

Analysis of Policy, Supervision and Control Functions Through the Level of Efficiency, Effectiveness and Activity of the Village Budget (Case Study in Dawuan Tengah Village, Karawang for the Period 2017-2019)

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ABSTRACT

The purpose of this research is to determine the function of policy, supervision and control through the ratio of effectiveness level, efficiency level and activity level of Village Budget in Dawuan Tengah Village. The Village Budget Report was obtained from the Secretary of Dawuan Tengah Village. This research uses quantitative and qualitative approaches. Processing the data analysis is done by means of the likert scale method and quantitative method by calculating the ratio of effectiveness level, efficiency level and activity level. Overall, it can be concluded that during a period of 3 years (2017-2019) the results and achievements of the village budget management have been very effective, very efficient and very maximal. The performance of the village government in allocating village fund budget is excellent. Village funds are able to make a better changes for Dawuan Tengah Village. The implementation of policy, supervision and control of the village budget is quite effective and efficient and all activities run very optimally so that there is no potential for fraud.

Keyword: Village Budget, Effectiveness, Efficiency, Activity

1. INTRODUCTION

Law of the Republic of Indonesia Number 6 of 2014 concerning Villages is the latest regulation in the reform era as the beginning of the realization of village independence initiated by the government. Village governments need competent human resources and adequate infrastructure to be able to manage village finances properly and on target, and avoid indications of fraud. Therefore, the government issued a policy regarding the formation of Village Fund Allocation (Indonesia: Alokasi Dana Desa / ADD) with the hope of achieving an ideal village in accordance with the aspirations of the Village Law, creating a strong, advanced, independent and democratic village. This

can be seen from the extent to which policy, supervision and control functions can be implemented effectively and efficiently in a government structure and village financial management. This study aims to analyze the function of policy, supervision and control of village budget through:

- a. The effectiveness of village budget management as fraud prevention in Dawuan Tengah Village, Karawang, 2017-2019.
- b. Efficiency of village budget management as fraud prevention in Dawuan Tengah Village, Karawang, 2017-2019.
- c. Activities of village budget management as fraud prevention in Dawuan Tengah Village, Karawang, 2017-2019.

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The mismatch between the target and the realization of the village budget program each year raises allegations of fraud and illustrates that the ability of the community, both as subjects and objects, in implementing the village budget program is not mature or not optimal. The alleged obstacles in the realization of the village budget could have come from outside parties. After conducting research in Dawuan Tengah Village, the authors found obstacles from outside parties that occurred in 2018, where in that year the government provided additional funds in the village budget allocation of IDR 317,220,000.00 so that there were additional funds in the targets or plans that had been prepared previously. However, in the process of realizing the program, the government was late in disbursing the additional funds, resulting in ineffective implementation of these programs so that their implementation was not optimal.

These various obstacles should be resolved immediately so that the management of village budget can be maximally improved. The greater the funds the village has to manage at this time, the more complex the management process will be. In addition, this large amount of funds can open up opportunities for fraud and price markups. Based on this phenomenon, the authors are interested in choosing the village budget as data for research because the village budget has a very large influence on development in the village. This analysis aims to determine the level of effectiveness, efficiency, and village budget management activities, which is a reflection of the absence of fraud indications. If the funds from the village budget are managed properly and honestly without fraud, with this program, it will improve community services and community participation in village development so that the welfare of the village community will be better.

2. LITERATURE REVIEW AND HYPOTHESIS

Policies are studied more deeply so that

they can be more focused on activities carried out to produce an important decision within the organization, by identifying various options such as specific or prioritized programs. A wise decision can also be classified as a frame of mind that becomes an initial plan and guidelines for carrying out a job, the responsibility to lead, and how to take action. Meanwhile, public policy is a government policy that affects everyone in a country, or policy in general. According to Carl J Federick (2008: 7) policy is a series of actions proposed to a person, government in a certain population where obstacles and opportunities are found for the implementation of wise opinions to achieve a goal.

To produce effective and efficient village performance, several stages of activities should be carried out such as planning, implementation, administration, reporting, and accountability that are carried out within a budget year, calculated from January 1 to December 31. Village financial control consists of several stages planning, implementation, administration, reporting, and accountability in managing village finances. One of the fraud prevention measures that must be taken in the allocation of budget funds is to apply the elements of maximum internal control including the elements of effectiveness, efficiency and activities of village budget funds. Internal control is a process assisted by human resources and systems designed to help organizations achieve their goals.

