

CHAPTER I

PRELIMINARY

A. Background

The Constitution of the Republic of Indonesia year 1945 mandates local governments, self-regulate and manage government affairs according to the principle of autonomy and assistance tasks, directed to accelerate the realization of people's welfare through improvement, service, empowerment, and community participation, as well as increase regional competitiveness with pay attention to democratic principles, equality, justice and regional privileges in the unitary system of the Republic of Indonesia. The efficiency and effectiveness of the local government needs to be improved by paying more attention to the aspects of relations between government and intergovernmental arrangements. Those are regional, potential and regional diversity, and opportunities and challenges of global competition by providing widest authority to the region accompanied by the granting of rights and obligations to organize regional autonomy in the unity of the State Government administration system.

The existence of a formal juridical village is arranged in Law No. 32 year 2004 about local government and government regulation number 72 year 2005 about the village. Based on this provision, the village is given the understanding of the legal community that has the boundaries of the region that is authorized to govern and manage the interests of the local community, based on the local origin and customs recognized and respected in the unitary State government

system of the Republic of Indonesia. Village is a unity of society living in a place that has certain boundaries and has the authority to organize and manage local communities recognized in the government system. In Indonesia, village is referred to as *nagari/negeri (Sumatra Barat)*, *Gampong (Aceh)*, *Kampung (Banten dan Jawa Barat)*, *Dusun (Yogyakarta)*, *Banjar (Bali)* and others. According to R.Bintarto, village is the embodiment of social, economic, geographical, political and cultural unity that exists in an area in relation and influence reciprocally with other areas. Meanwhile, according to Rifhi Siddiq, village is a region that has a low density inhabited by people with homogeneous social interaction, cutting edge in agriculture and able to interact with other regions around it.

The understanding of the village places the village as a government organization that has a political authority to manage and regulate its citizens or community. The position of village has a very important role in supporting the success of the national government widely. The village became the leading guard in achieving the success of all matters and programs of the government. It is also in line when it is associated with the composition of Indonesian population according to the census in 2016 that about 60% or most of the population of Indonesia is currently still residing in rural settlements. It becomes very logical when village development becomes a top priority for the success of national development. In this context, village relates to the district government, provincial government, and the central government. In line with the era of regional autonomy, village as the leading institution in the

government system of the Republic of Indonesia facing and directly in contact with the community should focus the role of village government to empower efforts of village community welfare. Thus, to measure the success of a target for the implementation of regional autonomy depends on how well the village government is performing in implementing roles, functions, and authority as a leading community servant.

Villages in exercising their rights, authority and obligations in managing their abilities and potential are demanded to be carried out in a transparent and high accountability manner. According to Waluyo in (Elgia Astuty, 2013), accountability includes providing financial information to the community and other users thus making it possible for them to assess the government's accountability for all activities undertaken, not only financial statements but also should provide information on economic, social and political decision making.

In addition, accountability is a state effort to create governance in a better direction by the foundation of good governance. According to Solekhan in (Romantis, 2015), good governance is a solid and responsible State government implementation, as well as efficient and effective by maintaining a balance of constructive synergy between the state domain, the private sector, and the community.

According to (Mudrosatun, 2017), village Fund allocation management is required to have the principle of accountability, namely transparency and

community participation. Transparency is the openness in which the government of one of the factors affecting accountability is transparency, with the principle of transparency from the government making it easier for the public to get information on the budget used by governments whose goals are for the development of the village. The principle of transparency has two aspects, namely (1) public communication by the government, and (2) community rights to access information.

Community participation, in the management of Village fund allocation required the role of participation from the community to go to the field and supervise the use of budget obtained from the central government so that the community knows the extent to which government is responsible for the distribution of the village fund allocation. Community involvement is very helpful in the process of implementing government programs and, the development of rural infrastructure. Community participation involves not only the community in decision making in every development program, but the community is also involved in identifying the problems and potential within the community. Without community participation any development activities will fail.

According to (Mudarosatun, 2017), the use of the village funds allocation is prone to the misappropriation of funds by people that should be trusted by the community in building the village become more advanced and developing. This is where the role of the community as a direct supervisor and the district

government as a fund organizer to always monitor the course of development in the village.

The management of the village fund allocation is required to apply the principle of accountability, to achieve all the plans that have been prepared in the management of the village fund allocation, with the good accountability of the village government will be the creation of good governance and can improve the quality of service to the community so that the village funds allocation can have a big impact on the community because most of the village funds allocation is intended for the community. It is from the ADD planning process, the implementation of ADD, to the reporting must be done in accordance with the prevailing procedures. Therefore, later expected with this ADD fund can create an equitable and beneficial development for the village community.

Kulon Progo Regency allocates village fund in the state Budget (APBN) which is annually transferred through the regional budget revenue and expenditure (APBD) Regency/City for the development of rural areas, namely in the form of village funds allocation in 2019 amounting to IDR. 90,3 billion which has been allocated to 87 villages. All the funds received per village in Kulon Progo are varied, ranging from 900 million to 1.1 billion. The difference between the village fund allocation is based on four variables, namely the number of villagers, poverty rates, rural areas, and the geographical difficulty level of the village.

