

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District



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**ABSTRACT:** This study aims to determine how village funds are managed and how the Government's efforts are in improving the community's economy in Ranjok village, Gunung Sari sub-district, West Lombok district. This study used a qualitative research method with a case study approach. Data was obtained through observation, interviews, and documentation. Informants are optional by using a purposive sampling technique. Data analysis by reducing, displaying, and presenting coded data. The results of the study found that the management of DD in Ranjok village was prioritized in development, such as road repairs, football field construction, Talaud, repair of irrigation channels, and others. In addition to development, it is also in the form of establishing BUMDes which is engaged in selling Stationeries and photocopies, and finally, the distribution of Direct Cash Assistance (BLT) to the community. At the same time, the Government's efforts to improve the community's economy are by holding training or empowering the community with their potential to improve skills/expertise, such as holding carpentry training and catering training.

**KEYWORDS:** Management of village funds, development, Bumdes, Direct Cash Assistance (BLT), empowerment.

### I. INTRODUCTION

#### 1.1. Background

The existence of regional autonomy as the basis for implementation to give regions broad, accurate and responsible authority following Law 32 of 2004 concerning Regional Government. Local governments can increase their ability to develop according to their resources and improve the quality and efficiency of public services. The implementation of regional autonomy can have a positive impact if the Regional Government involves the community in regional development and creates the local community's identity, which also influences community services.

In addition to having a positive impact, autonomy harms its implementation, which creates opportunities for unscrupulous parties at the regional level to commit violations. It caused conflict between the Regional Government and the Central Government. As a result, a gap affects development activities (Fahrul, 2019).

Law Number 33 of 2004 concerning regional central financial balances was positively welcomed by all parties with all the hopes that through regional autonomy, it would be able to stimulate efforts to eliminate centralistic practices, which on the one hand, are considered unfavourable for the regions and residents. The regional autonomy principle uses the broadest autonomy in the sense that the regions are given the authority to manage and regulate all government affairs outside those that are their affairs. The Government stipulated in the Act (Azwardi, 2014)

The decentralization process that has taken place has provided awareness of the importance of regional self-reliance, which is based on empowering local potential. Even though the existing policies still focus on autonomy at the district/city level, this independence must start at the lowest level of Government, namely the Village. It is believed that the Village Government is better able to see the needs that the community must prioritize compared to the District Government, which has a broader and more complex scope of problems. For this reason, the rural development carried out must be on the problems faced, the potential possessed, the aspirations of the community and the rural development priorities that have been determined.

Development is a process of changing regional development; this concerns the development of society as a whole so; that from this village fund program, the Government hopes that the community will participate and socialize with each other working together towards better changes than before, and the community will be directly involved in development to be able to compete. Village funds are sourced from the APBN earmarked for villages and transferred through the District budget. These funds finance government administration, implementation, community development, and village community empowerment.

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

Village funds are allocated from the State Budget based on Article 72 Paragraph 1 Letter b Law No. 6 of 2014 concerning Villages.

Law Number 6 of 2014 concerns villages, namely the state's commitment to protecting and empowering villages to become firm, advanced, independent and democratic to create a strong foundation for governance and development towards a just, prosperous and prosperous society. As a long-term goal, the Village can provide jobs, provide sources of income for the community and generate the Village's original income in sufficient quantities (Chabib, 2015).

The village government must take action from a central government policy that has rolled out village funds as a stimulus for village development fairly and equitably in development. The role of the Government in developing villages is crucial, where the Government is the central implementing unit in development which will be assisted by several other institutions such as Village Consultative Body (BPD) and Community Empowerment Institution (LPM) as village communities. Minister of Home Affairs Regulation No. 113 of 2014 concerning Village Financial Management provides direction for improvement of Minister of Home Affairs Regulation No. 37 of 2007 concerning Guidelines for Village Financial Management. The management structure and the village financial management flow have been clarified, and the APBD classification has been updated (Chabib, 2015). Seeing what is mandated through this village fund, it is the development and empowerment program that is indeed the primary goal, and the role of the village government, in this case, is the key to how to allocate these funds properly, namely for the development and empowerment.

Community empowerment is helping authentic and integral human development of the weak, poor, marginal and small people and empowering these community groups socio-economically so that they can be more independent and meet their basic needs in life but can participate in community development (Chandra, 2014). One of the shortest patterns, or the most effective community empowerment, to increase community participation is to stimulate the community to identify wants and needs to work cooperatively and foster a sense of cooperation among villagers. Village funds are a tool to help implement village governance, village development, and community empowerment to improve the community's economy. With this village fund, it is hoped that it will help the community in terms of needs, develop facilities and infrastructure, and develop local economic potential based on village conditions and potential.

