

Evaluation of Village Fund Management in Yapen Islands Regency Papua Province (Case Study at PasirPutih Village, South Yapen District)

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Abstract

Successful implementation of Law No. 6 of 2014 on Village requires support from all parties, government, institute of representatives, and community. Therefore, it is necessary to have comprehensive understanding on the content of this Law of Village, Government Regulation No. 60 of 2015, as amended in Government Regulation No. 22 of 2015, and most recently amended in Government Regulation No. 8 of 2016 on Village Fund Derived from State Budget. This study was implemented due to many problems on management village fund management at PasirPutih Village. Therefore, this study is titled "Evaluation of Village Fund Management in Yapen Islands Regency, Papua Province (Case Study at PasirPutih Village, South Yapen District)". This study was aimed to describe how evaluation of village fund management at PasirPutih Village was implemented, and also supporting and inhibiting factors on the village fund management. This study used qualitative research method. Data collection techniques used were interview, document study, and observation. The result indicated that quality of human resources of PasirPutih Village personnel were inadequate compared to their duties, authorities, and responsibilities. In addition, KampungPutih Village revenue in 2015 derived from only village fund and community participation was still very low. Therefore, this study would also discuss about the inhibiting factors in village fund management and what efforts should be done in order to overcome the inhibiting factors, such as how to improve quality of human resources to accomplish the implementation of village fund management appropriately. In terms of technical assistance, training, and education on village fund management was good and appropriate.

Keywords

Evaluation, Village Fund Management, Local Government Organizations

1. Introduction

The development of decentralization in Indonesia was marked by enactment of laws on local government. They were drafted according to philosophy and paradigm closely related to national political situation and central government policy. The decentralization began by enactment of Law No. 1 of 1945 at the beginning of independence. National founders had decided that decentralization was necessary for social welfare.

According to Article 1 clause (8) of Law No. 23 of 2014, decentralization is “delegation of governmental affairs by central government to autonomous region under principle of autonomy” [1]. According to Smith, decentralization “is delegation of authority to lower level in a territorial hierarchy” [2].

Giroth also suggested that “there is no regional autonomy, there is only decentralization. On the contrary, decentralization without regional autonomy may raise problems in the governance and development in regions”.

Government policy on regional autonomy in Article 1 clause (6) of Law No. 23 of 2014 on Local Government suggests that regional autonomy is “rights, authorities, and duties of autonomous region to manage and govern its own governmental affairs and local interests within the system of Unitary State of the Republic of Indonesia” [3]. Government policy has provided extensive autonomy to regencies and cities. This is to recover public trust in regions, to provide opportunity of political education in order to improve quality of democracy in regions, to accelerate regional development, and it is also expected to create good governance.

Regional autonomy shall encourage active participation of regions in poverty alleviation and to improve social welfare in regions which is included as one great agenda of national development. Development, essentially, is a series of continuous efforts to achieve prosperous living of community both physically and mentally. Active participation of society in development is necessary since they are object and also subject of the development, thus participatory development models have been developed.

In 2014, a new policy specified to manage village, Law No. 6 2014 on Village, was enacted. This law became the turning point for village management in Indonesia. The significance of village management in this law places village in accordance to constitution, referring to article 18B clause (2) and article 18 clause (7). This law on village has given hope for the realization of village as self-governing community and local self-government. This is to enable the accommodation of traditional communities as the foundation of diversity in the Unitary State of the Republik of Indonesia.

The enactment of Law No. 6 of 2014 on village has given hope to implement the shift of orientation in national development, to develop Indonesia by developing villages. To actualize the strategic vision, central government has distributed Rp20.6 trillion of village fund in 2015, and increased into Rp 46.7 trillion in 2016 for 74,093 villages.

According to Sumaryadi, "Participatory development is an approach of development appropriate with the essence of regional autonomy that put its foundation on development derived from community, implemented intentionally and independently by community, for the benefit of community" [4].

Successful implementation of Law No. 6 of 2014 requires support from all parties, government, institute of representatives, and community. Therefore, it is necessary to have comprehensive understanding on the content of this Law of Village, including government regulation as its operational principle.

There have been two Government Regulation as the explication of the Law No. 6 of 2014, namely Government Regulation No. 43 of 2014 on implementation regulation for Law No. 6 of 2014 as amended in Government Regulation No. 47 of 2014 on amendment of implementation regulation for Law No. 6 of 2014, and also Government Regulation No. 60 of 2014 on Village Fund Derived from State Budget as amended in Government Regulation No. 22 of 2014 on amendment of Village Fund Derived from State Budget and amended secondly in Government Regulation No. 8 of 2016 on second amendment of Government Regulation No. 60 of 2014 on Village Fund Derived from State Budget. By amendment of government regulations on village fund annually, it shows that there are still issues in the management of village fund in Indonesia.

Central government had implemented distribution of Village Fund phase I to village governments in 2015. After distributed by financial ministry, then Ministry of Village, Development of Underdeveloped Regions, and Transmigration shall supervise the usage priority of village fund according to prevailing ministry regulation, namely Regulation of Minister of Village, Development of Underdeveloped Regions, and Transmigration No. 21 of 2015 on usage priority of village fund. Village fund of 2015 shall be used to fund the implementation of 4 sectors, namely administration of government, development, public and social empowerment [5].