Table 1.1 Village Fund of Kulon Progo District

No.	Year	Village Fund
1.	2017	IDR.77.627.477
2.	2018	IDR.77.889.191
3.	2019	IDR.90.337.907

Source: Directorate General of Fiscal Balance, Ministry of finance

From the table above, it can be seen that there is an increase in village funds that are spread to 87 villages in Kulon Progo Regency which each gets the allocation of the village funds. The allocation of village funds is sourced on the regional expenditure budget (APBD).

Banguncipto Village is one of the villages located in the district of Sentolo, Kulon Progo which has an attraction as a place of research related to the misuse of village funds that occurred in the year 2014 to 2018. According to the report of the Inspectorate Department of Kulon Progo Regency, before the case of abuse, it was found that the alleged administrative malls of Banguncipto village funds during the Regional Inspectorate with the government Internal supervisory Apparatus (APIP) – An internal audit agency of government institutions carried out regular monitoring of the village. Found considerable abuse in village funds were such as: withholding funds in a number of physical and non-physical projects as well as falsifying the Responsibility Report (LPJ) and Answer letter (SPJ) in Banguncipto Village, the use of budget is not on target, and there is personal use of APBDes funds. Therefore, the role of the community is very important to the village development process and should monitor and control the implementation of village funds allocation.

Based on the findings above against financial abuse where the village funds as one of the resources, this condition due to the performance of village personnel in the management of village funds is not transparent to the community so that the community can not participate in the management of the village funds. Based on the problems above researcher is interested in conducting research in Banguncipto Village. This research was conducted in Banguncipto Village government office which focuses on accountability of village fund allocation.

B. Problem Formulation

Based on the explanation above in the background, the problems that are researched by the author namely: "**How is Accountability of Banguncipto Village Fund allocation in 2019?**"

C. Research Purpose

The purpose of this research is to find out how the Village fund allocation accountability is managed by Banguncipto Village, Sentolo subdistrict, Kulon Progo regency. In addition, this research is expected to provide a basic description of the village fund that is used accordingly.

D. Research Benefit

1. Theoretical Benefit

The results of this research are expected to be a platform to apply various theories studied in the Department of Government Sciences, University of Muhammadiyah Yogyakarta. Furthermore, it is hoped that the results of this research can provide and add knowledge as well as comparative material for subsequent studies, particularly in the Department of Government Sciences of the University of Muhammadiyah Yogyakarta. Hopefully, the results of this research can provide knowledge about the management and utilization of the village's allocation of funds to develop in the village.

2. Practical Benefit

The results of this research are expected to contribute ideas for the government, especially the regional government of Kulon Progo Regency and the Banguncipto Village government, Sentolo District to manage and make decisions in the implementation of Village fund allocations. Thus, the government is expected to be able to use it optimally and for village economic development so that the village becomes more advanced.

E. Literature Review

In the process of drafting this research, it takes several previous studies relevant to the study titled "Accountability of Fund allocation in Banguncipto, Sentolo, Kulon Progo" which in hopes of researcher can see the difference

between research that has been done before. In addition, researcher hopes to pay attention to the shortcomings and advantages between previous research and current research.

First, the research conducted by Nahrudin titled "Accountability and Transparency management of village Allocation fund in Pao-Pao village of Tanete Rilau District". This research discussed the accountability and transparency in the management of village allocation funds in the village Pao-Pao Tanete Rilau District Barru. In the results, the research showed that the accountability of Allocation fund management runs well from the whole dimension, including in the transparency dimension that demonstrates the management of village allocation fund which is transparent in this case due to accessible information and good communication by the village device so that the management of village allocation fund is considered transparent.

Second, the research conducted by Baiq Kisnawati, Yuli Astini, and Riri in Oktaviani under the title "Transparency and accountability of finance management of Village Fund allocation (ADD) in Moyo District, Lower Sumbawa Besar District". This research discussed the transparency and accountability of fund allocation in financial management of rural funds (ADD) in the district of Moyo Hilir, Sumbawa Besar. The results, indicated that the transparency of the ADD Finance Management when viewed from the planning and implementation aspects, was good or transparent. This was demonstrated by the response of respondents 96.73% answered ' yes ' to the planning aspect and 85.35% answered ' yes ' to the implementation aspect.

Third, research conducted by Risti Valentina Huri, University of Jember student in year 2015 with the title "Accountability Management and Utilization of Village Fund Allocation in Development Process in Dasri Village District Tegalsari Banyuwangi Regency Year 2013". The research conducted by Risti focuses on the form and accountability system of management and utilization of village Fund allocation (ADD) in Dasri village in 2013 and the three stages of planning, implementation, and accountability of village fund allocation management in Dasri village. This research showed that the planning, implementation, and accountability of village fund allocation management has implemented the accountability principle with participatory, transparent, and responsive indicators in accordance with the applicable guidelines.