Ranjok Village is a division village from its central Village, Dopang Village. Ranjok Village has an area of 0.70 km<sup>2</sup> and is the smallest in terms of the administrative area of its population compared to other villages in the Gunungsari District area. Ranjok Village also has a total of 4 (four) hamlets consisting of Jagapati, Ranjok Baru, North Ranjok and Dasan Geres Hamlets.

The village administration in Ranjok Village was only 10 (ten) years old from its inception, with the leadership period so far of 2 (two) Village Heads. Village allocation funds that are disbursed by the central and regional governments every year have objectives regulated by Law and whose core purpose is to benefit the local village community through infrastructure development, community development, institutional strengthening and community empowerment (Khaeril, 2021).

The budget provided by the Government is, of course, allocated for activities or programs that touch the local village community. The activities carried out, or village programs must certainly involve every component of the local village community, for example, the construction of road rebate infrastructure, canals or drainage, construction of health posts, construction of sports infrastructure involving labour components such as carpenters, bricklayers and other workers so that village economic activities can run under the mandate of state law.

The empowerment carried out must also be able to increase community participation and sustainable development as it is known that most of the people in Ranjok Village have a livelihood as farm labourers, handyperson labourers, and trade labourers. How can the Ranjok Village government increase the skills or abilities of the community through coaching and training to create community capabilities that increase their economic level?

Management of village funds since being transferred from the centre in 2016 with leadership that has been running as many as 3 (three) people, of course, any problems that occur from the start of planning, management, administration and accountability reports on the use and programs used by village funds are still significantly less than optimal if researchers see that the phenomena that occur still have deficiencies in management that still occur in layers of society who lack trust.

### 1.2. Research Problem

Based on the background description above, the formulation of the problem in this study is as follows:

1. How is the management of village funds in Ranjok Village?
2. What are the efforts of the village government to improve the economy?

# Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

## 1.3. Objectives

The objectives of this study are:

1. To analyze how village funds are managed in Ranjok Village
2. To analyze the village government's efforts to improve the community's economy by managing village funds in Ranjok Village.

## II. LITERATUR REVIEW

### 2.1. Definition of Management

Management is a translation of the word "management", carried away by the swift addition of the word collection into Indonesian; the English term then in Indonesia became management. Management comes from the word manage, which means to regulate; the arrangement is carried out through a process based on the sequence of management functions. So management is a process of realizing the desired goals through its aspects, among others planning, organizing, actuating, dan controlling (Alma, 2016).

Terry in Hasibuan (2005) says that management is a typical process consisting of planning, organizing, directing, and controlling, which is carried out to determine and achieve predetermined goals by utilizing human resources and other resources.

Marry Parker Follet defines management as the art or process of completing something related to achieving goals. In solving this problem, there are three factors involved:

1. The use of organizational resources, both human resources and other production factors.
2. The process is gradual, from planning, organizing, directing and implementing to controlling and supervising.
3. There is art in the completion of work (Tisnawati, 2009).

According to Balderton, the term management is the same as management: mobilizing, organizing, and directing human efforts to use materials and facilities to achieve a goal effectively. Furthermore, Adisasmita stated that management is not just carrying out an activity but is a series of activities that include management functions, such as planning, implementing, and supervising, to achieve goals effectively and efficiently (Adisasmita, 2011).

Meanwhile, village fund management is part of financial management from various sources, both from the central Government and regional and independent funds. This management process includes planning, organizing, implementing, monitoring, and accountability (Handiyono & Lutfi, 2020).

### 2.2. Village Fund

In the language of the Village Fund, there are two words, namely Fund and Village. Funds are money provided for a purpose (Indonesian Dictionary: 2008). At the same time, the etymology of the Village comes from the word swadeshi (Sanskrit), which means an area, place or part that is independent and autonomous. A village can be defined as a legal community unit that has territorial boundaries that are authorized to regulate and manage the interests of the local community based on origin and local customs that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia (NKRI) (Syafrudin, 2010).

According to Law no. 23 of 2014, article 294, paragraph 3, Village Funds are allocated by the Central Government to fund governance, implementation of development, and community development, as well as empowering village communities following the provisions of the Law on villages. Village Funds are funds sourced from the APBN earmarked for Villages and transferred through the District/City APBD every year to finance the implementation of Village authority based on origin rights and Village-scale local authority (Sutoro, 2016).

