head of Torongrejo Village Fund Management, and the Community. In this study, the data analysis technique used is a qualitative descriptive analysis technique. There are three qualitative data analysis paths used, namely, Data Reduction (Reduction), Data Presentation (Display), and conclusion drawing (conclusion drawing/verification), as well as examined by Andewi and Waziana (2019), Murtiyasa *et al* (2020), and also Monaro *et al* (2022).

RESULT AND DISCUSSION

RESULT

1. Torongrejo Village Fund Allocation Management Program

The results of the interview from the Village Head Sugeng Santoso said that, *"Well, in Torongrejo Village, there is an economic empowerment program that is carried out using Village Funds. This program aims to improve community welfare by focusing on two aspects, namely MSME support and food security support. MSME support provides assistance to Village-Owned Enterprises to develop their businesses, while Food Security support assists in the form of cattle for livestock businesses (animals) and corn seeds for agriculture (Vegetables). This is done because the majority of the people of Torongrejo are farmers"*

Based on the results of an interview with the Head of Torongrejo Village, Mr. Sugeng Santoso, it can be concluded that Torongrejo Village implements an economic empowerment program through village funds, which includes support for MSMEs and food security. This program aims to improve the welfare of the community, especially farmers, by assisting in the form of cattle for livestock businesses and corn seeds for agriculture, as well as explained by Handayani and Badrudin (2019).

2. Accountability for the Management of Torongrejo Village Fund Allocation

The results of the interview with the Village Secretary, Mr. Doni Fermansah S.pd said, *"Yes, to improve the mechanism for monitoring and accountability for the use of Village Funds, we have taken several steps: Making Banners and Information Boards: We have installed banners and information boards in strategic locations in the village, as well as disseminating information through social media. Community Information Group: We have formed a community information group that is tasked with collecting and disseminating information related to the use of Village Funds, Public Information Board: We have created an information board that is easily accessible and understood by the community, which contains information about the realization of the budget and activities carried out in one year, Village Regulations: We have established Village Regulations on the realization of the budget and activities carried out in the expenditure of the Fund. Village for one year. Like that, Madam."*

Based on the results of the interview with the village secretary, Mr. Doni Fermansah S.pd., it can be concluded that Torongrejo Village implements an economic empowerment program using Village Funds to improve the welfare of the community, especially farmers, through support for MSMEs and food security. This program includes the provision of cattle for animal businesses and corn seeds for agriculture. In addition, to ensure supervision and accountability for the use of Village Funds, the village has implemented a transparency mechanism through the creation of banners,

information boards, and the use of social media, and has established village regulations regarding the realization of budgets and activities for one year, as well as explained by Putri *et al* (2021).

3. Torongrejo Village Fund Allocation Management Budget

Based on the results of an interview with Mr. Murdianto the head of finance in Torongrejo Village, it was stated that.

"Based on the proposal submitted, the rules stipulate that a maximum of 30% of the funds can be allocated for operational activities. Meanwhile, for the distribution of infrastructure funds, the allocation will be adjusted to the needs and conditions of each hamlet. Because Torongrejo Village only has three hamlets, namely Klerek, Ngukir, and Krajan, the allocation of funds will be divided based on percentage. For example, Klerek Hamlet will receive 40% of the fund allocation, Ngukir Hamlet 20% (because it only has one RW), and Krajan Hamlet 40%."

Based on the results of an interview with Mr. Murdianto the head of finance in Torongrejo Village, the researcher can conclude that in the management of funds or budgets, there is a limit to the rules that stipulate that a maximum of 30% of the allocation can be used for operational activities. However, for the distribution of infrastructure funds, the allocation will be determined based on the needs and conditions of each hamlet. Based on Mr. Murdianto's presentation, the allocation of Village Funds for the health and education sectors must follow the focus that has been set, with a special emphasis on stunting prevention in health, which receives a significant portion of the budget. In addition, the existence of posyandu is also a priority in the use of these funds. This fund allocation procedure cannot be determined arbitrarily because it has been regulated by applicable policies. This shows the importance of understanding and compliance with regulations in the management of village funds to achieve the goals that have been set.