Planning, in term of financial planning, is an activity to predict income and expenditure within a specified period of time in the future. After the Village Medium Term Development Plan (RPJM) and the Village Government Work Plan (RKP) are prepared, the next step is to carry out village financial planning because the results of the village budget are the basis of village financial planning. The Village Government must be able to prepare a good financial planning. Fraud in goods / services procurement processes can result in losses, especially if financial planning violates the rules.

Implementation, in term of managing village finances, is the execution of the village budget. One of the implementations is an activity to procure goods and services as well as payment activities. Fraud often occurs in the implementation of village budget allocations, especially when funds are disbursed. This activity is most vulnerable to manipulation.

Administration is a description of activities carried out regularly in the financial department according to established principles, standards and procedures, so that realistic information relating to finance can be obtained immediately. This step is the process by which all financial transactions are recorded in one budget period. Furthermore, financial administration activities have the benefit of controlling the realization of the village budget. Administration produces reports that can be used for financial management reporting. Recording transactions with an inappropriate nominal value and markup are examples of cash misuse during administration. This action constitutes fraud.

Reporting is an activity carried out to provide information relating to the realization of responsibilities that have been done during a certain period of time. In this step, the village government produces a quarterly report on the realization of the implementation of the village budget which is reported to the Regent / Mayor. Reporting that is not commensurate with the realization of APBDes funds can be categorized as fraudulent financial statements. This needs to be watched out for, because fraudulent reporting is often carried out deliberately. Therefore, recording cash flows such as financial reporting must be considered as well as possible.

The Accountability Report for village financial management is carried out at the end of each fiscal year which is submitted to the Regent / Mayor and the Village Deliberative Forum. Information for the surrounding community at least include village budget accountability

reports, activity accountability reports, unresolved activity reports, excess budget accountability, and reporting places. The village government in charge of reporting village financial management must first check the village budget financial report and ensure its fairness before submitting it, so that when the report is received by the Regent / Mayor there is no indication of fraud in it. This is one part of fraud prevention.

According to research conducted by Sobarudin (2019), the ratio of development expenditure activities is greater than the average routine expenditure ratio. The effectiveness ratio is not yet effective and the efficiency ratio is classified as very efficient because the efficiency interval is less than 60%. Meanwhile, the results of research conducted by Dizzy Asrianda Siswi Ramadhani (2019) showed that the performance of the Bulak Village Government was quite good. The efficiency level in 2015 and 2016 was inefficient, but in 2017 it was quite efficient. Meanwhile, the effectiveness level in 2015-2017 was effective. Ismail Alfaruqi and Ika Kristianti (2017) stated that in Kesongo Village, Tuntang District, Semarang Regency there was potential for fraud in village financial management.

The Regional Government Law states that the village government consists of the village head and village officials (village secretary, village treasurer, head of Dukuh, heads of community associations (*Indonesia: Rukun Warga / RW*), and heads of neighborhoods (*Indonesia: Rukun Tetangga / RT*) as stated in article 202 of Law number 32 of 2004. Law No. 6/2014 on Villages states that villages are given ample opportunity to manage their own village governance and carry out development to improve the welfare and quality of life of village communities. The role received by the village is very large. However, as a consequence of the large amount of funds received, village officials are obliged to manage these funds efficiently, effectively and accountabl. Then according to the Minister of Home

Affairs Regulation Number 113 of 2014, village budget managers are all activities consisting of planning, implementation, administration, reporting, and village financial accountability. The five activities must be implemented in village financial management. So, to be able to produce village government performance that is effective and efficient, the village government must carry out a good planning, implementation, management, reporting and accountability strategy so that the allocation of village funds is in accordance with the objectives set, does not violate the existing regulations, and there is no misappropriation of budget funds.

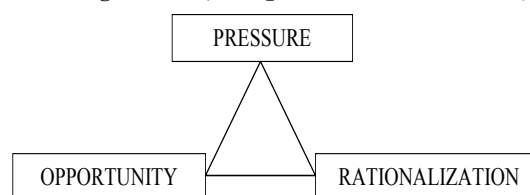
Judging from the various definitions and stages in the village financial governance structure, the authors are interested in conducting research whose final results measure the function of policies, supervision and control of village budget by looking at the extent to which the level of efficiency, effectiveness and activity of budget allocations and suitability with the government budget for village welfare.