According to the Minister of Village Regulation, the development of underdeveloped areas and transmigration No. 21 of 2015, Village Funds are funded originating from the State Revenue. Expenditure Budget earmarked for Villages are transferred through the district/city Regional Revenue and Expenditure Budget and are used to fund government administration, development implementation, community development, and community empowerment.

The amount of the Village Fund (DD) is 10 per cent (10%) of and outside the Regional Transfer funds (or on top), which are allocated in the State Revenue and Expenditure Budget (APBN) in stages. For example, if Regional Transfer spending in the 2017 APBN is Rp. 810 trillion, so the amount of Village Funds that the Central Government must provide in 2017 is Eighty-one trillion rupiahs, resulting from a calculation of 10 per cent multiplied by Regional Transfer spending.

Village Funds are different from Village Fund Allocations. Village Funds (DD) are the obligation of the Central Government to allocate budget transfers to Villages in the APBN as a form of State recognition and appreciation for Villages. Priority for using Village Funds is regulated through the Regulation of the Minister of Villages, Development of Disadvantaged

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

Regions, and Transmigration of the Republic of Indonesia. Meanwhile, Village Fund Allocation (ADD) is the obligation of Regency/City Governments to allocate budgets for Villages taken from Revenue Sharing Funds (DBH) and General Allocation Funds (DAU), which are part of the Balancing Fund.

### 2.3. Village Fund Mechanism

The relationship between the central and local governments can be described as follows: The central Government regulates, determines, and distributes Village Funds through the RKUD. In this case, the Regency/City area does not distribute Village Funds to Villages. The central Government also has the authority to impose sanctions withholding the following year's Balance Fund (Sutoro, 2016).

The Government sets the Village Fund ceiling in the type of Transfer Expenditure to Regions and Villages, in the State Expenditure group in the Law on the State Budget or the Law on Amendment to the State Budget every year. The Government calculates and determines the village fund ceiling for each district/city throughout Indonesia. The results of the calculation and distribution are made an integral annexe to the Presidential Regulation concerning the Explanation of the APBN.

Transfer funds must be managed following Article 93 of Government Regulation Number 43 of 2014 concerning Regulations for Implementing Law Number 6 of 2014 concerning Villages, which includes: planning, implementation, administration, reporting, and accountability. To implement the provisions of this article, in Chapter V of the Regulation of the Minister of Home Affairs Number 113 of 2014 concerning Village Financial Management, it is explained that:

1. Planning for village financial management in the form of APBDesa based on the RPJMDesa and RKDesa in the year concerned is prepared by the Village Secretary and submitted to the Village Head, who is then discussed together with the Village Consultative Body to agree jointly in a deliberation involving the community no later than October of the current year.
2. The implementation of village financial management, village receipts and expenditures in the framework of implementing village authority is carried out through village accounts which must be supported by complete and valid evidence as well as activities with a Budget Plan document that requires submitting a Request for Payment.
3. The administration is carried out by the village treasurer, with the obligation to record every income and expenditure, close the books at the end of each month in an orderly manner, and submit an accountability report to the Village Head.
4. Reports on the implementation of APBDesa are submitted by the Village Head to the Regent as a first-semester report by the end of July of the current year and a year-end semester report by the end of January of the following year.
5. Accountability for the realization of the APBDesa implementation consists of income, spending, and financing by attaching the format of the Accountability Report on Realization of the APBDesa Implementation, the Village-Owned Wealth Report format, and the format of Government and Regional Government Reports that enter the Village which must be informed to the public in writing and with information media (Ridwan, 2018).

The Government then disburses the Village Fund in stages after the Minister receives the following documents:

1. Perda on Regency/City APBD
2. Regent/Mayor Regulation concerning the procedure for distributing and determining the details of the Village Fund for each Village
3. Report on the realization of distribution and consolidation of Village Funds in the previous stages.

Following the order of Law No. 6/2014 concerning Villages, Village Funds are channelled (transferred) to regional accounts and not directly to village treasury accounts. The Government channels Village Funds to districts/cities by transferring from the State General Cash Account (RKUN) to the Regional General Cash Account (RKUD). Furthermore, the Village Fund is channelled by the Regency/City to the Village through book transfer from the RKUD to the Village treasury account by 7 (seven) working days after receiving it in the Regional treasury.

### 2.4. Village Fund Development Priority

According to the Village Minister Regulation, the development of underdeveloped areas and transmigration No. 21 of 2015 setting priorities for the use of village funds aims to:

1. Determine programs and activities for the implementation of the authority of origin rights and village-scale local authorities funded by village funds;
2. As a reference for Regency/City Governments in preparing technical guidelines for the Use of Village Funds; And
3. Reference for the Government in monitoring and evaluating the implementation of Village Funds.