4. Management of Village Fund Allocation in the Sustainability of Programs Have Been Implemented in Torongrejo Village

The results of the interview with the Village Secretary, Mr. Doni Fermansah S.Pd said that,

"In carrying out development activities, we need to make careful predictions and planning regarding the durability period and the usefulness of the infrastructure to be built. This planning process takes a long time because it must consider various aspects and follow procedures and programs that have been established systematically. This is done so that the development can provide optimal benefits in various periods. Short-term (1-2 years) Direct utilization by the community, Medium term (3-5 years) Functional sustainability, Periodic maintenance, Optimization of use. Long-term (>5 years) Infrastructure resilience, Sustainability benefits, Function development. With careful planning and following existing procedures, each development will provide maximum benefit value for the community according to the planned period."

Based on the explanation from the Secretary of the Village above, the researcher can conclude that the Torongrejo Village government strategy in planning the Village Fund Allocation, namely the success of a development is not only measured by the physical completion of the building but also by the sustainability of its benefits to the community in various periods through careful planning and implementation by procedures.

5. Society

The results of an interview with one of the community leaders, Mrs. Muji, said that,

‘Regarding the question of whether I have ever been involved in the planning deliberations on Village Fund Allocation (ADD), whether I am a member of the House of Representatives or not, I will explain it in the context of the experience of the village community. Participation in ADD planning deliberations is a form of community involvement in the village development process. In practice, not all citizens have the same opportunity to be directly involved. Some residents may have attended the deliberations, while others may only be represented by community leaders or RT/RW administrators. Village Development Plan Deliberations (Musrenbangdes) are usually held to accommodate the aspirations of the community related to the use of Village Fund Allocation. The main obstacles in community participation often revolve around the lack of socialization, uncondusive deliberation schedules, and limited understanding of development planning mechanisms. Not infrequently, most people feel neglected or do not have adequate access to convey their proposals and needs. This can reduce the sense of belonging and active participation in the village development process.’

Based on the results of the interview with Mrs. Muji the researcher, the researcher can conclude that the Village Government's strategy in developing accessibility, namely by improving the road infrastructure to Torongrejo Village, is very important to do because it is to support comfortable accessibility for the community and tourists. The roads in Torongrejo Village can be said to be good enough for small and large vehicles to pass through to improve infrastructure in Torongrejo Village. The Village Government carries out irrigation construction or cooperation along Torongrejo Village.

6. External and internal factors in the management of Village Fund Allocation to Improve Community Welfare in Torongrejo Village

1. Internal factors in the management of Village Fund Allocation to improve community welfare

The management of Village Funds in Torongrejo Village has its own dynamics that are influenced by various factors, both supporting and hindering its implementation. As a policy instrument aimed at improving the welfare of village communities, the effectiveness of the management of the Village Fund is highly dependent on the internal conditions of the village government.

2. Internal external factors in the management of Village Fund Allocation to improve the welfare of the community in Torongrejo Village

External factors surrounding it. The identification of these factors is important to optimize the management of the Village Fund and overcome various obstacles that arise in its implementation in the field. An in-depth analysis of the inhibiting and supporting factors will provide a comprehensive overview of the actual situation of Village Fund management in Torongrejo Village and become the basis for formulating the right solution.

DISCUSSION

Discussion is a process of describing a problem or problem and showing how the problem can be solved or answered systematically. In this study, Torongrejo Village is a Village that has good agricultural, and tourism potential, strategic geographical conditions and adequate transportation access. According to Podungge

(2023), the management of Village Fund Allocation contains several important elements as follows:

1. Purpose
2. Policy
3. Program

The purpose of managing the allocation of village funds in Torongrejo Village is a planned and systematic effort to improve the standard of living and welfare of the village community through the effective and efficient use of financial resources. This management is directed to meet the basic needs of villagers, strengthen infrastructure, develop local economic potential, and improve the quality of public services. Through careful planning and transparent implementation, the allocation of village funds is expected to encourage active community participation in development, create new jobs, increase residents' incomes, and improve access to education and health facilities. With good and targeted management, village funds are an important instrument in realizing equitable development and poverty alleviation in Torongrejo Village, so that an independent, productive, and prosperous community can be created. The main goal to ensure the achievement of these goals, the management of village fund allocation must be carried out responsibly, by prioritizing the principles of transparency, accountability, and community participation. This includes planning that involves all elements of the community, implementation by the priority needs of the village, strict supervision, and periodic evaluations to ensure the effectiveness of the use of funds in improving the welfare of the people of Torongrejo Village sustainably.

The policy of managing the allocation of village funds in Torongrejo Village is a series of guidelines, rules, and provisions that are set as the basis for managing and utilizing village funds for the welfare of the community. This policy is prepared by taking into account the applicable laws and regulations, the socio-economic conditions of the community, as well as the potential and needs of the village. In its implementation, this policy regulates various aspects ranging from the mechanism of planning, implementation, and supervision, to accountability for the use of village funds, by emphasizing the principles of transparency, accountability, and community participation.

The village fund allocation management program in Torongrejo Village is a series of structured and planned activities designed to optimize the use of village funds to improve community welfare. This program covers various aspects of development, ranging from the preparation of work plans, determination of priority scales, and implementation of activities, to monitoring and evaluation of results. In its implementation, this program consists of several important components such as village infrastructure development, community economic development, capacity building of village apparatus, empowerment of community groups, and improvement of basic health and education services.

This approach is not only fulfilling regulations, but also realizing the principles of good, transparent, and accountable village governance, which ultimately aims to improve the welfare of the community as a whole and sustainably and relies heavily on 3 points, namely:

1. Transparency

Transparency in the management of village fund allocation in Torongrejo Village is a fundamental principle that is in line with James Brian Quinn's strategic management theory, which emphasizes the importance of openness in every stage of organizational resource management. In this context, transparency is interpreted as a systematic effort to provide open and accountable access to information to all

communities related to the planning, implementation, and accountability of the use of village fund allocations.

2. Accountability

Accountability in the management of village fund allocation in Torongrejo Village is a concrete manifestation of the village government's responsibility to manage financial resources by the principles of good governance. Referring to Bakhtiar (2021), accountability is interpreted as the ability of village officials to account for each stage of village fund management in a transparent, measurable, and accountable manner to the community and stakeholders.

3. Effectiveness

The effectiveness of the management of village fund allocation in Torongrejo Village is a measure of the success of the village government in achieving development goals and improving community welfare through the use of available financial resources. According to Kawiana (2023), effectiveness is defined as the ability of an organization to achieve predetermined goals by optimizing existing resources. In the context of Torongrejo Village, this is reflected in the village government's ability to translate village fund allocations into targeted development programs, have a direct impact on improving the quality of life of the community, and create sustainable socio-economic transformation. The implementation of the effectiveness of village fund allocation management in Torongrejo is built through a series of strategies that are in line with Quinn's theory. First, a participatory planning process through village deliberations to identify the real needs of the community. Second, the determination of program priorities that focus on economic empowerment, infrastructure development, improvement of public services, and strengthening community capacity. Third, a continuous monitoring and evaluation mechanism to measure program achievements, identify obstacles, and make strategic adjustments. Fourth, an integrative approach that synergizes various development programs to create a multiplier effect in improving community welfare.

CONCLUSION

The success of the management of village fund allocation in Torongrejo is reflected in the implementation of the principles of good governance. Transparency is shown through information disclosure and community involvement in every stage of program planning and implementation. Accountability is built through a strict and systematic accountability mechanism, as well as supervision involving various elements of society. Based on these conclusions, some suggestions that can support the success of village fund allocation management in Torongrejo Village are as follows:

1. The village government needs to continue to improve transparency and accountability in the management of village funds, so that the community can monitor and assess the performance of the village government.
2. The management of village fund allocation in Torongrejo Village can be more effective in improving community welfare.

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