Fraud

According to Alberct and Zimbelman (2011), fraud is any way that is prepared on the basis of human intelligence which aims to harm others with inappropriate disclosures. There are no universal guidelines in defining fraud because fraud is cheating, cunning and various other ways to cheat other parties. Fraud can result in benefits for the perpetrator and harm to other parties, and is done on purpose. There are three kinds of causes of fraud concluded by Cressey in Ratmono, Diany & Purwanto (2017) as shown in the diagram below. Three elements that influence act of fraud include pressure, opportunity, and rationalization (Wells, 2011).

Perceived pressure is related to motivation leading to unethical action. All fraud perpetrators faced various types

of pressure that could induce deviant action. Research conducted by Lister (2007) reveals that the most relevant factor in committing fraud is pressure and the second is opportunity. The opportunity occurs due to the ineffective control system which results in fraud by someone. Rationalization is the third element in the fraud triangle. Perpetrators reinforce that their non-ethical actions are generally accepted right things. Rationalization leads to the argument that the non-ethical actions committed are not crimes. It is not easy to detect rationalization, because what is in the mind of the perpetrator is impossible to read (Ratmono, Diany, & Purwanto, 2017). Fraudsters have their own mindset that makes their actions right and forgivable (Hooper & Pornelli, 2014).



Budget

Budget is a statement about the estimated performance to be achieved during a certain time limit while the notion of budgeting is a process for compiling a budget. According to Mahsun (2006: 145) "budget is a financial plan for the future, generally covering a period of one period and determined in monetary units." Meanwhile, Munandar (2007: 11) gives his opinion regarding the budget: "A budget is a plan that is systematically prepared which consists of all company activities and is expressed in applicable monetary unit for the coming period. From this definition, it can be concluded that the budget is a financial plan for the future that is systematically compiled and expressed in units of money, goods and services. The act of fraud against the budget that is the center of attention of the supervision department is fraud committed by internal government actors (first party) and outsiders (second party).

One of them is the activity of procurement of goods which is a component of capital expenditure in the budget.

Village Budget

The implementation of village government begins with village development planning as an integral part of the district / city regional development planning system. The Village Fund Allocation is a source of village income whose use is related to the Village Income and Expenditure Budget. According to V. Wiratna Sujarweni (2015: 125): *"The village budget is an annual financial plan carried out by the village government which is discussed and agreed upon by the village government and the BPD (Village Consultative Body), and is determined by village regulations."* The village budget contains village income, expenditure and financing. The village budget is a manifestation of the accountability, capability and performance of the village government in implementing the village financial management process. In reality, the public often complains about the budget allocation process that is not in line with the priority scale of needs and only slightly represents effectiveness, efficiency and economic aspects. The phenomenon of misuse of village finances creates anxiety for the community and government in general, because if analyzed more deeply, the government has actually set various rules and guidelines related to village finances in the hope that the village financial management process can be easily implemented so as not to raise suspicion and even cause potential fraud in its implementation.

Ratio

According to Moeljadi (2006: 48): *"Financial ratio analysis is making comparisons of various financial statement estimates in different groupings, between one estimate and another, both between estimates in the income statement and between the balance sheet and income statement."* Kasmir (2012: 104) argues that financial ratio is an activity that compares the numbers in the financial statements by dividing one number by another. Analysis of the financial statement has an

important role in financial data processing and management operations. Therefore, various kinds of analysis use a lot of financial ratios to make it easier to analyze and process financial reports. However, it must be careful because many other stakeholders need guaranteed information on published financial reports for decision making. One of them is an analysis of government finances, especially village budget funds, which are very prone to fraud or price markups. Manipulated financial reports can lead to new policies or errors in decision making. It is very important to anticipate the potential for fraud and manipulation of financial statements. One of the tools to measure it is by using financial ratio analysis.

Effectiveness as part of Fraud Prevention

Effectiveness is a measure of the ability to achieve certain goals. The type of ability measure depends on the goals to be achieved or what has been set. According to Hans Kartikahadi in Agoes Sukirno (2000: 180), *"effectiveness is the final process of an operational activity that has been achieved, in terms of quality of work results, quantity of work results, and set time limits"*. Meanwhile, Mardiasmo (2017: 134) argues that effectiveness is a measure of the success or failure of an organization to achieve its goals. If the organization has achieved the expected goals, the organization has been running effectively. The effectiveness of village budget allocation is one part of the implementation of internal control. If the level of effectiveness of village budget allocations is well designed and according to procedures, it can minimize the risk of embezzlement, theft and misuse of assets. So, the higher the percentage of effectiveness of village budget allocation, the smaller the level of fraud.