Priority use of Village Funds is based on the following principles:

1. Justice, by prioritizing the rights or interests of all villagers without discriminating; (Inclusive)
2. Priority needs, by prioritizing Village interests that are more urgent, more needed and directly related to the interests of the majority of the Village community; And

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

3. Village typology, taking into account the circumstances and reality of the typical geographical, sociological, anthropological, economic, and ecological characteristics of the Village, as well as changes or developments in village progress.

### 2.5. Village Autonomy

According to Widjaja (2001), states that village autonomy is original, round, and whole autonomy and is not a gift from the Government; as a legal community unit that has an original structure based on special rights, the Village can perform legal acts both public Law and Civil Law, have wealth, property and can be claimed and claimed in court.

For the Village, the autonomy that is owned differs from that owned by the province, regency and city areas. The autonomy possessed by the Village is based on its origins and customs, not based on the transfer of authority from the Government. The Village is a legal community unit with the authority to regulate and manage the local community's interests based on local origins and customs recognized in the national government system and the district area. Government affairs are based on the origin of the Village, the affairs that fall under the authority of the district government are handed over to the Village. Concerning genuine autonomy (Fakrullah, 2004) says:

1. In interpreting genuine autonomy, there are thoughts, namely: the first school of thought interprets the word native autonomy as customary or close to socio-cultural
2. The school of thought that interprets it as genuine autonomy is given. Therefore, the idea of village autonomy as community autonomy is more appropriate to be called a village community.

According to Juliantara, village autonomy is not sovereignty but recognition of the right to manage household affairs based on community initiatives. Autonomy by itself can close the door for institutional interference above it. Otherwise, an intervention process that is all forced, sudden, and does not see the reality of the community is not justified (Dadang, 2003).

Village autonomy is the right, authority and obligation to regulate and manage government affairs and the interests of the community based on the rights of origin and socio-cultural values that exist in the community to grow and develop following the development of the Village. Government affairs are based on village origins, matters that fall under the authority of the district or city government are handed over to the Village, but in implementing rights, authorities and freedoms in implementing village autonomy, it must continue to uphold the values of responsibility for the Unitary State of the Republic of Indonesia by emphasizing that the Village is an inseparable part of the nation and state of Indonesia.

The autonomy of the Village is different from that of the province, regency and city areas. The autonomy possessed by the Village is based on its origins and customs, not based on the transfer of authority from the Government. Acknowledgement of autonomy in the Village, as follows:

1. Village autonomy is clarified, acknowledged, fulfilled, trusted, and protected by the Government so that the dependence of village communities on the generosity of the Government can be reduced.
2. The position and role of the village government are restored, returned to normal or developed so that it can anticipate the future.

The village law regulates village governance, both the apparatus, the community and economic development that may be developed in the Village and the strengthening of the village information system. The village government has high authority in village development. In addition, establishing a checks and balances mechanism for authority in the Village by activating the BPD to encourage better service accountability to villagers. If Law Number 6 of 2014 concerning Villages is implemented in earnest, there will be empowerment from the village administration unit to move the wheel of development. This village autonomy must be accompanied by an awareness of the spirit of autonomy for all village residents and the capacity of the apparatus and the community to understand governance.

The position of the Village is reflected in articles 2 and 5 of Law Number 6 of 2014 concerning Villages, namely as follows:

1. Implementation of village administration, village development, village community development, and village community empowerment based on Pancasila, the 1945 Constitution of the Republic of Indonesia, the Unitary State of the Republic of Indonesia, and Bhinneka Tunggal Ika. (Section 2)
2. The Village is domiciled in the regency area (article 5)

According to Law Number 6 of 2014 concerning Villages article 18, village authority includes authority in administering village administration, implementing village development, developing village communities, and empowering communities based on community initiatives, rights of origin, and village customs. Furthermore, according to article 19 of Law Number 6 of 2014 concerning Villages, village authorities include:

1. Authority based on origin rights;
2. Village-scale local authority;

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

3. The powers assigned by the Government, provincial, regional Government, or regional Government; Regency
4. Another authority assigned by the Government is the Provincial Government.