Table 1.2 Literature Review

No.	Title	Author	Analysis
1	Accountability and transparency management of village Allocation fund in Pao-Pao village of Tanete Rilau District Barru District	(Nahruddin, 2014)	The accountability of Allocation fund management runs well from the whole dimension, including in the transparency dimension that demonstrates the management of village allocation funds which is transparent. This is due to the existence of accessible information and good communication by the village device so that the management of allocation funds is considered transparent. The same thing happens in the dimensions of reability, responsibility and responsiveness goes well but on the control dimension still belongs to the category is quite good and needs to be optimized to support accountability of village funds management.
2	Transparency and Accountability of Village Fund Allocation (ADD) Financial Management in Moyo Hilir District, Sumbawa Besar Regency	(Baiq Kisnawati, 2018)	The results of the study showed that transparency in the financial management of Village Fund allocation (ADD) in the district Moyo Hilir Sumbawa Besar is seen from the aspect of planning and implementation aspect which is good or already transparent. Another thing that can prove transparency in the financial management of ADD in lower Moyo Sub District is a community participation in the deliberation Plan Village Development (Musrenbangdes).
3	Accountability of Management and Utilization of Village Fund Allocation in Development Process in Dasri Village District Tegalsari Banyuwangi Regency Year 2013	(Huri, 2015)	Accountability is referred to as accountability, presenting, reporting, and disclosing all activities and activities that are the Government's responsibility to the public. This research was conducted to know the three stages of planning, implementation, and accountability for the management of village funds allocation in Dasri village. This research is supported by the technical supervision, operational and evaluation of the district escort team, BPD to prove the implementation of accountability and transparency in the management of village fund allocation in Dasri village. The results of this research show that the planning,

			implementation and accountability of the management of village funds allocation has implemented the principle of accountability with participatory indicators, transparent and responsive according to the prevailing guidelines.
4	The Effect of Financial Management Accountability on Village Fund Allocation, Village Policy, and Village Institutions on Community Welfare (Case Study in Gubugklakah Village, Poncokusumo District, Malang Regency)	(Dura, 2016)	Accountability of financial management of village funds allocation, village policy, and village institutional influence on community welfare, and accountability of financial management of village funds allocation, village policy, and village institutional influence jointly towards the welfare of society.
5	Accountability Management of Village Fund Allocation in Punagaya Village Bangkala District Jenepono Regency	(Muslimin, 2012)	This research shows the accountability of the management of village funds allocation in Punagaya village in Bangkala district of Jenepono District. The accountability factor for village funds allocation is limited to skills, desires and participation rates. The planning of ADD (Village Fund Allocation) program in Punagaya village has gradually implemented the concept of participatory development of village community.
6	Transparency and accountability analysis of village funds allocation reporting (case study in Bengkel village, Busungbiu District, Buleleng Regency)	(Made Wiradarma Setiawan, 2017)	The distribution of village funds allocation (ADD) from the local government to the Government of the Bengkel has been referring to the rule of Regent Number 84 year 2015 on the procedure to allocating the village funds, village funds allocation, tax share, and the result of retribution and disbursement of funds is done gradually through four stages that are equipped with a recommendation letter from the subdistrict, factors that influence the difficulty of implementing the principle of transparency and accountability in the village Government accountability to the reporting of the weak village fund allocation of human resources existing village apparatus in the village is one of the factors that affect the performance of the village government as in the creation of the realization report, in addition to the delay of the incoming village fund allocation also affects, community participation also tends to affect.

7	Accountability and Transparency in Village Fund Allocation Management (ADD) in Bubunan Village, Seririt District, Buleleng Regency	(I Putu Andi SuarJaya Putra, 2017)	The management of the Village Fund Allocation Fund in Bubunan Village has gradually adopted the principle of accountability supported by the principles of transparency, participation and responsiveness. In realizing transparency in the management of the Village Fund Allocation, the Bubunan village provided information to the community through village meetings and through the installation of billboards containing information on Village Fund Allocation for each program design implemented to support the activities of Bubunan Village.
8	Village Fund Allocation Management in Realizing Good Governance	(Setiawan, 2018)	Management of ADD in the Ngombakan village outline has been accountable, transparent and participatory. However, technically there are still obstacles. These constraints are obstacles from districts which are late in making Regents Regulations regarding regulations on ADD and its management. This has an impact on late reporting related to ADD management in Ngombakan Village.
9	Accountability of Village Budget Management (APBDes) in Bendosari Village, Ngantru District, Tulungagung Regency	(Sari, 2015)	The Government of Bendosari Village, Ngantru Subdistrict, Tulungagung Regency has applied the principles of accountability in the management of the 2015 APBDes for the 2015 fiscal year. In general, the government of Bendosari Village, Ngantru Subdistrict, Tulungagung Regency has been going well, although there are still some weaknesses that must be addressed. According to the results of the analysis based on DD management stages, namely at the implementation stage.
10	Village Government's Effectiveness in The Use of Village Funds Allocation in Balantak Sub-district of Banggai	(Moh. Ikkal Babeng, 2018)	Implementation of ADD in Rau, Dolom and Talima B Villages, Balantak District, Banggai Regency is not optimal as per the applicable laws and regulations, the use of ADD is still oriented towards the physical development of village facilities, and has not led to increasing the capacity of rural communities by increasing human resources villagers. Factors that inhibit the use of ADD in Ra'u Village, Dolom Village and Talima Village in Balantak Sub-district of