Efficiency as Part of Fraud Prevention

According to Mulyamah (1987: 3), efficiency is a measure to compare between the planned use of inputs and the actual use. Meanwhile, according to Mardiasmo (2004: 4), efficiency is the achievement of maximum output with a certain input or

the use of the smallest input to achieve a certain output. Efficiency is the ratio of output / input related to performance measures or targets that have been set. Efficiency indicators provide an overview of the relationship between resource inputs by a part of the organization (e.g staff, wages, administrative costs) and the results the indicator provides. Efficiency in allocating village budget funds is an obligation to carry out the mandate of the people to manage finances properly and accountably. However, in practice, there are many fraudulent practices that have a negative impact on the social and economic sectors. Problems in the financial management of government agencies can also be seen from the results of the audit by the Supreme Audit Agency. In addition, testing the level of efficiency through the ratio is one measure to determine the potential for fraud in the allocation of village budget funds.

Activities as Part of Fraud Prevention

Activity ratio is an analysis that assesses how effective a company is in utilizing all its resources. This activity ratio is the cover ratio used to measure how effectively and efficiently the company uses its assets. According to Munawir (2002: 240), activity ratio is the ratio used to assess company performance in carrying out daily activities or company performance in sales, collection of accounts receivable, and utilization of its assets. Meanwhile, Kasmir (2012 :172) argues, the activity ratio is a ratio used to measure the level of effectiveness of the company in using its assets.

Activities carried out by management in establishing policies and procedures can help ensure management and personnel in achieving the 3 main objectives of preventing fraud at the activity level, such as reliability in financial reporting, operational effectiveness and efficiency and complying with established regulations, and compliance with applicable regulations. In the village government, this activity ratio can be measured by looking

at the level of activity in terms of routine spending and development. There is a possibility that the Fraud Triangle still occurs in the expenditure needs for rural communities. And markup cases are also often found in village expenditure activities. This can be seen if there are submissions in the middle of the year that are not in accordance with the budget submissions at the beginning of the year.

3. METHODS

The basis of this research is to show the truth and problem solving of the things under study to achieve the research objectives, and carry out appropriate and relevant methods for research purposes. According to Creswell in Sugiyono (2007: 2), research method is a process of activity in the form of data collection, analysis and providing interpretations related to the research objectives. In general, the research method is a science in obtaining data with certain goals and benefits and to find out further whether there are indications of fraud in this study. Data can be obtained through interviews, questionnaires, observations, and documentation. In this study, data are obtained through questionnaire distributed to the community of Dawuan Tengah Village regarding the allocation of the Village Fund Budget for community welfare. In this study, the data used is secondary data with an annual period in the form of quantitative data. Namely: Village Revenue and Expenditure Budget Realization Report (APBDes) for 2017-2019. In addition, the data used also includes supporting documents, writings, scientific books, and literature. The data are obtained from the Dawuan Tengah Village Office, Cikampek District.

This study uses qualitative data obtained through questionnaire with respondents as a sample. In this research, the target population is all village officials in Central Dawuan, such as the Head of Dukuh, the Head of the Rukun Warga (RW), and the Head of Rukun Tetangga (RT). In this study, the sampling technique used is quota sampling. Sugiyono (2001),

argues, quota sampling is a technique to determine a sample from a population that has predetermined characteristics to the desired. Based on this research, the authors took as many as 30 people from representatives of 3 Dukuh, 10 RW, and 17 RT.