### 2.6. Community Development and Empowerment

Community development is an effort to develop a sustainable and active community condition based on social justice and mutual respect. Community workers seek to facilitate citizens in creating social justice and mutual respect through broad development programs that connect all components of society. Community development translates the values of openness, equality, accountability, opportunity, choice, participation, mutual benefit, reciprocity and continuous learning. The essence of community development is to educate and make community members able to do something by providing the necessary strength or means and empowering them (Zubaedi, 2014). Community development and empowerment are efforts made to make changes in society in improving the economy to be better than before.

One of the goals of community development is to build a community structure which it facilitates the growth of democratic participation when decision-making takes place. This effort is to demand the formation of a process that allows a community to have access to resources and control resources and power structures in society.

Realizing rural economic development can be done through a unique strategy. The strategy for developing rural economic development can be carried out through the following aspects:

1. Growth Strategy. There must be indicators that determine the occurrence of growth in various essential aspects of the Village, for example, economic growth, income, production results, and others.
2. Welfare Strategy. The welfare strategy means that development must lead to achieving social welfare. Facilities that support the level of community welfare must be better.
3. Responsive Strategy to Community Needs. It means being able to understand the needs of society. Things that the community needs to lead to positive economic development must be responded to quickly and on target. When a problem arises in the process, the response given must also be appropriate.
4. Integrated and Comprehensive Strategy. Various policies in the rural economic development framework will cover various fields. However, these various fields must be able to support each other. Policies in various aspects must be integrated and comprehensive.

Apart from going through this strategy, good management is also needed in the village development process. The village development management must include the principles of village economic development management, such as:

- a. Accountable: management activity, can be held accountable to society.
- b. Transparant: the management of activities must be carried out openly and known by the community.
- c. Acceptable: the choice of activities must be based on deliberations to obtain community support.
- d. Sustainable: the management of activities must be able to benefit the community sustainably.

By relying on the various strategies and management principles above, rural economic development is hoped to run well. Village funds allocated and regional autonomy given to villages are also expected to provide maximum benefits for the prosperity of village communities.

According to the Village Minister Regulation, the development of underdeveloped areas and transmigration No. 5 of 2015 states that the use of Village Funds in 2015 sourced from the APBN for Village Community Empowerment, especially for poverty alleviation and increasing access to economic resources, is in line with the achievement of the Village RPJM and Village RKP targets each year, which may include:

1. Improving the quality of the Village planning process
2. Supporting economic activities both developed by BUMDesa and by other Village community business groups.
3. Formation and capacity building of Village Community Empowerment Cadres
4. Organizing through the formation and facilitation of paralegals to provide legal assistance to Village residents.
5. Implementation of health promotion and clean and healthy living movement
6. Support for Village and community activities in the management of Village Forests and Community Forests
7. Community group capacity building.

According to the village minister's regulation, development of underdeveloped areas and transmigration No. 21 of 2015, Priority use of Village Funds in 2016 for programs and activities in the Village Community Empowerment sector, allocated to fund activities aimed at increasing the capacity of residents or village communities in developing entrepreneurship, increasing income, and expanding the economic scale of individual citizens or community groups and villages, among others:

## **Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District**

1. Increasing village economic investment through the procurement, development or assistance of production equipment, capital, and capacity building through training and apprenticeships.
2. Support for economic activities, whether developed by BUMDesa or BUMDesa Bersama and other Village community economic groups and institutions.
3. Capacity-building assistance for Village food security programs and activities.
4. Community organizing, paralegal training and facilitation and legal assistance for the Village community, including the formation of Village Community Empowerment Cadres (KPMMD) and capacity building for Community Learning Rooms in the Village (Community Centre);
5. Public health promotion and education, as well as clean and healthy living movements, including increasing the management capacity of Posyandu, Poskesdes, and Polindes and the availability or functioning of medical/self-medication personnel in the Village.
6. Support for Village Forest/Beach management activities and Community Forest/Beach management.
7. Increasing the capacity of community groups for renewable energy and environmental preservation
8. Other fields of economic empowerment activities follow the analysis of village needs and have been determined in the Village Deliberation.

### **2.7. Economic Improvement**

Economics comes from the absorption of the English language economy. Meanwhile, the economy comes from the Greek word *oikonomia*, which means household management. What is meant household management is an effort to make decisions and implement them related to allocating limited household resources among its various members, taking into account the business capabilities and desires of each (Damsur & Indriani, 2009).

Another understanding of Anshori (2005) is that the economy is human activity and community activities to make the best use of production elements such as natural wealth, capital, labour, and skills to meet various needs.

An improvement strategy is a method or strategy carried out in an activity to make improvements in terms of the prosperity felt by the community in carrying out its business, where the business can improve its standard of living from the income obtained from the business so that the business or activity runs smoothly (Wardatul, 2007).