			Banggai District, are very dominantly influenced by the level of human resources of village government officials and village communities, as well as village infrastructure and facilities and mileage or geographical location of the village.
11	Accountability of village Fund Allocation Management: Study in Kedungbetik Village in Kesamben District Jombang Regency	(Kholmi, 2016)	The planning and implementation of ADD in the village of Kedungbetik can be said accountable, ADD planning is based proposed program from the hamlet and evaluated through deliberation forum at the village level. ADD disbursement and channeling procedure in accordance with regulation of the regent of Jombang No. 17 year 2015, Permendagri No. 113 Year 2014 and ADD fund allocation is based on priority scale (benefit). Accountability Report implementation of ADD realization is integrated with APBDes accountability. ADD management constraints is a lack of understanding of village apparatus in implementing ADD.
12	Accountability Management of Village Fund Allocation (ADD) in the Villages of Rogojampi District, Banyuwangi Regency	(Siti Ainul Wida, 2017)	Accountability Management of Village Fund Allocation in 9 Villages in Rogojampi District Banyuwangi Regency in 2014 has been running at 100%. That means that the management accountability has been carried out satisfactorily, and in accordance with applicable laws and regulations. In the ADD plan, the Planning and Development Deliberation has been carried out at the hamlet, village and subdistrict levels, involving BPD, LPMD, and community representatives.
13	Evaluation of Accountability and Effectiveness of Village Fund Management in Bangka Regency and Belitung Regency: A Comprehensive Study	(Anggraeni Yunita, 2019)	The village's financial management in the villages of Bangka and Belitung district has not been accountable and effective if viewed from the four aspects that are examined, namely the regulatory and institutional aspects, governance aspects, supervision aspects and human resources aspects. This happened because, the implementation of the new Village Fund program was implemented the first time in 2015. As with the new programs, although the rules and technical guidelines for the management of village funds are complete enough, but there is still overlap between regulations made

14	Accountability of Village Fund Management in the Village of Budugsidorejo, Jombang Regency in 2015	(Andi Setiawan, 2017)	<p>by the Minister of Home Affairs and village ministers, disadvantaged regional development and transmigration.</p> <p>The principle of accountability in the management of ADD in the village of Budugsidorejo has been fulfilled. This is indicated by its implementation in accordance with procedures as well as with the presence of internal and external supervision. In essence, the supervision carried out can raise awareness for the village government to carry out the obligation of providing information relating to the management of ADD. This shows that every activity and work program funded by ADD must be truly accountable to the community and supervisors such as the inspectorate and BPMPD.</p>
15	Factors Affecting Village Government Apparatus Performance in Village Funds Accountability	(Umi Pratiwi, 2018)	<p>Understanding Government regulation on the accountability of village funds to the performance of village government apparatus has no effect on the performance of village government apparatus. Local governments always have to socialize government regulations relating to the accountability of village funds so that the understanding is increased, for the performance of village apparatus better, because the village is a small scope in improving the quality of state progress.</p>
16	Application of the Principles of Transparency and Accountability in Managing Village Budgeting and Revenue (Case Study in Tandu Village, Lolak Subdistrict, Bolaang Mongondow Regency)	(Adianto Asdi Sangki, 2017)	<p>This research shows the absence of openness/transparency on the village government's managed budget in this case the budget executor, so that the public does not generally know in detail about the APBDes. The community only knew the total number of APBDes in 2016 which is the village fund allocation amounted to Rp. 390,342,144 and the village fund from the centre amounted to Rp. 557,039,956. Even this transparency process does not have a positive impact on the governance in Tandu village, as well as the government's openness in making policies unknown to the public.</p>

17	The impact of village Government accountability towards the management of village fund allocation (Jagaraga Village case study)	(Kadek Isnayanti, 2017)	The Village Fund Allocation Policy on Community Empowerment and Institution of Jagaraga Village is divided into two namely ADD for Village Government Operations. Village and apparatus spending by 30% and ADD for Community Empowerment by 70%. The village RKP contains an evaluation of the implementation of the Village Government Work Plan (RKPDesa) of the previous year, priority programs, activities, and village budgets managed by the Village Government Work Plan (RKPDesa) as the basis for determining the Village Budget and Expenditure (APBDesa). The implementation of the Village Revenue and Expenditure Budget consists of: Principles for the Implementation of Village Finances, Implementation of Revenue Revenues, Implementation of Expenditures / Expenditures, Implementation of Financing.
18	Accountability implementation of APBDes fund allocation and implication on Community Welfare (in Pademonegoro Village, Sukodono District, Sidoarjo Regency)	(Laurentya, 2016)	This research shows that for planning, implementation, reporting and accountability of the APBDesa management implementation seen in physical results, interviews and observations in broad outline has shown an accountable and transparent management in accordance with the applicable legal basis namely Law Number 6 of 2014, Permendagri 113 of 2014, Permendagri No. 114 of 2014, Permendagri No. 111 of 2014 and Sidoarjo Regent's Regulation No. 27 of 2015. The implementation also had an impact on improving the welfare of the community in Pademonegoro Village. This can be seen from the physical development and activity programs in Pademonegoro Village.
19	Accountability and Transparency Accountability of Village Expenditure Budget (APBdes)	(Suci Indah Hanifah, 2015)	The financial management of Keparahan Village is based on the regulation of the Minister of Home Affairs No. 37 of 2007 which demonstrates the accountable and transparent implementation seen from the reporting of the response of the village expenditure budget (APBDesa), but the accounting department is still required for further coaching and training, as it is not fully compliant with the provisions.