Quantitative Method

The ratio analysis used in this study includes:

Effectiveness Ratio

The level of effectiveness of village budget is measured by comparing the expenditure budget realization with the expenditure budget target. This ratio measures the percentage value. If it is lower than the maximum percentage, it is necessary to suspect an indication of fraud.

$$\text{Effectiveness} = \frac{\text{Expenditure budget Realization}}{\text{Expenditure Budget Target}} \times 100\%$$

The Minister of Home Affairs No. 690.900-327/1996 decided, the criteria for the effectiveness of the expenditure budget are as follows:

- If the achievement is above 100%, the budget is said to be very effective
- If the achievement is between 90% - 100%, the budget is said to be effective
- If the achievement is between 80% - 90%, the expenditure budget is said to be quite effective
- If the achievement is between 60% - 80%, the expenditure budget is said to be less effective
- If the achievement is below 60%, the budget is said to be ineffective

Efficiency Ratio

The level of efficiency of the village budget can be measured by comparing between the direct budget realization of the budget and the total realization of the budget. This efficiency ratio measures the percentage of value that is contrary to effectiveness, if it is higher than the maximum percentage, it is necessary to suspect indication of fraud.

$$\text{Efficiency} = \frac{\text{Direct Expenditure Budget Realization}}{\text{Expenditure Budget Realization}} \times 100\%$$

By knowing the comparison between the results of direct expenditure budget realization and expenditure budget realization, the level of efficiency is given an assessment using the assessment criteria based on the Decree of the Minister of Home Affairs No. 690.900.327 of 1994 concerning the guidelines for assessment and financial performance which are arranged as follows:

- If the achievement is above 100%, the budget is said to be inefficient.
- If the achievement is between 90% - 100%, the budget is said to be less efficient
- If the achievement is between 80% - 90%, the budget is quite efficient
- If the achievement is between 60% - 80%, the expenditure budget is said to be efficient.
- If the achievement is below 60%, the budget is said to be very efficient

Activity Ratio

The activity ratio is measured by looking at the percentage results between the ratio of routine expenditure and development expenditure. If it is not balanced, it is necessary to suspect indications of fraud. However, if it is balanced, the village budget activities are carried out well.

$$\text{Routine Expenditure Ratio} = \frac{\text{Total Routine Expenditure}}{\text{Total Village Budget}} \times 100\%$$

$$\text{Development Expenditure Ratio} = \frac{\text{Total Routine Expenditure}}{\text{Total Village Budget}} \times 100\%$$

Qualitative Method

Observation

According to Suharmi Arikunto, observations include the activity of loading attention to an object by using all the sense organs. Observations were made directly at the Dawuan Tengah Village Office to

determine the suitability of village fund budget allocations through the village budget realization report. The author gets information and an explanation of realistic funding allocations. This method is used to find out the correct use of village budgets in Dawuan Tengah Village and to examine more clearly the management of village budgets in an effort to prevent indications of fraud.

Questionnaire Method

Questionnaire is a method of collecting data by giving written statements or questions to respondents to be answered in order to find out the respondent's answer. The questionnaire given contains questions, or closed or open statements, either sent in person or sent via a link on the internet. The statements given are regarding the effectiveness, efficiency and activities of village budget allocations. This is intended to obtain data regarding the satisfaction of the apparatus as well as to determine the performance of the village government in allocating village budgets and its relation to fraud detection and prevention.

4. RESULT AND DISCUSSION

Analysis of Village Budget Ratio in Dawuan Tengah Village

General description of the research object

Dawuan Tengah Village is an expansion from Dawuan Village which previously expanded into 2 villages in 1981, namely Dawuan Timur Village and Dawuan Barat Village. In 1983, based on Law Number V of 1979 concerning Villages, Dawuan Timur Village was re-divided into: Industrial Area Entrance Access, where there is also one of the largest SOEs in West Java, and the Cikampek Commercial Area. Dawuan Tengah Village is located at an altitude of ± 32 m with an average air temperature of 32°C and rainfall of 200-300 mm / year, Dawuan Tengah Village is a lowland area.

Potential for Fraud

The potential for fraud found during the preparation of financial reports includes falsification and manipulation of data or changing supporting documents in

financial reports. In managing finances, village officials must make reports that must be reported in accordance with time-lines. The risk is that if the management of the village budget is not carried out according to procedures, the preparation of the village budget for the following year will be hampered.

Good internal control can prevent potential fraud. Imposing sanctions for deviant actions is an example of preventing fraud.

Effectiveness Analysis as Fraud Prevention

The ratio of effectiveness of village budget allocation described above, as part of internal control, is measured by looking at the results of the percentage of effectiveness. The higher the percentage value, the smaller the level of fraud. Fraud committed by certain parties can be minimized by looking at the results of calculating the effectiveness ratio because the level of effectiveness can be measured by comparing the realization of the budget with the budget target. If there is an irregularity between the target and the realization of the expenditure budget or an increase in funds in the budget realization, it is necessary to explore more deeply by looking at the results of this calculation. The analysis is used to calculate. The following are the results of the calculation of the effectiveness of the Village Revenue and Expenditure Budget (APBDes) in Dawuan Tengah Village for 2017-2019.