Efforts to increase the community's economy can be realized through several steps to expand community access to development resources and create opportunities for lower-level communities to participate in the development process so that communities can overcome backwardness and strengthen their economic competitiveness.

Apart from development, resources that the community can carry out to improve their economy is entrepreneurship. The purpose of entrepreneurship is to create an independent society to improve the economy of an independent community and improve the community's economy and achieve welfare (Oktaviani, 2014).

## **III. RESEARCH METHODS**

The research to be conducted is a form of qualitative descriptive research focusing on village fund management in improving the people's economy in Ranjok village. According to Sugiono, qualitative research is research where the researcher is placed as a small instrument; data collection techniques are combined, and data analysis is individual (Sugiyono, 2010). According to (Poerwandari, 2007), qualitative research produces and processes descriptive data, such as transcriptions of interviews and observations. This research was conducted in Ranjok Village, Gunung Sari District, West Lombok, West Nusa Tenggara Province. Data collection was carried out through interviews, documentation, and literature studies. In this study, the informants we interviewed were the Head of Ranjok Village, the Village Secretary, the Chairperson of the BPD, the Head of LPM, community leaders, and religious and community leaders. Data analysis in this qualitative research was carried out at the time of data collection and after completing data collection within a certain period. (Miles and Huberman, 1984), Suggests that activities in qualitative data analysis are carried out interactively. Data analysis activities include data reduction, data display, and conclusion drawing/verifications. (Sugiyono, 2010). While in testing, the validity of the data in this study includes an internal validity test (credibility), external validity (transferability), reliability (dependability), and objectivity (confirmability).

## **IV. RESULT AND DISCUSSION**

### **4.1. Management of Village Funds in Development**

The village government is in control of village development. Therefore, the village head and his apparatus are responsible for running the wheels of Government and development. So that the progress of development in the Village depends on the performance of the village government in influencing the community to participate in development (Swigno, 1986).

## **Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District**

The effectiveness of development in overcoming various problems, responding to needs and responding to community development challenges is determined by the extent to which the development process can increase the capacity to achieve self-reliance and prosperity. It can be seen from the management of village funds (DD) in development. The development that has the most influence on the community from the results of observations and interviews is the physical development of the Village in the form of the construction of a football field, the construction of roads, and passing. Here is the presentation:

### **4.1.1. Football Field Construction**

The community needs for village development programs are very large, while the available village funds are limited. Given the community's need for development which is very much, not all of these needs can be implemented at once. Therefore, the Ranjok village government compiled a program that was prepared using measurable criteria to determine the priority scale.

Based on the limited availability of funds, development programs are selected which are the highest priority that is needed by the local community, such as the village head's vision and mission, one of which is the construction of a football field, where this development brings many benefits such as, as a sports venue, recreational areas, places to hold receptions or meetings that require the presence of a large audience. Apart from that, the construction of the football field gave birth to new small traders who started selling or opening stalls along the field roads.

According to Todaro (2009), infrastructure is a facility that enables economic and market activities. From the results of interviews and observations, the construction of a football field gave birth to economic and health activities in the form of the emergence of small traders who started selling along the roadside of the football field, likewise with the youth of Ranjok village who continue to take advantage of the existence of the football field as a vehicle for sports on weekends and every evening. In addition, the field is used as a public facility for people who hold celebrations and other events.

### **4.1.2. Road Construction**

Infrastructure is one part of physical capital. If a country has more equipment and infrastructure, then that country has greater production capacity (Case and Fair, 2007). Infrastructure provision can create business opportunities and increase people's incomes by increasing production capacity and providing convenience in accessing production factors. As was the case in Ranjok village, road construction continues to increase through village funds, be it road repairs or opening new roads, with the hope that the community can easily carry out economic, social and community activities.

Sahoo et al. (2010) found that infrastructure development significantly increased China's economic growth from 1975-2007. Furthermore, the causality relationship between infrastructure development to economic growth justifies that high government spending in China for infrastructure development has occurred since the early 1990s. This Chinese experience suggests the importance of designing economic policies that enhance physical infrastructure and human capital formation for sustainable economic growth in developing countries.

Infrastructure Development significantly influences the economy, such as good road conditions, which will facilitate economic activities in procuring inputs and marketing output and can link one region to another. Ease of access is one of the driving factors for the community in carrying out economic and other activities. So that the goals and ideals of the Village are following Law No. 6 of 2014, namely improving the welfare of rural communities and the quality of human life and alleviating poverty through meeting basic needs, developing local economic potential, and utilizing natural resources and the environment sustainably can be implemented if supported by adequate infrastructure development.