In relation with that, village government shall been given with rights, authorities, and duties to administer its own domestic affairs. Also, the second amendment of 1945 Constitution shall still recognize the position of village with authentic autonomy it has, as stated in article 18B clause (2):

The State recognizes and respects traditional communities along with their traditional customary rights as long as these remain in existence and are in accordance with the societal development and the principles of the Unitary State of the Republic of Indonesia, and are regulated by law [6].

Administration of village government, or better known as *Kampung* government in Papua province, can be seen in Article 1 clause (2) of Regulation of Regent of Yapen Islands No. 4 of 2015 on Procedure for Distribution and Detailed

Allocation of Village Fund in Yapen Islands Regency stating that:

Kampung is unit of traditional community with territorial border authorized to regulate and manage governmental affairs and local interests based on community initiatives, rights of the origin, and/or traditional rights recognized and respected in the governmental system of Unitary State of the Republic of Indonesia.

This Regent Regulation clearly states that unit of traditional community here is authorized to regulate and manage its governmental affairs and local interests including in the management of village fund derived directly from central government to villages in Yapen Islands Regency.

In Article 1 clause (3) of Regent Regulation No. 4 of 2015, it is stated that:

Village Fund is fund derived from State Budget specified for village and distributed through Regional Budget of Regency/City and spent to fund the administration of government, implementation of development, social development, and social empowerment.

This Regent Regulation regulates detailed allocation of village fund in article 3 of Regent Regulation No. 4 of 2015 for every village in Yapen Islands Regency. It is calculated by formula:

$$W = (0.25 * Z1) + (0.35 * Z2) + (0.10 * Z3) + (0.30 * Z4),$$

where:

W = Village fund allocated for every villages

$Z1$ = Ratio between population size of each village and total population size of all villages in the regency

$Z2$ = Ratio between number poor people of each village and total number of poor people of all villages in the regency

$Z3$ = Ratio between area size of each village and total area size of all villages in the regency

$Z4$ = Ratio between *IKG* of each village and *IKG* of all villages in the regency [7]

Budget source of revenue of PasirPutih Village distributed according to data of Village Fund allocated by formula based on Regent Regulation No. 4 of 2014 on Detailed Allocation of Village Fund for each village in Yapen South District as seen in **Table 1** showed different allocation of village fund appropriate with certain factors and formula. PasirPutih Village, with population size of 1,080 people, has the second highest number of poor people compared to other villages in South Yapen District, Yapen Islands Regency, by 265 people. Village Fund received by PasirPutih Village, South Yapen District in 2015 was shown as in **Table 2**.

Village fund received by PasirPutih Village by Rp.335,381,518 was the second highest number allocated in South Yapen District. However, this number was considered low compared to what was needed by the village.

The allocated fund would be distributed in 3 stages. Stage I, the fund was distributed on April by 40%. Stage II, it was on August by 40%. And stage III, it was

Table 1. Detail allocation of village in Sout Yapen district.

Name of Village	Basic Budget (Rp)	Ratio of Population Size	Ratio of number of poor people (%)	Ratio of area size (%)	Ratio of geographical difficulty (%)	Alocation of budget based on formula (Rp)
SeruiLaut	241,407,371	1028 (1.154%)	173 (1.1223%)	0.21%	0.50%	67,871,825
PasirHitam	241,407,371	1175 (1.319%)	254 (1.6478%)	0.15%	0.57%	92,895,050
PasirPutih	241,407,371	1080 (1.212%)	265 (1.7192%)	0.32%	0.45%	93,974,147
Banawa	241,407,371	3075 (3.425%)	62 (0.4022%)	0.18%	0.37%	59,880,346
Barawaikap	241,407,371	1999 (2.244%)	52 (0.3373%)	0.12%	0.51%	45,597,658
Ketuapi	241,407,371	596 (0.669%)	87 (0.5644)	0.14%	0.40%	37,123,375
Mariadei	241,407,371	1593 (1.788%)	111 (0.7201%)	0.15%	0.52%	57,477,296
Warari	241,407,371	2901 (3.257%)	100 (0.6487%)	0.46%	0.26%	68,112,509
Turu	241,407,371	1696 (1.904%)	427 (2.7702%)	0.18%	0.46%	146,029,848
Famboaman	241,407,371	2261 (2.538%)	224 (1.4532%)	0.50%	0.46%	97,664,272

Source: Regent regulation No. 4 on procedure for distribution and detailed allocation of village fund in Yapen Islands regency year 2015.

Table 2. Detailed allocation of village fun in south Yapen district year 2015.

No	Name of Village	Village Fund Ceiling per Village (Rp)
1	SeruiLaut	309,279,196
2	PasirHitam	334,302,421
3	PasirPutih	335,381,518
4	Banawa	301,287,718
5	Barawaikap	287,005,029
6	Ketuapi	278,530,747
7	Mariadei	298,884,668
8	Warari	309,519,880
9	Turu	387,437,219
10	Famboaman	339,071,643

Source: Regent regulation no. 4 on procedure for distribution and detailed allocation of village fund in Yapen Islands regency year 2015.

on October by 20%. The amount was determined in regent regulation based on certain factors.

