



Juridical Analyst of Village Fund Management in Community Empowerment Based on The Regulation of The Regent of Labuhan Batu Selatan Number 9 Of 2022 From the Perspective of Fiqh Siyasah

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Abstract - This research examines the legal management of village funds for community empowerment in Labuhan Batu Selatan, as regulated by Regent Regulation Number 9 of 2022, from a Fiqh Siyasah perspective. Village fund management aims to support the implementation of village governance and increase community empowerment. In a legal context, it is important to analyze how existing regulations govern distribution of village funds as well the extent to which these regulations are implemented effectively to achieve empowerment goals. Central and regional finances received by the district, namely in their distribution in every village, are distributed with a fair distribution of at least 10%. In this research, a qualitative method with a descriptive approach was used. The results of this study show that normatively and administratively the management of village funds is running well but is not optimal related to substance of empowerment in the Community. However, based on core aspects management, it does not fully reflect the true meaning of community empowerment, apart from that, several stakeholder functions have not been implemented optimally. Village fund management is only dominated by Village leaders as organizers paternalistic attitude of village communities causes them to be less responsive and uncaring completely entrust Administration of the village budget by the village head

Keywords: Village finance, empowerment, village

I. INTRODUCTION

The central government provides the village with funds (Fauzi, 2017). According to Article (1) of the Minister of Finance of the Republic of Indonesia number 241 of 2014, which addresses the allocation of authority for transfers to regions and village funds, village funds are defined as monies that are transferred from the State Budget from the financing of district regional expenditure revenues, the distribution of village funds for the community in village empowerment is mutually agreed upon in village deliberations which includes an portion of the Village Funds Management including an increase level the planning in village communities, support for financial efforts carried out by the community, development of the ability of cadres in empowerment, management of legal support for the community for residents, implementation of programs to improve health, and improvement of skills of residents in Tanjung Medan Village. Based on these guidelines, the preparation of the Village Fund Budget (ADD) must follow the basic rules and principles in budget management and effectiveness Therefore, the village community will be more assured and their quality of life will enhance if the Allocation of Village Funds (ADD) is used correctly via the village head who

has been given responsibility by the government (Siregar, 2018). Effective village fund management is crucial for promoting sustainable development and community empowerment in local governance. Village funds are allocated to support various community projects and enhance local administration, playing a significant role in the overall financial management of a district.

According to the Village Law, regulations like this need to be carried out together with other village officials and village communities so that village financial management is more transparent and accountable. Thus, the village community will be more concerned and can feel the positive impact of the policy. Community empowerment is an effort to develop village potential by involving local communities in the village development process, the goal is to support village communities in managing the potential in their environment independently, so that improving their welfare is more guaranteed. There are several areas in community empowerment, one of which is 1) MSME training, BUMdes, and BLT etc., 2) Village infrastructure development programs (road construction, etc.), 3) Village Community Empowerment Programs in the field of Education (Setiowati & Mukhsinun, 2023).

1. Financial Management

is a process by which public resources and staff are arranged and coordinated to create, carry out, and oversee public policy decisions, according to Chandler and Plano in Keban (Lailia et al., 2021). Furthermore, financial management can be interpreted as a subconcept or financial governance which includes a series of activities including budget planning, determining sources of financing, utilization systems, financial bookkeeping, and accountability reports for financing (Karimah et al., 2014). All of these activities are carried out through collaboration to achieve specific goals. The main purpose of administrative management is to ensure accountability, efficiency, and/or effectiveness in procurement and administrative use.

Fund management has determined the main functions of management in general (Usman, 2016). One of the management functions that is simple and can be applied in financial administration is functional planning which was put forward by Terry in Siagian (Yusuf & Al Arif, 2015), namely the function of Planning, Organizing, Acuating, controlling or commonly referred to as P.O.A.C.

2. Village Fund Allocation

Based on Government Legislation Number 6 of 2014 concerning Villages, the administrative balance fund between the central and regional governments received by the district will be distributed equally for each hamlet, which is known as the distribution of village administration.

The distribution of the village budget is part of the village financial budget which includes regional tax revenues as well as part of the balance fund between central and regional finances received by the district with a minimum allocation of 10% (ten percent) (Azwardi & Sukanto, 2014). All activities covered by the distribution of the village budget are planned, implemented, and evaluated transparently by involving all village communities.

3. Community Empowerment

According to Sumaryadi, citizen development is in an effort to plan and strengthen citizen institutions so that they are able to achieve sovereignty, happiness, and development in the context of sustainable social justice (Mubarak, 2010).

The goal in community empowerment is to help villagers to be more optimal in managing the potential in the environment independently so that the improvement of the welfare of residents in the village is more guaranteed. There are several fields in community empowerment, one of which is 1) MSME Training, BUMdes Training, and BLT etc., 2) Village Infrastructure Development Program, 3) Village Community Empowerment Program in the field and many others (Prastiwi, 2022).