20	Transparency and Accountability of Village Funds Allocation (study on Trimulyo Village, Jetis District, Bantul Regency year 2015) (Susliyanti, 2016)	The planning of the Village fund allocation Program in Trimulyo village Jetis Bantul District has adopted the principle of passive participation, proven by the level of participatory community in the musrenbangdes of 92%. Implementation of Village fund allocation Program in Trimulyo Village, Jetis Bantul Sub-District has adopted the principle of passive, transparent and accountable participatory. Village fund allocation reporting has been proven by the accountability of ADD and APBDes programs to sub-district government conducted periodically. Based on the results of effective analysis, village funds allocation in Trimulyo Village is very effective at 100%, additionally ADD contributed 55.62% of the total revenue received by the village government Trimulyo.
21	The influence of internal audit and internal control on the implementation of good corporate governance at PTPN III (Lubis, 2017)	The results showed that internal audit and internal control had a positive but insignificant effect on the implementation of good corporate governance. Partially, internal audit has a positive and significant effect on the implementation of good corporate governance, meanwhile internal control has a positive but insignificant effect on the implementation of good corporate governance.

F. Theoretical Framework

1. Accountability

According to Gharthey J.B in (Adisasmita, 2011), accountability is aimed at obtaining answers to statements relating to what service, by whom, to whom, belonging to whom, which, and how. Questions that require such answers are what should be held accountable, why the accountability must be submitted, to whom the accountability is handed, who is responsible for various parts of the activities in the community, whether the responsibility goes along with the authority, and so on. Carino in (Adisasmita, 2011) defined accountability as an evolution of activities carried out by a person who is either still on the path of his authority or is already out of his responsibility and authority. Thus, every individual must really realize that his or her actions not only affect himself but also bring no small impact on others. Therefore, the environment is an absolute concern in every act and practice of one's government officials. Based on the definitions, it can be concluded that at its core accountability is an embodiment of the obligation of a person or organizational unit to account for the management and control of resources and the implementation of the policy entrusted to it in order to achieve the established objectives.

Accountability is important in financial management because it guarantees the values of efficiency and effectiveness in the financial reporting of the village that contains activities ranging from planning to implementation. Accountability also has to apply the principle of transparency. The purpose of transparency is so that people can know about the financial management that allows the public to know and gain access to vast information. Transparency and accountability are the main key to the governance and the company can run well.

According to Romantis, (Romantis, 2015), accountability can be implemented by granting access to all stakeholders, asking or sue accountability of decision-makers and implementation both at regional and community program levels. Thus, all activities related to the management of village funds allocation must be accessed by all elements of interest especially the community in the region.

Internal audits evaluate a company's internal controls, including its corporate governance and accounting processes. These audits ensure compliance with laws and regulations and help to maintain accurate and timely financial reporting and data collection. Internal audits also provide management with the tools necessary to attain operational efficiency by identifying problems and correcting lapses before they are discovered in an external audit. Internal controls are processes and procedures implemented by a company to ensure the integrity of its financial and accounting information, promote accountability, and help prevent fraud. Examples of internal controls are segregation of duties, authorization, documentation requirements, and written processes and procedures. Internal audits seek to identify any shortcomings in a company's internal controls. In addition to ensuring a company is complying with laws and regulations, internal audits also provide a degree of risk management and safeguard against potential fraud, waste, or abuse. The results of internal audits provide management with suggestions for improvements to current processes not functioning as intended, which may include information technology systems as well as supply-chain management. There are seven aspects that must be considered in developing and building accountability from the perspective of Indonesia internal audit, First: Transparency is openness which is the main thing in accountability. Second: The latest systems and procedures are updated periodically once a year and a maximum of 2 years. Third:

Participatory representation is the participation of employees who are then represented in the common interest at a higher level. Fourth: Evaluation and Review which at this stage, evaluation and review are focused on the methodology and validity of collecting input, the policy making process, and the response to policy implementation from active users in the field. It is also necessary to pay attention to whether the content and context are still relevant, fulfill a sense of justice, and are proportional to the ability of the organization. Fifth: Complaints and responses, whether there is a platform to accommodate complaints from all stakeholders and whether the response has been conducted quickly, appropriately and effectively in accordance with stakeholder expectations. Sixth: monitoring can be done by tightening systems and procedures, seriousness of direct superiors to implement programs and policies, commitment from the highest leadership to ensure policy lines have been carried out seriously and effectively, and routine internal audit checks. Seventh: Futuristic policy, whether the programs in that policy refer to the long-term importance to the benefit of all stakeholders, other efforts to create futuristic policies that are grounded and supported by existing resources can be done with comparative studies and benchmarks, so that it can ultimately be felt to be closer to the company's vision and mission. Internal auditors are an integral part of the governance of an organization. Internal auditors have a role to ensure that the principles of transparency and accountability have been implemented within a company. This will later provide clarity on rights and functions between parties who have an interest in the company (Trimanto S. Wardoyo, 2010). The internal audit function is usually carried out not for the purpose of testing the feasibility of financial reports, but to assist management in identifying weaknesses, failures and inefficiencies of the various programs that have been planned by the organization

or company concerned. The output of this internal audit is not only in the form of recommendations for system and method improvement, but also includes corrective actions that minimize and eliminate weaknesses, failures and inefficiencies from various programs that have been planned by the organization or company concerned.

Meanwhile, according to (Djalil, 2014), an accountable government has the following characteristics:

- 1) Able to present information about government operations openly, quickly and precisely to the public
- 2) Able to provide satisfactory service to the public
- 3) Able to provide space for the community to be involved in the development process and governance
- 4) Able to describe and account for each public policy proportionately
- 5) There is a means for the public to assess government performance. Through public accountability, people can assess the degree of achievement of government programs and activities.

According to (Djalil, 2014), public accountability consists of five levels:

- 1) Policy accountability: accountability for policy choices referred to by budget
- 2) Program accountability: accountability for achieving the objectives/outcomes and effectiveness achieved
- 3) Performance accountability: accountability to the achievement of efficient activities
- 4) Process accountability: accountability for the use of appropriate processes, procedures or measures in carrying out the prescribed actions

- 5) Probity dan legality accountability: accountability for the legality and honesty of the use of approved funds or compliance with applicable laws

a. Accountability Dimension

Accountability in the public sector consists of various dimensions. Ellwood, 1993 in (Mardiasmo, 2002) suggests a four-dimensional public accountability:

- 1) Honesty and legal accountability, honesty accountability relates to the avoidance of authority abuse, meanwhile accountability of the law relates to the guarantee of compliance with other laws and regulations required in the use of public resources
- 2) Accountability policy relates to the issue of liability
- 3) Program accountability, program accountability is related to the problem of achieving objectives (effectiveness) and considering alternative programs that provide optimal results at minimal cost. The accountability of the program relates to individual units and bureaucrats who conduct joint activities to achieve the program's effectiveness
- 4) Accountability process, accountability process is related to the issue of procedures used in the task. It has been fulfilled the adequacy of accounting information system, information management system, and the administrative procedure of accountability process manifested by providing fast, responsive, and inexpensive public services. The accountability process is related to the operating methods and procedures of a system that transforms inputs into outputs. Accountability process emphasizes that some objectives may not be measured and replaced directly, but presenting how activities are directed toward achieving goals.

b. Accountability model

(Coghill, 2000, 2004) stated that, accountability operates through a complex network of accountability. These include institutions such as parliament, investigation committees, executives, political parties, courts, ombudsman, auditors, industrial regulators, governments and the media. The accountability model under this view, is referred to as a network model of work (complex accountability system) which is the relationship between individual networks and institutions.

(Denhardt J.V, 2003) described the new public services approach to citizen orientation changes in how public institutions are built on integrity and responsiveness, and how the government's role in serving and empowering and the values of democracy. Democratic services demand the realization of quality service as one form of good governance. Accountability is an obligation to convey accountability, explain the performance and actions of a person in a legal entity or a collective leader of an organization to a party that has an accountability to solicit information.

Accountability according to Mohammad, etc (2004) has three types namely:

- 1) Financial Accountability: A liability that includes financial statements consisting of income/acceptance, storage, and expense.
- 2) Accountability Benefits: Accountability that covers the results of achieving goals that conform to the procedures and the most important of achieving those objectives is effectiveness.
- 3) Procedural accountability: Accountability is concerned with the importance of implementation procedures by considering the principle of ethics, morality and legal certainty.

c. Accountability Objectives

In accordance with presidential instruction No. 7 Year 1999, the objectives of the government agency performance accountability system is to encourage the creation of accountability of government agencies as one of the prerequisites for the creation of good and trusted governments.

The performance accountability system of government agencies is implemented in all major activities of government agencies that contribute to the achievement of the vision and mission of government agencies, as follows:

- 1) Make government agencies accountable so that it can operate efficiently, effectively and responsively to the aspirations of the community and its environment
- 2) Realization of transparency of government agencies
- 3) Realization of community participation in implementing national development
- 4) Maintain the trust of the public to the government.

d. Factors That Affect Accountability

According to Adisasmita in (Ismail, 2017) to achieve the success of accountability should be noted the following factors:

- 1) Capable leadership

To organize good accountability in government agencies requires leaders who are sensitive, responsive, accountable, and transparent to their subordinates and to the public.