Village fund received by PasirPutih Village as seen in **Table 3** indicates that PasirPutih Village was still dependent on financial aid from central government and regency government due to low village revenue.

However, village fund is still worrying in terms of effectiveness and transparency of its usage. The reason is that village fund would be in vain if government, from central to village government, is inadequately prepared. Village fund, or better known as “*danakampung*” in South Yapen District, is aimed to accelerate the development of all villages in Papua province, specifically in PasirPutih

Table 3. Village fund for PasirPutih village year 2015.

Stage	Month	Percentage	Amount of Village Fund
I	April	40	134,152,607
II	August	40	134,152,607
III	October	20	67,076,304
	Total		335,381,518

Source: PasirPutih village year 2015.

Village, to increase social welfare. It means that Law No. 6 of 2014 has given new hope in improving the role of village government personnel as the front line in development and sociality.

There were several issues found due to inadequate control by South Yapen District government to PasirPutih Village. From data in **Table 4**, it can be seen that progress report for PasirPutih Village was incomplete and *SILPA* (budget surplus) was not returned accordingly.

Article 27 of Government Regulation No. 60 of 2014 on Village Fund Derived from State Budget states that:

- 1) If *SILPA* (budget surplus) of Village Fund is more than 30% at the end of previous budget year, regent/mayor shall give administrative sanction to the village.
- 2) The sanction, as mentioned in clause (1), shall be postponement of village fund distribution of stage I in the running budget year by the amount of *SILPA* of the village fund.
- 3) If, in the running budget year, there is *SILPA* of more than 30%, regent/mayor shall give administrative sanction to the village.
- 4) The sanction, as mentioned in clause (3), shall be budget cut for village fund of the next budget year by the amount of *SILPA* of the running budget year [8].

PasirPutih Village can be given with sanction, according to regulation issued by either central or local government. From the explanation above, PasirPutih Village personnel was not properly prepared to apply the Law on Village for the development and social welfare. This is related to the aim and purpose of the usage of Village Fund, and also in terms of progress report that fell behind schedule stated in Regent Regulation No. 4 of 2015. Thus, PasirPutih Village should be given with sanction.

Village is positioned as part of bureaucracy from central to local government since the improvement of local capacity in order to directly develop village. As result, village is structurally under the Head of District according to Law No. 23 of 2014 on Local Government. Therefore, control and evaluation from the level of District on the management of village fund in PasirPutih Village is necessary.

From **Table 5**, it can be seen that revenue of PasirPutih Village was only from Village Fund by Rp. 335,381,518 in 2015. This fund derived from State Budget was still considered insufficient without other income or revenue. Limited budget

Table 4. Progress report for allocation of village fund south Yapen district year 2015.

Village	Stage			Progress Report	Description
SeruiLaut	I	II	III	Complete	Behind schedule
PasirHitam	I	II	III	Complete	Behind schedule
PasirPutih	I	II	III	Incomplete	Behind schedule
Banawa	I	II	III	Complete	Behind schedule
Barawaikap	I	II	III	Complete	Behind schedule
Ketuapi	I	II	III	Complete	Behind schedule
Mariadei	I	II	III	Complete	Behind schedule
Warari	I	II	III	Complete	Behind schedule
Turu	I	II	III	Complete	Behind schedule
Famboaman	I	II	III	Complete	Behind schedule

Source: South Yapen district year 2015.

Table 5. Revenue budget of PasirPutih village government budget year 2015.

Account Code	Description	Budget
1	2	3
1	Revenue	335,381,518
1 1	<i>Village-owned Revenue</i>	-
1 1 1	Produce	-
1 1 2	Self-supported, communal participation	-
1 1 3	Other locally-owned revenue	-
1 2	<i>Transferred Revenue</i>	335,381,518
1 2 1	Village fund	335,381,518
1 2 2	Share from taxation	-
1 2 3	Allocated village fund	-
1 2 4	Financial aid	-
1 2 4 1	Aid from province	-
1 2 4 2	Aid from regency/city	-
1 3	<i>Other revenues</i>	-
1 3 1	Grant and contribution from other third parties	-
1 3 2	Other village revenue	-
Total revenue		335,381,518

Source: PasirPutih village year 2015.

of PasirPutih Village was evident, that it is insufficient even for personnel expenditure, office equipment expenditure, and renovation cost of PasirPutih Village hall.

Above budget showed that PasirPutih Village revenue was still focused on personnel and office equipment expenditure. It means that improvement of social

welfare requires fairly large amount of budget for the development of PasirPutih District Village, South Yapen District.

PasirPutih Village has 2200 Ha area size used for living area with plantation, agriculture, and fairly large coastal area where houses built over water area. With proper development and support by government and local people, its location should be potential as tourism village.

This is a good thing from perspective of development of PasirPutih Village in improving social welfare through usage of village fund derived from central government. However, the policy that was recently implemented in 2015 was still unable to involve community to participate in village development due to their lacking of understanding on village fund and poor promotion on village fund by government to community.