### **4.1.3. Development of Rock Slope**

The rock slope is a pair of river stones as a facility designed as a system to prevent excessive water runoff. Many factors must be considered in the planning of rock slope development. One of these factors is the erosion of the river walls by water so that rock slope buildings on the river walls can function to prevent erosion and overflow of water. The function of the rock slope is to control river bank erosion and control excessive rainwater so it does not overflow and acts as a barrier to cliffs (Gunawan, 2000). The use of village funds for the development of the Village is quite beneficial for the community, both in supporting economic activities and access to production sources or the comfort and security of the community in carrying out activities, so the village government must pay more attention to or prioritize development that is sustainable urgent for the safety and security of the local community.

## **4.2. Management of Village Funds in increasing community empowerment**

In addition to physical development, Ranjok Village is also carrying out non-physical development in increasing human resources, aiming to improve skill/ community expertise, including carpentry training and catering training.

### **4.2.1. Carpentry Training**

The low ability and skills of builders in the construction field will affect the quality of the resulting buildings. To overcome this,



## **Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District**

builders need training and mentoring, which will encourage workers to improve their abilities to produce high-quality, safe, and comfortable buildings.

The training provided is a form of education to the public in improving people's skills during the Covid 19 pandemic that hit the world, where most people lost their jobs due to the policy of social distancing. It aims to reduce the economic and social impacts of the COVID-19 pandemic, of course, in increasing community skills in supporting the implementation of environmental, regional and labour-intensive infrastructure activities for the community (Fernandes, 2020).

The impact of village funds is beneficial in empowering and developing infrastructure in Ranjok village. With village funds, the Government can carry out programs mutually agreed upon between the village government, the community and institutions in Ranjok village. With village funds budgeted for empowering carpentry training, according to several informants, this is very helpful for the community, especially those who incidentally have skill or expertise in carpentry. Apart from getting carpentry tools for free, they also get knowledge, and their services continue to be used by the Village when there are development programs such as building roads and alleys, repairing waterways and others.

### **4.2.2. Culinary Training**

Empowerment is a positive energy provider so the person concerned can move independently (Sulistiani, 2004). From this description, the catering training program will make the community more independent and have skills in entrepreneurship by utilizing local potential in rural areas to reduce poverty and open new livelihoods for people in rural areas. So that there will be an increase in the welfare of the village community, especially in terms of fulfilling daily needs such as boards, clothing, and food.

The village government sees this program as a solution to overcoming unemployment, poverty, and the neglect of community potential. In line with the results of research conducted by Susanti (2010) entitled "The Role of the Community Empowerment Agency in Empowering Women in the Field of Productive Economic Business (Study in Kepanjen District as a BPM Foster Project in Kepanjen Regency)" states that the supporting factors for the implementation of women's empowerment in the field of economic business The productivity of the Kepanjen Subdistrict is the role of the Community Empowerment Agency as coordinator and facilitator. It can be seen from clear regulations and the local Government's commitment to collaborate between program actors from the village level to the district level and between members of the district coordination team. Likewise with the results of research conducted by Nugroho (2008) in his research entitled "Community Empowerment Through the Utilization of Appropriate Technology for Soybean Breaking Machines (Study on the Urek-Urek Village Community Empowerment Agency, Gondanglegi District, Malang Regency)" states that the supporting factors for implementing empowerment the community through a program of utilizing appropriate technology for soybean cracking machines is the appropriate natural and environmental conditions, regional potential and support from the Government of Malang Regency in overcoming the problem of poverty.

### **4.3. Village Owned Enterprises (BUMDes)**

Bumdes is a pillar of economic activity in the Village that functions as a social institution (social institution) and commercial (commercial institution). Bumdes, as a social institution, sides with the interests of the community through contributions to the provision of social services. The purpose of establishing village-owned enterprises, among others, is to increase Village Original Income (PADes) (Zulkarnain, 2004).

Therefore, one way to improve the village economy per the Village Law is to make a breakthrough by establishing Village Owned Enterprises (Bumdes). This Bumdes is designed to improve the village economy and the welfare of village communities. Bumdes can become the centre of the economy in the village and market superior village products which are the centres of the rural economy. It is hoped that they will have a role in improving the village economy and boosting the Village's original income. Bumdes, which acts as an economic business, of course, aims to increase the level of community welfare through business units managed by Bumdes. The increase in people's welfare determines the success of economic development. Fulfilment of community needs will describe the level of community welfare. The business unit Bumdes Ranjok Village manages is the sale of Stationeries and photocopies.