- 2) Acceptable to all parties

The purpose and meaning of accountability must be communicated openly to all parties so that the standards and rules can be accepted by all parties.

3) Need to understand the community

The pilot project is required to implement accountability which is then communicated to the whole community, so that it will be able to obtain expectations and how they respond to it. Public acceptance of something new will be influenced by public understanding of it.

4) Continuous adaptation

Changes happening in the community will result in a change in accountability. The accountability system must be continuously responsive to any changes occurring in the community.

2. Allocation of Village Funds

The village's Fund allocation is one of the village's budget income sources for carrying out government wheels. The village funds allocation comes from the district/city APBD which is sourced from the Fund section of the financial balance of the center and the area received by the Regency/city for village at least 10%. In addition to the APBD, currently referring to law number 06 year 2014 about the village, one source of fund allocation village derived from the budget fund is the village funds sourced from the state income and expenditure budgets allocated to the village transferred through the budget income and district/city expenditure and used to finance government administration, implementation of development, community development, and community empowerment.

Management of village funds allocation through three phases consisting of planning, implementation, and supervision. The mechanism of the three-stage interconnectedness cannot be separated from one another. This is because the management of village funds allocation is expected to realize the ideals of good governance at the lower level of government which is the village. One aspect that

should be considered in the management of village fund allocation is the implementation of accountability by the ruler at the village level.

In article 2 PP number 06 year 2014 mentions that the village funds are managed in order, complying with the provisions of legislation, efficient, economical, effective, transparent, and responsible with regard to the sense of fairness and persistence and prioritize the interests of local people, then further in article 5 paragraph 2 that the allocation of funds calculated based on the number of villages and allocated with the population, poverty figures, area, and geographic difficulty levels.

The objectives of village funds allocation are:

- 1) Tackling poverty and reducing gaps
- 2) Improving development planning and budgeting at the village level and community empowerment
- 3) Improving the development of religious values, socio-cultural in order to realize social enhancement
- 4) Improving rural infrastructure development
- 5) Improving the peace and order of society
- 6) Improving services to the villagers in order to develop social and economic activities of the Community
- 7) Encouraging increased seriability and mutual cooperation of society
- 8) Increasing village community income through village owned enterprises (BUMDes).

G. Conceptual Definition

This research's author uses the concept to discuss the accountability of fund allocation village in Banguncipto Village, Sentolo District, Kulon Progo Regency.

1. Accountability

Accountability is an obligation to convey accountability or to answer and explain the performance and actions of a person / legal entity in the collective leadership of an organization to the party that has the authority to request information or accountability.

2. Allocation of Village Funds

Village Fund allocation is the funds allocated by the District/city government for the village which is sourced from the funds section of the Central and district financial balance received by the Regency/city to finance all the village government programs.

3. Internal Audit

Internal audits evaluate a company's internal controls, including its corporate governance and accounting processes. These audits ensure compliance with laws and regulations and help to maintain accurate and timely financial reporting and data collection. Internal audits also provide management with the tools necessary to attain operational efficiency by identifying problems and correcting lapses before they are discovered in an external audit.

H. Operational Definition

The operational definition is a symptom identified with the aim of being able to answer the problems that exist in the research and facilitate researchers to analyze the data.

Table 1.3 Operational Definition

No.	Variable	Indicators	Parameter
1.	Accountability in the Perspective of Indonesian Internal Audit	1. Participatory Representative	- Community participation is needed both in planning and supervision.
		2. Transparency	- Community rights to access information - Openness in managing public finances
		3. Systems and Procedures	- Effectiveness in managing budgets - Efficiency in managing budgets
		4. Monitoring	- Community participation in policy monitoring
		5. Evaluation and Review	- Community participation in providing responses to policies
		6. Complaints and Responses	- A platform for the community to provide aspirations
		7. Futuristic Policies	- Community participation in seeing the direction of policy

I. Research Method

In the preparation of the research process, there is a research method, which is meant the research method is a systematic way that has the function of showing the truth to solve a problem in research (Suryana, 2010). Research methods functions to demonstrate truth in the form of facts and problem solving. In solving the problems in the research to be researched and can get the correct answers need appropriate and adequate research methods.

1. Type of Research

This study, used a type of descriptive research method by describing or describing a situation or condition based on factual (real) and arranged systematically, and trying to relate the problem solving that is being discussed based on the data already obtained previously.

This study also used the type of qualitative research data collected not in the form of numbers but the data collected comes from interviews, field notes, personal documents, or official documents owned. According to Bogdan and Guba, a qualitative approach is a research procedure that generates descriptive data (the data collected in the form of words, images, and not numbers) (Moleong, 2004). The purpose of a descriptive study by M. Nazir is to make descriptions, drawings, or paintings systematically, factual, and accurate about the facts, traits, and relationships between phenomena or problems being investigated or researched (Nazir M. , 2003).

The type of research used in this research is a qualitative descriptive research method that aims to describe the behavior of people, events in the field, and certain activities or circumstances in depth. Research with a qualitative descriptive approach is a study focused on solving existing problems, so that researchers are not only limited to the collection and preparation of data clarification only, but also on the analysis and interachievements of the data. The reason why researcher used qualitative descriptive research methods is because the results and data from this research are more than interviews and questionnaire.