Village personnel, in the management of village fund, have low educational background. In terms of education level, data on personnel of PasirPutih Village government can be seen in **Table 6**.

According to data above on PasirPutih Village Personnel of 2015, PasirPutih Village has village chief with education level of bachelor degree, village secretary with senior high school qualification, coordinator of administration with senior high school qualification, 2 heads of department and 2 coordinators with junior high school qualification, and head of department development with senior high school equivalency program qualification. In terms of education level, it shows minimum competence of human resources to administrate PasirPutih Village government.

With averagely junior high school education level of village personnel, management of PasirPutih Village Fund shall indirectly face obstacles.

Table 6. Data on personnel of PasirPutih village government.

No	Name of Personnel	Position	Education Level
1.	Yohanis Y. Mabui, SE	Village Chief	Bachelor Degree
2.	Karel M. Tauran	Village Secretary	Senior High School
3.	Yance Antaribaba	Head of Administrative Department	Junior High School
4.	Marten Numberi	Head of Public Welfare Department	Junior High School
5.	Hugo Tanawani	Head of Development Department	<i>Paket C</i> (Senior High School Equivalency Program)
6.	Fredi Mabui	Coordinator of Administration	Senior High School
7.	Thopilus Nupapati	Coordinator of General Affairs	Junior High School
8.	Romelus Antaribaba	Coordinator of Financial Affairs	Junior High School

Source: PasirPutih village year 2015.

2. Problem Statement

Based on identification of issues above, problem statement of this study shall be:

- 1) How was the evaluation of Village Fund management in YapenIslads Regency, Papua Province (case study in PasirPutih Village, South Yapen District)?
- 2) What were the supporting and inhibiting factors in the evaluation of Village Fund management in YapenIslads Regency, Papua Province (case study in PasirPutih Village, South Yapen District)?
- 3) What efforts should be implemented to overcome the inhibiting factors in the evaluation of Village Fund management in YapenIslads Regency, Papua Province (case study in PasirPutih Village, South Yapen District)?

3. Theoretical Framework

According to Simangunsong, talking frameworks means talking the focus of research, all the concepts/theories described in the estuary literature review section end up in the frame of mind. the framework of thought in governmental research is an attempt to discover, develop and test the phenomena, events, phenomena and dynamics of government in order to create the truth of governmental science in the context of “authority and public service” in coherence, correspondence and pragmatism that depart from systematic thinking with theoretical powers, legalistic, empirical and innovative [9].

Theoretical framework is used as reference in the development of theory and concept to solve problems of the study. By referring to the concept and theory, it will help researcher to understand on the problems as well as the normative principles being used.

Changes expected by whole levels of community are for better social welfare, meeting all live needs of the community, better access to public services, access to information, public participation in process of development and poverty reduction program in the village.

Village Fund program is an efforts by central government to improve social welfare. This was enacted in Law No. 6 of 2014 on Village, Government Regulation No. 43 of 2014 on Implementation of Law No. 6 of 2014 and had been amended in Government Regulation No. 47 of 2015 on Amendment of Regulation for Implementation of Law No. 6 of 2014 and Government Regulation No. 60 on Village Fund derived from State Budget that had been amended in Government Regulation No. 22 of 2015, and then amended in Government Regulation No. 8 of 2016 on second amendment of Village Fund derived from State Budget, Regulation of Minister of Home Affairs No. 113 of 2014 on Village Fund Management, and then procedure for distribution and detailed allocation of village fund for every villages was explained in Regulation of Regent of Yapen Islads Regency No. 4 of 2015.

Village fund management as a program with specific purposes, the policy should be followed by control to avoid errors and mistakes. In relation with the implementation of evaluation on management of village fund in PasirPutih village,

Yapen Islands regency, there should be several basic criteria, which are 6 basic criteria as suggested by Dunn, namely:

- 1) Effectiveness—was the desired effect achieved?
- 2) Efficiency—how much efforts was needed for effect achieved?
- 3) Adequacy—are the effect in according with needs?
- 4) Equity—are the benefits equally distributed among all parties?
- 5) Responsiveness—to which extent was problem solved?
- 6) Appropriateness—are desired effect really important? [10]

In relation with problem of the study identified, criteria above can be explained as follow:

1) Effectiveness

Implementation of Village Fund Program is result of policy by central government aimed to help community to increase social living and welfare through development. With this program, it is proper to evaluate to the extent of the implementation and the accomplishment. On the management of village fund derived from state transferred to the account of PasirPutih Village, it is seen that the village chief and personnel was not prepared enough.

2) Efficiency

Quality of personnel resources of PasirPutih Village is considered low with poor performance in accountability of the village fund management and unimplemented village development in 2015 in accordance to village fund received from State budget.

3) Adequacy

Revenue of PasirPutih village is still low because the only source of the revenue in 2015 was village fund transferred from central government, and thus unable to meet the needs of the village and community.

4) Equity

Village fund received was still unable to implement the development in PasirPutih Village due to the needs of the village was higher than the fund. Also, development in PasirPutih Village in 2015 was still uneven due to low budget.