By knowing the comparison of the results of the expenditure budget target and expenditure budget realization, the effectiveness of village budget management in Central Dawuan can be assessed in accordance with the Minister of Home Affairs regulation no. 690.900.327 of 1996 concerning Guidelines for Financial Assessment and Performance.

Based on the results of the calculation of the effectiveness of the village budget management in Dawuan Tengah Village, the effectiveness level in 2017 was 107% or very effective, Then the effectiveness level

Table 1. **Efficiency Level of Village Revenue and Expenditure Budget (APBDes) in Dawuan Tengah Village**

Year	Expenditure Budget Realization (IDR)	Expenditure Budget Target (IDR)	Effectiveness	Criteria
2017	2,294,582,400	2,138,552,400	107%	Very Effective
2018	2,492,875,500	2,165,655,500	115%	Very Effective
2019	2,847,429,000	2,700,249,000	105%	Very Effective

Source: Village Budget Data Processed, 2020

Table 2. **Level of Efficiency of Village Revenue and Expenditure Budget (APBDes) in Dawuan Tengah Village**

Year	Direct Expenditure Budget Realization (IDR)	Expenditure Budget Realization (IDR)	Efficiency	Criteria
2017	1,157,063,200	2,294,582,400	52%	Very Efficient
2018	711,422,200	2,492,875,500	32%	Very Efficient
2019	889,363,450	2,847,429,000	31%	Very Efficient

Source: Village Budget Data Processed, 2020

in 2018 was 115% or very effective, And the effectiveness level in 2019 was 105% or very effective. From the overall results of calculating the effectiveness of village budget 2017-2019, it can be seen that the percentage results fluctuate every year but are still within the criteria above 100% which are classified as very effective. So by looking at the results of the percentage of effectiveness, it can be concluded that fraud does not occur and this value must be maintained.

Efficiency Analysis as Fraud Prevention

Calculation and analysis using the efficiency ratio to the village budget allocation is one of the internal control measures in preventing fraud. The way to analyze it is by looking at the percentage results, which is contrary to the criteria for effectiveness. The higher the value achieved, the higher the level of fraud in the village budget. On the other hand, the lower the value achieved, the lower the level of fraud in the village budget. If the calculation results show a high percentage, it is necessary to trace the level of efficiency, because there are indications of fraud. The efficiency level of village budget management can be seen from the expenditure side, namely by comparing village revenues with direct expenditure.

The smaller the ratio, the more efficient the village's financial management will be. The following is the calculation results:

From the calculation results in table 4.3 the level of efficiency of the Village Revenue and Expenditure Budget (APBDes) in Dawuan Tengah Village in 2017-2019 is getting better from year to year because the ratio is below 100%. By looking at the lower percentage every year, it can be said that the village budget management is very efficient because it is below 60%. So it can be concluded that there is no indication of fraud. This means that by issuing minimum costs, the village government can provide maximum results and maximum performance. That is why efficiency is used as one of the internal controls in preventing fraud in the allocation village budget.

Analysis of Activity as Fraud Prevention

The activities related to the allocation of village budget can be measured by looking at how the village government gives maximum priority to the allocation of routine expenditure and development expenditure. Fraud can occur in expenditures for the needs of rural communities. The larger the percentage of the budget allocated for routine expenditures, the smaller the percentage of development

spending to provide community economic infrastructure facilities. If the routine expenditure and development expenditure are not balanced, it is necessary to suspect the possibility of fraud. The following is the calculation results:

From Table 3 and Table 4 it can be seen that the ratio of routine expenditure and village budget activity in Dawuan Tengah Village in 2017 was the highest, or 52% and in 2018 was the lowest, or 32%. The results of the overall calculation of village budget in Dawuan Tengah Village for 2017-2019 show that the percentage of allocation for routine expenditure and development expenditure fluctuates. However, these fluctuating results are still within normal and reasonable limits. The overall results still show priority in both routine spending and development spending. So it can be concluded that there is no indication of fraud and markup at the activity level. Thus the village budget funds have been used properly so that there is no suspicion from the village community.