According to Ahli Widjaja, community capacity building is aimed at honing the skills of the potential possessed by residents, so that they can develop their identity, dignity, and

dignity optimally (Suprianto et al., 2023). This aims to ensure that society can continue to exist and improve itself in the economic, social, religious, and cultural sectors

II. METHOD

The assessment used by the author uses a descriptive method with a qualitative approach. This method is used to describe a juridical review of the transparency system in the use of village budgets for empowerment programs. The study process involves collecting data and compiling information obtained through interviews (TRI SEJATI, n.d.). In line with the definition of qualitative research, this study produces descriptive data in the form of written words or remarks from observable individuals

This research uses an empirical juridical approach. This approach aims to examine issues by referring to the legal foundations that apply in Indonesia, such as the information disclosure law, the public service law, and the information commission regulations. This method involves evaluating the application of the law in community practice through interviews and observations in Tanjung Medan Village.

The researcher decided to choose Tanjung Medan Village, South Labuhan Batu District, with the consideration that there are still many in the area who have not received programs such as MSMEs that should be used for community empowerment. These programs are important to strengthen the foundation of people's economic lives, especially through the provision of jobs, reducing inequality, and reducing poverty levels. In the village, there are still shortcomings in community empowerment in the economic sector, as well as damaged road infrastructure that hinders community activities. The lack of active participation of community members in the development process has turned into one of the problems in a hamlet.

III. RESULT AND DISCUSSION

1) Allocation of Village Funds in Community Empowerment Based on Regent Regulations

The distribution of village funds is an important part of village financial management as stated in the Village Revenue and Expenditure Budget (KURDI, 2024). It should be noted that the allocation of village funds is not considered as assistance, or a balance in the district/city and village governments. This is a way to fulfill the rights of villages in the implementation of village autonomy. The regent's regulation mainly determines the allocation of the village budget in various social development efforts, such as local economic development, infrastructure improvement, education, and health. This priority is set to ensure that funds are used effectively according to the needs of the village.

Based on the regulation of the Regent of Labuhan Batu Selatan number 9 of 2022, the Regent Regulation stipulates the schedule and mechanism for disbursing the village budget, explaining that the distribution of the budget for village financial management facilities is carried out in three stages, namely 1) as soon as possible in January of around 40%, 2) Phase II as early as March of 40%, 3) Phase III as early as July by 20%. This is the realization of the distribution of the Tanjung Medan Village fund allocation of Rp 1,041,258,737 billion, with a population of 360,797 people (Aziah, 2022). Due to the large amount of village funds, concerns arise about the allocation of these funds. These concerns include the possibility that funds are not used in accordance with the objectives of the village budget and program planning, and are inadequate for community empowerment so that they are not effective in improving the economy and welfare of village communities (Abidin, 2015).

To address these concerns, the government has established regulations that include a review, disbursement, implementation, and evaluation process. This regulation also includes a system and stage for allocating village funds to ensure that the process runs according to the provisions. The essence of this regulation is to ensure the suitability between the management of village funds regulated by the regulation and its implementation in the field. Responsibility for the distribution of the village budget which is carried out managerially through the Letter of Responsibility (SPJ) uses an administrative format that is in accordance

with the applicable laws (Muryadi, 2021). This SPJ is a form of village financial accountability to the agencies above it. However, the responsibility of village agencies to the community has not been fully seen.

The disclosure of village funds is currently only carried out through meetings by representatives of residents and institutions that participate in discussing the accountability of village funds. However, the community has not shown enthusiasm for the efforts that must be made by the village government.

2) Community Empowerment from the Village Fund Allocation Budget in Tanjung Medan Village

Community empowerment ideally includes three main components: environmental, economic, and human empowerment. However, in Tanjung Medan Village, the focus of empowerment is only limited to environmental and community aspects (Hajar et al., 2018). Environmental maintenance in Tanjung Medan Village is channeled to the development of infrastructure that supports community movements. However, several village roads began to be destroyed, disrupting local residents' travel access. This encourages the use of village fund distribution revenues for small-scale road construction. However, this step is contrary to the true essence of environmental empowerment, namely environmental care and preservation programs. Ideally, environmental empowerment costs are allocated for activities such as tree planting or reforestation as well as other environmental conservation efforts.

Human empowerment is allocated to support youth activities through youth organizations, which are used to purchase sports and art equipment. In addition, human empowerment also supports PKK programs, especially savings and loan activities related to family welfare in the village. The budget for human empowerment in Tanjung Medan village is still largely dependent on government assistance, while the contribution from the community itself has not been seen. Human empowerment in this village is still limited to the funds provided by the government. Therefore, it can be concluded that human empowerment in Tanjung Medan village is more supportive

3) The Role of Stakeholders in Fund Allocation in Community Empowerment in Tanjung Medan Village

There are several stakeholders involved in the management of village fund allocation, namely village heads, youth organizations, PKK mobilization teams, village communities, and Village Consultative Bodies (BPD) (Sapitri & Alexandro, 2021). These stakeholders are expected to be able to run the program in an orderly, effective, efficient manner, and ensure that the implementation of openness can be held accountable both technically and administratively. The role of village leaders As the person responsible for the management and distribution of the village budget, the village head has several main roles, namely: 1) Socialization of the implementation of the village fund program, 2) Formation of a group for the implementation of the village level, 3) Preparation of DRK in making a List of Activity Plans (DRK) for the distribution of village funds together with relevant institutions and community leaders in Tanjung Medan village, 4) Disbursement of funds that must be accompanied by the village treasurer when wanting to disburse the allocation of village funds (Subroto, 2009).