5) Responsiveness

Good service was still unachievable from management of village fund in order to increase social welfare. Achievement from the management of village fund was still low in terms of public services. To solve this with low village fund would require public participation in development by communal efforts.

6) Appropriateness

Time discipline in accountability report of village fund at PasirPutih Village was still not achieved, implementation of village fund management was still far from Government Regulation No. 60 of 2014, as amended in Government Regulation No. 22 of 2015 and secondly amended in Government Regulation No. 8 of 2016, and desired result in increasing social welfare was still very low.

Internal and external supporting factors was explained according to concept by Sutarto [11] combined with concept by David [12]. As for inhibiting factors

in the evaluation of village fund management in PasirPutih Village, concept by Wasistiono and Tahir on internal and external inhibiting factors was used. Also, efforts to overcome both internal and external inhibiting factors was explained according to concept by Wasistiono and Tahir [13] and adjusted by author (Figure 1).

4. Work Hypothesis

Study on evaluation of village fund management in improvement of social welfare (case study in PasirPutih village, South Yapen district, Yapen Islands regency,

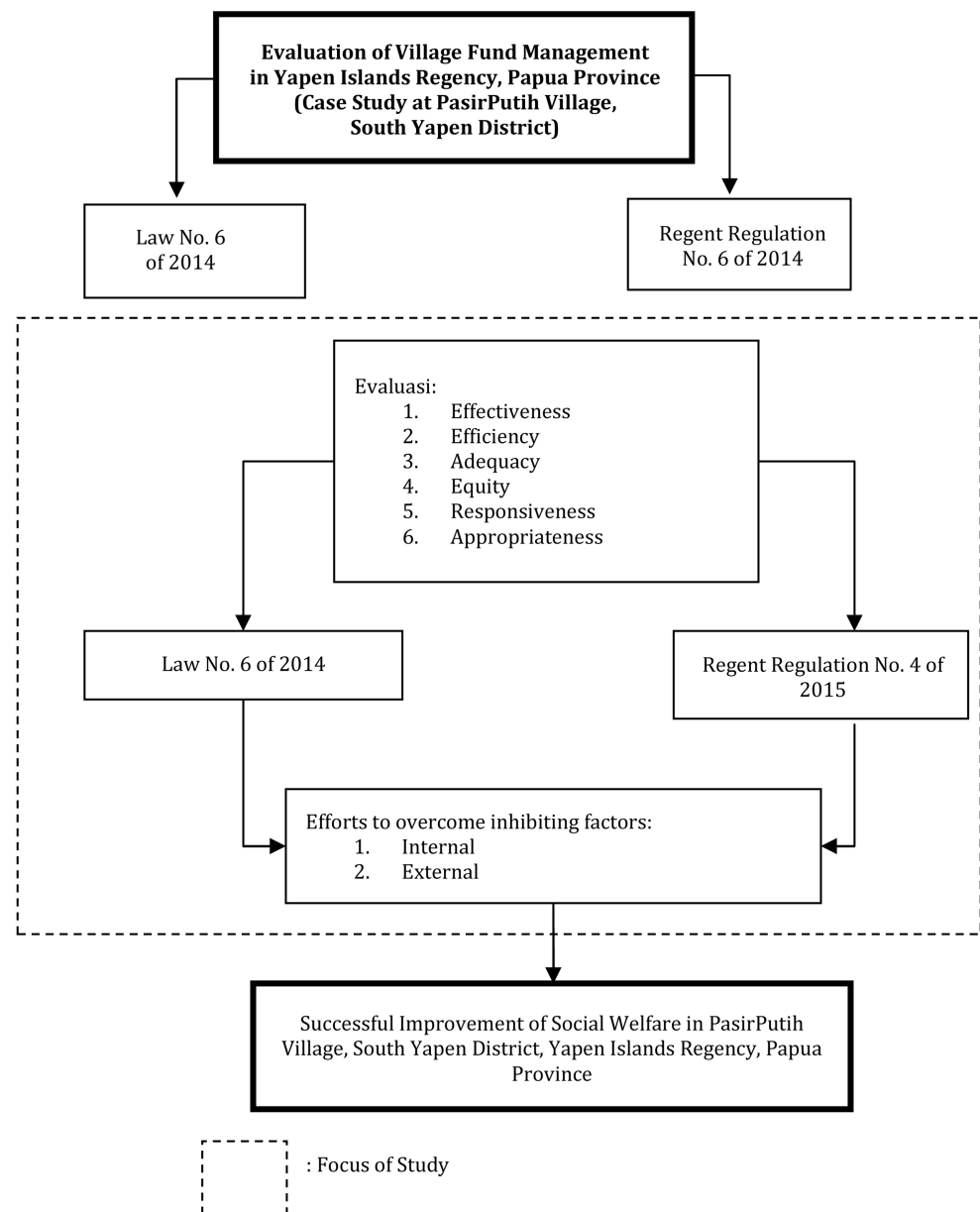


Figure 1. Framework. Source: 1) William N. Dunn, Introduction to public policy analysis (1999). 2) Wasistiono and Tahir, Prospect in Village Development (2007). 3) Sutarto, Principles in Organization (1984), combined with David, Strategic Management (2011).