Likert Scale Analysis of the Village Budget in Dawuan Tengah Village

The Likert scale is a calculation method from the questionnaire that has been given to respondents to determine the scale of attitudes or opinions towards the object. In this study, the Likert scale is used to measure the attitudes and opinions of villagers officials regarding the village budget in Dawuan Tengah Village. Researchers collect statements consisting of 20 items. These statement items are about the level of effectiveness, efficiency

and activity. The statement, which is relevant to the problem being studied, is then tried out on a group of respondents, namely the village officials.

The authors took a sample of 30 people from representatives of 3 Dukuh, 10 RW, and 17 RT. The 30 respondents have represented all areas in Dawuan Tengah Village. The stages for analyzing using a Likert scale are as follows:

- a. Answer Score: this is the result of the accumulated answer scores that will be given to the respondent. According to Sugiono, The first time, the thing to do is determine the score of each answer given. For example, the attitude used is "agree". Then to determine the answer to each statement that the author gave consisting of 5 scales, namely: strongly disagree, disagree, neutral, agree and strongly agree. Respondents gave an assessment according to their criteria based on the available options, as show in table 5 below.

Table 5. Answer Scale

Answer Scale	Score
Strongly Disagree (SD)	1
Disagree (D)	2
Neutral (N)	3
Agree (A)	4
Strongly Agree (SA)	5

Source: Data Processed, 2020

- b. Ideal Score: This is the score used to determine the total number of answers. The formula used to calculate the total score of all sections is as follows:

Table 3. Level of Activity of Village Revenue and Expenditure Budget (APBDes) in Dawuan Tengah Village

Year	Total Routine Expenditure (IDR)	Total Village Budget (IDR)	Activity
2017	1,157,063,200	2,241,064,000	52%
2018	711,422,200	2,185,655,500	32%
2019	889,363,450	2,715,049,000	33%

Source: Village Budget Data Processed, 2020

Table 4. Level of Activity of Development Expenditure

Year	Total Development Expenditure (IDR)	Total Village Budget (Rp)	Activity
2017	864,369,800	2,241,064,000	38%
2018	770,702,800	2,185,655,500	35%
2019	965,770,100	2,715,049,000	36%

Source: Village Budget Data Processed, 2020

Score criteria = Scale value x Number of respondents

- c. Percentage: calculation of the percentage score. The percentage results are obtained after knowing the highest score (X) and the lowest score (Y) with the formula as follows:

$Y = \text{The highest score} \times \text{Total respondents}$

$X = \text{The lowest score} \times \text{total Respondents}$

The highest total score for the Strongly Agree statement is $5 \times 30 = 150$, while the Strongly Disagree statement is $1 \times 30 = 30$. If the respondent's total score is 134, the respondent's percentage value to that answer is the value generated using the index formula (%).

Index formula % = Total ideal score / Y x 100

Interval and percentage must be known before completion in order to get an assessment by finding the percent score interval (I).

Interval formula (I) = 100/total score (5)

Then $I = 100$ divided by 5 is 20 points (This is the interval from the lowest 0% to the highest 100%). The following are the scoring criteria based on the interval:

- Index 0% - 19.99%: Strongly Disagree
- Index 20% - 39.99%: Disagree
- Index 40% - 59.99%: Neutral
- Index 60% - 79.99%: Agree
- Index 80% - 100: Strongly Agree

The results of the analysis of the level of effectiveness on statement items 1-7, using a Likert scale, show that 85% of respondents answered "strongly agree". Thus, it can be concluded that the village budget allocation in Dawuan Tengah Village is considered very effective because it is in accordance with the reality in the field.

The results of the analysis of the level of efficiency on statement items 8-11 using a Likert scale show that 78% of respondents answered "agree". Thus, it can be concluded that the village budget allocation in Dawuan Tengah Village is considered efficient because the village budget is able to provide better changes to Dawuan Tengah Village.

The results of the analysis of the level of activity on statement items 12-20, using a Likert scale, show that 85% of respondents answered "strongly agree". Thus, the authors conclude that the strategy of planning, allocating, implementing, monitoring, and controlling the village budget allocation in Dawuan Tengah Village has been carried out well. The village government has been very good at achieving goals and targets within a certain period of time.