Villagers will immediately get direct results from this project, should participate in every step of managing the distribution of village funds. However, some residents have not understood the program because of uneven socialization. As a result, residents became apathetic and completely handed over the implementation of the village fund distribution arrangement to the implementation team. In fact, the community should have a major role in this program, in accordance with the purpose of community empowerment. Another stakeholder is the Village Consultative Body (BPD) (Putra & Hapsari, 2020). Even though it does not have a direct interest, BPD still plays a role in managing the allocation of village funds because it has the right to supervise and be responsible with the village government. Other roles of BPD include contributing to the planning stage, preparing the Activity Plan List (DRK)

for village fund allocation, and participating with the community in mutual cooperation for the implementation of village infrastructure development (Putra & Hapsari, 2020).

4) Evaluation of Village Fund Allocation in Community Empowerment in Tanjung Medan Village

Evaluation is very important to ensure that village funds are used efficiently and provide maximum benefits for community empowerment. Such as assessing the performance of stakeholders in carrying out their duties in empowering the surrounding community, assessing the extent to which village funds have been used in accordance with the set plans and goals (Setiadi & Pradana, 2022). This includes checking whether the project or activity being financed has achieved the expected results. And feedback from the community also greatly affects these activities such as collecting feedback from village communities regarding the impact and benefits of the use of village funds. This can be done through surveys, interviews, or discussion forums, so that the plans and goals that have been set will be easy to do because they work together, but it is rare for the role of the community to be included in projects or activities in empowerment like this, for example in Tanjung Medan village according to the author's observation.

Based on the first stage of the survey conducted by the author, the information of residents in Tanjung Medan Village shows that the arrangement of village funds during the previous term of office of the village head still faced various problems. These problems include plan preparation, implementation, administrative management, documentation, accountability for village budget utilization, For example, in the program to strengthen citizens in the economic sector, such as direct cash subsidies for low-income residents and for the educational needs of school children, as well as assistance for support for micro and small businesses, there are still challenges. Small home-based businesses often require additional subsidies to stay afloat. In addition, article 10 letter d which regulates the allocation of village funds of 10% for areas with a level of geographical difficulty has not been fully realized (Pinatik et al., 2021). Many infrastructure conditions, such as damaged and potholed roads, hinder community activities, especially after rain. The problem also has an impact on inadequate transportation, making it difficult for children to go to school.

5) Inhibiting factors and supporting factors for the management of village fund allocation.

a. Inhibiting Factors

The factor that hinders the implementation of village fund allocation is the paternalistic culture that still exists in the people of Tanjung Medan Village, where they tend to be indifferent and fully entrust the management of funds to the village head. As a result, various residents who do not know about the village fund allocation program and Community Supervision are very important to prevent problems from occurring. In addition, excessive involvement from the sub-district in the preparation of the letter of responsibility. The allocation of funds is considered to reduce village independence. Supposedly, the sub-district control team only provides technical guidance related to financial administration to the implementation team at the village level

b. Supporting Factors

Based on the results of research and observations, several factors that support the implementation of the village financial distribution program in Tanjung Medan are the existence of clear regulations that allow the implementation team to carry out their duties effectively. This regulation also makes it easier for the implementation team to divide the village fund allocation budget to various posts. In addition, the participation of the people of Tanjung Medan Village in the implementation of activities is very high, as evidenced by the strong culture of mutual cooperation, especially at the implementation stage. With community empowerment through mutual cooperation, the village government indirectly provides

guidance and support, helping the community carry out their role well, so that they are not trapped in a helpless and marginalized position.

IV. CONCLUSION

Village financial management in Tanjung Medan, including the use of village fund allocations, involves various aspects in empowering village communities. This management includes such as Planning, Implementation, Supervision, accountability, evaluation, with an approach that involves the community in all stages, it is hoped that the distribution of village funds can efficiently improve the welfare and empowerment of the community in Tanjung Medan. The Minister also explained in Negri Number 113 of 2014 concerning village financial management which states that village financial management can consist of planning, budgeting, mechanisms, applications, and disbursements, use and responsibility. This is also explained in accordance with the regulation of the Regent of Labuhan Batu Selatan number 9 of 2022 concerning the management of village funds. Village governments need to increase community participation by providing opportunities for them to be actively involved. This can be achieved through a forum for dialogue between the village government and the community, or by collaborating with other community institutions to strengthen communication. This approach will encourage the community to be more active in conveying their aspirations. In addition, the village government should show openness in budget accountability to the community. One way to achieve this is to write and post information about the use of the budget on the village bulletin board, because the community has the right to know how the funds are used

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