Papua province) used concept by Dunn on 6 principal criteria of evaluation, namely effectiveness, efficiency, adequacy, equity, responsiveness, appropriateness, concept by Sutarto on identification of internal and external supporting factors combined with concept by David, concept by Wasistiono and Tahir on internal and external inhibiting factors along with model on efforts to overcome the internal and external inhibiting factors proposed by authors referring to concept by Wasistiono and Tahir, in order to determine efforts of village government in village fund management as identified for implementation through supporting data.

5. Research Method

This study used qualitative research method. Qualitative research method, according to Creswell, is “a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem [14].

This study also used observation directly on-site to observe and evaluate management of village fund on public empowerment, and also collected data derived from written data, photos, and other things related to study.

In this study, person of data source was local government and village government as the actor in evaluation of village fund management. Source data on category of place was area of PasirPutih Village, South Yapen District, Yapen Islands Regency, Papua Province. Related institutions were: Regional Financial and Assets Management Board of Yapen Islands Regency, Community Empowerment and Transmigration Board of Yapen Islands Regency, Village Administration Department of Local Secretariat of Yapen Islands Regency, South Yapen District and PasirPutih Village. Data source on category of paper was documents and regulations about evaluation of village fund management in Yapen Islands Regency (case study in PasirPutih Village, South Yapen District).

Sampling used in this qualitative study was purposive sampling. Informants for this study were as follow:

- 1) Local Secretariat of Yapen Islands Regency as informant 1
- 2) Administrative Assistant of Yapen Islands Regency as informant 2
- 3) Head of Commission A of Regional House of People’s Representatives (*DPRD*) of Yapen Islands Regency as informant 3
- 4) Head of Village Community Empowerment and Transmigration Board of Yapen Islands Regency as informant 4
- 5) Head of Regional Financial and Assets Management Board of Yapen Islands Regency as informant 5
- 6) Head of Community Empowerment Department of Yapen Islands Regency as informant 6
- 7) Head of Village Administration Department of Local Secretariat of Yapen Islands Regency as informant 7
- 8) Head of Organization Department of Local Secretariat of Yapen Islands Regency as informant 8

9) Head of Regional Autonomy Sub-department of Administration Department of Local Secretariat of Yapen Islands Regency as informant 9

10) Secretary of South Yapen District, Yapen Islands Regency, as informant 10

11) Chief of PasirPutih Village, Yapen Islands Regency, as informant 11

12) Three personnel of PasirPutih Village government, Yapen Islands Regency, obtained by purposive sampling, as informant 12

13) Three members of Village Consultative Council of PasirPutih Village, obtained by purposive sampling, as informant 13

14) Community of PasirPutih Village, 5 people obtained by purposive sampling, as informant 14

Data collection technique used in this study to obtain data was interview, observation, and document study. Data collection technique by document study/documentation is complement for interview and observation technique in qualitative research. In qualitative research, the instrument is the researcher himself. Researcher as instrument is meant to obtain valid data. This can be met because the researcher directly do the observation and interview to informants/respondents on-site to obtain accurate data on the problem being studied. As for document study, they were:

1) Documents, including: Regional regulation of *RPJPD*, Regional regulation of *RPJMD*, Regional regulation of *SOTK*, Regional regulation of *APBD*, Regional regulation of *RT/RW*, Regional regulation of *LKPJ* and *LPPD*, Stratetic planning of *BPMPK*, Strategic planning of village, *Lakip* (performance accountability report) of village, Village Profile, Village Budget, Transfer Note of Village Fund, Village Fund Program, *Lakip*of related institutions, Yapen in numbers.

2) Regulations, including: Law No. 23 of 2004 on Local Government, Law No. 6 of 2014 on Village, Government Regulation No. 43 of 2014 on Implementation of Law No. 6 of 2014, Government Regulation No. 60 of 2015 on Village Fund, Regent Regulation No. 4 of 2015 on Procedure for Distribution and Detailed Allocation of Village Fund for Every Villages in Yapen Islands Regency, Village Regulation on Village Fund.

3) Minutes (record of meeting) and all other sources related to data.

Operationalization of concept (**Table 7**) is an initial step taken by researcher before doing the research on-site. It is meant to clarify aim and purpose of the study. In addition, researcher would set the focus of study in terms of concept, dimensions, sub-dimensions, and indicators to become reference that shall enable researcher to design interview structure.

6. Result

Based on result of the study on Evaluation of Village Fund Management in Yapen Islands Regency, Papua Province (case study in PasirPutih Village, South Yapen District), it can be concluded that:

1) Evaluation of village fund management in PasirPutih Village is as follow:

a) Effectiveness, that: i) Effect of the policy that promote civil servants who

Table 7. Operationalization of concept.