5. CONCLUSION

Level of Effectiveness. The results of the calculation of the effectiveness ratio show that the achievement is more than 100%. So it can be said to be "very effective". Based on the percentage results, it can be concluded that there is no potential for fraud and this value must be maintained as a form of internal control. Through questionnaires distributed to village officials, it can be seen that 85% of respondents answered "strongly agree", which means that village officials were very satisfied with the effectiveness of village budget allocations. There is a match between calculation using ratio and calculation using a questionnaire. Both have the highest percentage. The village apparatus stated that they "strongly agreed" with the performance of the village government which was very effective in allocating village budgets.

Level of Efficiency: From the analysis conducted using the efficiency ratio, the results show that the achievement is below 60%. So it can be said that the budget is "very efficient". The results of calculations using a qualitative method (questionnaire) show that 78% of respondents answered "agree", which means that the village budget allocation in Dawuan Tengah Village is said to be "efficient". The calculation of efficiency level using quantitative and qualitative methods shows the same results where the optimal output indicates that the government's performance is very good / very efficient and there is no indication of fraud. The level of efficiency in the allocation of village funds is able to provide a better change for Dawuan Tengah Village.

Level of Activity: The results of the calculation of the activity ratio show that for three years Dawuan Tengah Village has prioritized two things: routine expenditure and development expenditure. Through questionnaires distributed to village officials, it can be seen that 85% of respondents answered "strongly agree" with the level of activity, which means that the village government has been very good at achieving its goals and targets within a certain period of time. The results of calculations using these two methods show that there is no indication of fraud and price markups. There is a match between the activities of the village apparatus and the funds spent. In addition, routine expenditures and development expenditures have been carried out very well in terms of achieving goals and targets within a certain period of time.

The results of this study are expected to be a good input and reference in measuring the function of policies, supervision and control in the governance structure of an organization or company through an analysis of the level of effectiveness, level of efficiency and level of activity. The allocation of the village budget in Dawuan Tengah Village, Karawang for 2017 - 2019 is considered to be very effective, very efficient, and very maximal so that

there is no potential for fraud and price mark-ups. The Dawuan Tengah Village Government is expected to be able to maintain this condition, both in terms of financial performance and in terms of satisfaction of village officials or the surrounding community. The results of this study are also expected to be used as good information for the Dawuan Tengah Village Office if at any time there is an inspection from the city government.

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Appendix 1. Village Income and Expenditure Budget of Dawuan Tengah Village Government 2017-2019

Description	2017		Difference of Target and Realization (IDR)	2018		Difference of Target and Realization (IDR)	2019		Difference of Target and Realization (IDR)
	Target (IDR)	Realization (IDR)		Target (IDR)	Realization (IDR)		Target (IDR)	Realization (IDR)	
1 Income	2,270,664,000	2,426,649,000	155,985,000	2,185,655,500	2,502,875,500	317,220,000	2,727,149,556	2,869,529,556	142,380,000
Village original income	76,500,000	76,500,000	-	91,000,000	91,000,000	-	53,108,000	53,000,000	108,000
Income from Transfers	2,164,564,000	2,320,594,000	156,030,000	2,094,655,500	2,411,875,500	317,220,000	2,661,941,000	2,804,321,000	142,380,000
2 Expenditure	2,138,552,400	2,294,582,400	156,030,000	2,165,665,500	2,492,875,500	327,210,000	2,700,249,000	2,847,429,000	147,180,000
Village Government Administration Section	1,081,225,200	1,157,063,200	75,838,000	532,723,000	711,422,200	178,699,200	747,608,450	889,363,450	141,755,000
Development Implementation Section	864,369,800	864,369,800	-	770,702,800	775,185,150	4,482,350	965,770,100	969,070,100	3,300,000
Community Development Section	128,717,400	180,909,400	52,192,000	591,934,000	697,112,450	105,178,450	890,868,750	892,993,750	2,125,000
Community Empowerment Section	59,240,000	87,240,000	28,000,000	249,795,700	288,655,700	38,860,000	90,620,900	90,620,900	-
Unforeseen expenses	5,000,000	5,000,000	-	20,500,000	20,500,000	-	5,380,800	5,380,800	-
3 Financing									
Financing Expenditures	132,111,600	132,111,600	-	20,000,000	10,000,000	10,000,000	22,100,556	22,100,556	-

Source: Data Processed, 2020

Appendix 2. Organizational Structure of Village Financial Management



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