2. Data Sources

According to Lofland (Lexy J. Moleong, 2019), the data sources in qualitative research are words and actions and the rest is document data. The data to be used in this study are primary data sources through interviews and analysis. To strengthen research, researchers will also use certain sources as secondary data in the form of books, journals, news publications, photos, notes, regulations, and others related to the object under study (Nazir, 2004).

3. Data Collection Techniques

Data collection techniques are the methods used by researchers to obtain data in a study. In research, the researcher chooses the type of qualitative research, so that the data obtained must be deep, clear, and specific (Creswell, 2010). Data collection was obtained from interviews, document studies, and questionnaires. These techniques are as follows:

a. Document Analysis

Document analysis is a qualitative data collection method that contains a large number of facts and data stored in materials such as letters, notes, photo files, activity journals, books, and written sources. Documentary material is divided into several types, namely autobiographies, personal letters, books, memorials, clippings, government or private documents, documents from an agency, data on servers and flash disks, data stored on websites. In this study, researcher used documents in the form of institutional documents, books, notes, photo files, and journals.

b. Interview

Interviews were conducted by going through the process of obtaining an explanation to gather information using question and answer which can be done face-to-face between the interviewer and the person being interviewed, using guidelines. The essence of the interview is an activity to obtain in-depth information about an issue or theme raised in the research, or it is a process of proving information that has been obtained through other previous techniques. Determination of informants in this study used techniques purposive sampling. This purposive sampling technique is a technique of taking informants or resource persons with specific objectives

by the research theme because the person is considered to have the information necessary for the research. In this case, the researcher chooses informants who are considered to know the problems to be studied and can provide information that can be developed to obtain data. In this study, the author conducted interviews to obtain in-depth information by listening to oral statements from the village government, and the village community as respondents regarding the Village Fund Allocation Accountability. Before conducting the interview, the researcher made a list of questions first. In this research, the researcher interviewed the village head, village officials, and the village community, to find out the accountability that exists in Banguncipto Village and test how the Village Fund Allocation (ADD) is managed.

Table 1.4 Interview

No.	Agency	Interviewees	Number
1.	Banguncipto Village Government	Mr. Syaiful Anwar	1
2.	BPD	Mr. Prayogo	1

c. Questionnaire

According to (Sugiyono, 2011) a questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer. This method is used to obtain answers to many questions or statements that will be filled in by the respondent. This questionnaire method was used to obtain data related to the accountability of village fund allocations in Banguncipto Village. The questionnaire was made by researchers in the contents of the Banguncipto Village community.

The sampling technique used was non-probability sampling with a quota sampling technique. The quota sampling technique is a sampling technique

by setting a certain number as a target that must be met in taking a sample from a population (especially those whose numbers are not limited or unclear), then with this number the writer takes the sample randomly to meet the requirements as a sample of the population (Sugiyono, 2011). The samples taken in this study were the people of Banguncipto Village with the following characters:

1. Respondents must be over 17 years of age
2. Is a resident of the six hamlets of Banguncipto Village
3. Respondents are 50% women and 50% men

The total number of respondents as the sample in this study will be taken as many as 60 respondents who are divided into each hamlet, namely Bantar Kulon, Bantar Wetan, Ploso, Bantarjo, Banaran Lor and, Banaran Kidul. In general, each hamlet will get 10 respondents divided between women and men.

4. Time and Place

In the process of writing the Village Fund Allocation Accountability study, the author took the research location in Banguncipto Village, Sentolo District, Kulon Progo Regency and the research was carried out at the village office level and the community in each hamlet representative.

5. Unit Analysis

Table 1.5 Unit Analysis

Type of Data	Source of the Data	Data Required	Data Collection Technique
Primary Data	Head of Banguncipto Village	<ol style="list-style-type: none"> 1. Participatory Representative 2. Transparency 3. Systems and Procedures 4. Monitoring 5. Evaluation and Review 6. Complaints and Responses 7. Futuristic Policies 	Interview
	Head of BPD Banguncipto	<ol style="list-style-type: none"> 1. Participatory Representative 2. Transparency 3. Systems and Procedures 4. Monitoring 5. Evaluation and Review 6. Complaints and Responses 7. Futuristic Policies 	Interview
	Banguncipto Village Community	<ol style="list-style-type: none"> 1. Participatory Representative 2. Monitoring 3. Evaluation and Review 4. Complaints and Responses 	Questionnaire
Secondary Data	Directorate General of Balance, Ministry of Finance	Kulon Progo Regency Village Fund	
	Village Law Number 6 of 2014		
	Regulation of the Minister of Home Affairs Number 37 of 2007	Regarding the guidelines for village financial management	
	Book, Journal, Article.	Books, journals, and articles related to the accountability of the Village Fund Allocation as a basis or reference in writing this thesis.	
	Village Income and Expenditure Budget (APBDes)	Banguncipto Village Budget Realization Report for Fiscal Year 2019	