Theme	Sub-Theme	Sub-sub-theme	Item	Informant
1	2	3	4	5
Evaluation of Village Fund Management in improving community welfare	Effectiveness	1. Effect of policy	1	1, 9, 11,
		2. Organization	2	4, 7, 8
		3. Public participation	3	12, 14
	Efficiency	1. Achievement of performance	4	9, 10, 11
		2. Achievement of development	5	3, 11, 14
	Adequacy	1. Village needs	6	13, 14
		2. Public needs	7	11, 14
	Equity	1. Village fund	8	5, 9, 11
		2. Social welfare	9	6, 12
	Responsiveness	1. Effect of problem solving	10	9, 13
		2. Priority needs	11	2, 11, 14
	Appropriateness	1. Accomplishment of the effect	12	9, 12
		2. Purpose of the effect	13	7, 10
Supporting factors: -External -Internal	External Supporting	1. Cultural power	14	11, 13
		2. Legal power	15	5, 10
		3. Government power	16	1, 6
	Internal Supporting	1. Organizational leadership	17	9, 11
		2. Clarity of program	18	7, 12
		3. Personnel knowledge on information	19	12, 13
Inhibiting factors: -Internal -External	Internal Inhibiting	1. Low quality of human resources	20	2, 11
		2. Limited budget allocation	21	5, 11
		3. Limited facilities and infrastructures	22	1, 7
	External inhibiting	1. Weak inter-sectoral coordination	23	9, 10
		2. Dynamics of community taste	24	6, 11
		3. Weak Community-based-organization	25	11, 14
Efforts to overcome inhibiting factors: -internal -external	Internal evaluation:	1. Improving quality of human resources	26	2, 11
		2. Optimizing the budget	27	5, 11
		3. Procurement of facilities and infrastructures	28	1, 7
	External evaluation	1. Effective Inter-sectorial coordination	29	9, 10
		2. Appropriate response on community taste	30	6, 11
		3. Improving the community-based-organization	31	11, 14

Source: 1) William N. Dunn, Introduction to Public Policy Analysis (1999) (Indonesia). 2) Wasistiono and Tahir, Prospect in Village Development (2007) (Indonesia). 3) Sutarto, Principles in Organization (1984), combined with David, Strategic Management (2011) (Indonesia).

understand about financial management as village treasurer is to directly enable the preparation of personnel for more proper and better process of village fund

management, ii) Change of organizational structure specific for distribution of village fund in every village in Yapen Islands regency is to be more effective in the control of village fund management, iii) Public participation was still ineffective in supporting the development in PasirPutih village.

b) Efficiency, that: i) Poor performance of PasirPutih village personnel as seen in planning, implementation, and accountability reporting that fall behind schedule, ii) Effect of development in 2015 from village fund management is the development of 5 drilled wells of pure water system to increase social welfare.

c) Adequacy, that: i) Village needs had been met in 2015, which were procurement of two-wheeled vehicle, procurement of some office equipments, and building of 5 drilled wells in PasirPutih village, yet there were still many village needs that had not been met, ii) All public needs in village fund management of 2015 had not been met due to limited budget and low public participation had made aspiration to improve social welfare less effective.

d) Equity, that: i) Village fund had been distributed to account of villages fairly and evenly based on calculation according to regent regulation No. 4 of 2015, and was distributed in 3 stages according to government regulation no. 60 of 2014, ii) Social welfare in PasirPutih village through village fund management has not been met yet due to lack of cooperation between village government and community in the development, and also due to limited budget.

e) Responsiveness, that: i) Effect of problem solving in village governance and development is aimed to improve standard of living and social welfare through policies, programs, and activities according to essence of the problem and priority of public needs, ii) Prioritized needs that had been met in 2015 was building of 5 drilled wells of pure water system, and that had not been met were building of livable houses, extension of village hall area, development in education and health.

f) Appropriateness, that: i) Accomplishment of effect of village fund management in PasirPutih village was not optimal, since village personnel fail to meet the schedule of each processes of village fund management, ii) Purpose of the effect in 2015 is that fund from central government was transferred directly to Yapen Islands government and then distributed in 3 stages to account of PasirPutih village to be used to improve social welfare, yet in 2015 it was not optimal.

2) Supporting and inhibiting factors of evaluation of village fund management in PasirPutih Village are as follow:

a) External supporting factors are as follow: i) Cultural power of community is a supporting factor in increasing social welfare of PasirPutih village community and also the unique characteristic of the village, ii) Legal power is also a supporting factor in village fund management since legal regulation related to village fund management can regulate and give sanction to any violation in village fund management, iii) Government has important role in supporting the management of village fund since it is its duty to control the village fund management in each villages.

b) Internal supporting factors are as follow: i) Leadership in government organization has important role to influence and support the management of village fund, ii) Clarity of program is an internal supporting factor in the implementation of village fund management to be more directed in fairly long time period, 3) Personnel knowledge on information related to management of village fund is also a supporting factor in improving social welfare.

c) Internal inhibiting factors are as follow: i) Low quality of human resources in PasirPutih Village is an inhibiting factor in the management of village fund because it is inevitable that village fund management would require proper human resources, ii) Limited budget allocation in the management of village fund may also inhibit social welfare in PasirPutih Village, iii) Limited facilities and infrastructures may also inhibit the management of village fund.

d) External inhibiting factors are as follow: i) Weak inter-sectoral coordination in management of village fund is an inhibiting factor to increase social welfare, ii) Dynamics of community taste that determine the growth and development of PasirPutih Village can inhibit the planning, implementation, and management of village fund to increase social welfare, iii) Weak community-based-organization is an inhibiting factor for village development to be more competent to maintain featured character of village that become source of income.