The Bumdes business activities in Ranjok village, currently operating in 2020, only sell stationery and photocopies. Moreover, the construction of a building shop is currently in the planning stage. It is due to the potential of the community, namely many who are engaged in carpentry services, so it is expected to provide convenience for the community and get reciprocity for the Village in increasing village income.

In accordance with this information, the factors causing the undeveloped Bumdes in Ranjok village, one of which is the need for more reports and management, is due to the community's unpreparedness to manage Bumdes. Because, in fact, the people in Ranjok village still need more human resources, especially those related to entrepreneurship. Cooperation between

## Management of Village Funds in Improving the Community's Economy in Ranjok Village, Gunungsari District

governments in guiding the community, especially in managing Bumdes, is significant for the success and sustainability of Bumdes. Because the community has very high hopes for the existence of Bumdes in their Village, they hope that the existence of Bumdes can become an intermediary and even provide a stimulus to the Ranjok village community to be even more enthusiastic about advancing the village economy and society in general according to the Village's potential.

### 4.4. Direct Cash Assistance (BLT)

At the beginning of 2020, the Corona Virus entered Indonesia, and officially the State of Indonesia was declared a Covid-19 emergency status. Since then, its spread has expanded and developed in almost all provinces/regions of Indonesia. This outbreak is projected to increase the number of poor Indonesians by around 3.6 million by the end of 2020. This figure is more than the data for September 2019. Therefore, the Government is providing Direct Cash Assistance for the community which originates from the Village Fund or is called BLT Village Fund, to reduce the burden on the poor due to the impact of COVID-19. Village funds partially provide direct cash assistance to low-income families affected by the Covid 19 pandemic. The amount of money earned by low-income families that meet the criteria is 600,000 for six months. With details, in the first three months, it is 600,000; in the second month, it is 300,000 rupiah.

Implementing the direct cash assistance program in Ranjok village is coordinated with the sub-district and RT/RW. Then the names recorded in the sub-district will be forwarded to the Social Service. In implementing the direct cash assistance program in Ranjok village, there are still various obstacles, namely that direct cash assistance is often not the right target given to the community due to various kinds of problems such as. Better communication between the mutually responsible parties needs to be regarding distributing this direct cash assistance. The data received every year needs to be updated, or there are duplicate data and the requirements that the community must meet need to be completed.

Some targets need to be corrected for future evaluation, so the recipients of BLT-Dana Desa are people who really need to receive this assistance. It is undoubtedly a critical problem that needs to be studied in depth. From the explanation above, the accuracy of beneficiary data is very important for the accuracy of targeting BLT receipts, cooperation between hamlet heads, village heads, social services or all elements of society is needed for the accuracy of targeting BLT receipts. So according to the author, the social and Village services can participate more directly in providing direct cash assistance and participate in researching and conducting intensive data collection so that there are no irregularities in the provision of direct cash assistance by irresponsible individuals. So that supervision of direct cash assistance can be increased again to achieve the objectives of providing direct cash assistance.

## V. CONCLUSION

Management of Village Funds in Ranjok village, the main priority is development, which consists of physical development such as the construction of a football field, road construction and overpassing. The construction of the soccer field gave birth to economic activity in the form of new small traders who started selling on the edge of the soccer field due to the continuous community activity there. Second, infrastructure development significantly influences the economy, such as good road conditions, which will facilitate economic activities in procuring inputs and marketing output and can link one region to another. Ease of access is one of the driving factors for the community in carrying out economic and other activities. Furthermore, the subsequent development is the development of the model, which is felt to greatly benefit the community in maintaining the safety and comfort of the environment.

Likewise, non-physical development such as carpentry training, and women's empowerment, where carpentry training is seen from the potential of the Ranjok village community who are engaged in carpentry services, is beneficial for the community, especially those who incidentally have skills or expertise in carpentry. Apart from getting carpentry tools for free, they are also equipped with adequate knowledge from the training. Furthermore, cake-making training was intended for mothers, and the training results gave birth to new traders who pursued homemade cake-making.

The subsequent management of village funds is through Bumdes, which is engaged in photocopying services and ATK sales, where the Bumdes in Ranjok village are less developed due to the community's lack of readiness to manage Bumdes due to the absence of technical guidance and a lack of human resources related to entrepreneurship. Moreover, the last is the distribution of BLT, which still needs to be added to the target due to data inaccuracy.

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