3) Efforts to overcome internal and external inhibiting factors in evaluation of village fund management are as follow:

a) Efforts to overcome internal inhibiting factors are:

i) Improving the quality of human resources in the management of village fund for better social welfare.

ii) Optimizing the budget for better budget absorption in management of village fund.

iii) Procurement of facilities and infrastructures to support the improvement of social welfare and for synergy between village fund management and village needs.

b) Efforts to overcome external inhibiting factors are:

i) Effective inter-sectoral coordination for more transparent and better management of village fund to increase social welfare.

ii) Appropriate response to community taste on the prioritized needs in PasirPutih Village that can support the management of village fund.

7. Recommendation

Based on conclusion above, there are several recommendations to be considered on evaluation of village fund management in Yapen Islands Regency, Papua Province (case study in PasirPutih Village, South Yapen District):

1) Based on evaluation of village fund management in Yapen Islands Regency, Papua Province (case study in PasirPutih Village, South Yapen District):

a) Effectiveness. What should be prioritized and optimized is effective public participation to support village fund management for better useful in funding

village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately.

b) Efficiency. What should be prioritized and optimized is the achieved result of development from the using of village fund in terms of funding village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately.

c) Adequacy. What should be optimized is the needs of village for maximum budget absorption in the management of village fund to fund village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately.

d) Equity. What should be distributed evenly is the funding of village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately, to successfully achieve the purpose of village fund given from central government to all villages in Indonesia.

e) Responsiveness. What should be responded is effect of problem solving in the village fund management for funding the village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately.

f) Appropriateness. What should be considered and utilized is purpose of the policy in the village fund management to fund the village government sector, village development sector, community empowerment, and community development in PasirPutih Village transparently and accurately.

g) Should evaluation aforementioned become consideration in the evaluation of village fund management, it is recommended:

- i) to government
 - to provide better education and training in the management of village fund according to regulation in order to improve personnel resources in each villages in Yapen Islands regency, to proactively and evenly promote to whole community about village fund so that they understand what it is for and how the budget absorption is.
 - to confirm every villages to be prepared for the planning, acceptance, and implementation of the using of village fund according to schedule and for accountability report according to the regulation. Government, as control, should improve the quality of personnel resources in related government agency (*SKPD*) authorized to supervise the implementation of village fund management, and to confirm to every village to evenly use village fund for development in every sector accordingly.
 - to proactively go directly to the field to see problems of each villages and to find the best solution.
 - to reevaluate problems in management of village fund occurred in previous year, and to find best solutions to prevent same problems from happening in

the next year.

ii) to PasirPutih Village government

- to proactively coordinate with whole components in the village, village consultative council, chiefs of hamlet, village personnel, and whole community and social organization, and also government agencies (*SKPD*) related to village fund management.
- to implement development in PasirPutih Village that become top priority adjusted to budget received, either physical development, improvement of human resources by education, and health sector development.
- to be quick and responsive in planning the budget thoroughly, using the budget from village fund transparently, and preparing accountability report timely, and followed by other trainings related to management of village fund.

iii) to community

- to actively participate in supporting the village development, and be willing to support the improvement of human resources by trainings related to management of village fund and improvement of skills for better living and income.
- to be willingly attend meetings related to problems occurred in the village and any problems related to management of village fund, and to actively give recommendation and suggestion related to its implementation.

2) Based on (internal and external) supporting and inhibiting factors in the evaluation of village fund management in Yapen Islands Regency, Papua Province (case study in PasirPutih Village, South Yapen District):

a) The most important external supporting factor to utilize in the management of village fund is legal power as basis for clean implementation of village fund management and government power authorized to control the implementation of village fund management as a whole.

b) The most important internal supporting factor to utilize is personnel knowledge on information, because this is the initial step to deal with management of village fund properly and to respond complaints from public.

c) Internal inhibiting factor to deal with immediately is the low quality of human resources of village personnel. This should be dealt by giving technical guidances and trainings on management of village fund.

d) External inhibiting factor to deal with immediately is the weak inter-sectoral coordination. Effective coordination both among lower levels, from lower to upper level and from upper to lower level is urgently needed in the management of village fund.

3) Based on efforts to overcome (internal and external) inhibiting factors) in the evaluation of village fund management in Yapen Islands Regency, Papua Province (case study in PasirPutih Village, South Yapen District):

a) To overcome internal inhibiting factors, it requires multilevel efforts begun with improvement of human resources quality to be able to optimize the use of budget for optimal development of facilities and infrastructure in order to

achieve improved social welfare.

b) To overcome external inhibiting factors, it requires effective inter-sectoral coordination for better community-based-organization that eventually will increase public participation in village fund management and indirectly to respond community taste for the development of Pasir Putih Village and improvement of social welfare.

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