



# Enhances A Villages Welfare By Updating Village Fund Allocations And Village Policies

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## ABSTRACT

The purpose of this research is to examine the influence of the benefits of village fund allocation, the benefits of village funds, and village policies on community welfare. This is also done to find out whether the benefits of village fund allocations, the benefits of village funds or village policies are equally influential on community welfare. All data is processed by multiple regression analysis by looking at the validity test, reliability, and hypothetical testing with the F test t test and determination test. The results of this study indicate that the benefits of village fund allocation, the benefits of village funds have an effect on community welfare while village policies have no effect on community welfare, and the benefits of village fund allocation, the benefits of village funds and village policies are equally influential on community well-being. and village policy both affect the welfare of community.

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## INTRODUCTION

According to the laws and regulations in force in Indonesia, which village is a legal community unit that has boundaries territorial boundaries that are authorized to regulate and manage interests local community, based on recognized local origins and customs and respected in the Republican Unitary State Government system Indonesia. Desa is administratively the smallest form of government led by the village head through a direct election. As form of government at the lowest level, the village apparatus is the spearhead in managing everything that is administrative in nature by the community.

From the understanding that has been stated above, it can be understood that the village is a government organization that is politically owned certain authority to manage and regulate citizens or the community. With this position the village has a very important role in supporting the success of national government broadly.

The village becomes the forefront in achieving the success of all matters and programs from the Government. This is also in line when it comes to composition Indonesia's population according to the last census in 2000 that about 60% or most of Indonesia's population is still residing in a rural residential area. So it becomes very logical if Village development is a top priority for development success National.



Through the authority possessed by the village to manage and regulate members of the community, it can be said that the village has been given power to take care of himself or in other words, have been given autonomy towards the village with the aim of creating welfare for the community. As a logical consequence of the authority and demands of implementation village autonomy is the availability of sufficient funds. As in implementation of regional autonomy. In line with the opinion that says that "*autonomy*" identical with "*autonomy*", then to set and taking care of their own household the village requires funds or costs sufficient to support the implementation of its authority.

The Village Fund Policy is determined by the government through a Government Regulation No. 60 of 2014 concerning Village Funds sourced from the Revenue Budget And State Spending. This policy is intended to realize the Village strong, advanced, independent and democratic, so for that the role and potential of the village must be empowered. Before this village fund policy was established, there was one policy which is essentially to finance the field of government, village development and community, namely Village Fund Allocation. Budget allocation Villages are allocated from Regional Income and Expenditures.

Referring to Government Regulation No. 72 of 2005 concerning Villages where the Implementation of Village Government Affairs becomes the Authority Villages are funded from the Village Revenue and Expenditure Budget and assistance village government in accordance with the letter of the Minister of Home Affairs Number: 140/640SJ March 22, 2005 concerning Village Fund Allocation Guidelines from the government district to the village government, as well as Regulation of the Minister of Home Affairs Number 3 of 2007 concerning Guidelines for Village Financial Management. Village has the right to obtain Regional Tax and Regional Retribution Revenue sharing as well as the portion of the Central and Regional Financial Balancing Funds received by the district according to government regulation number 72 of 2005 article 68, the acquisition of village financial shares from the district distribution through the village treasury in accordance with article 2A of Law number 34 of 2000 concerning amendments on Law number 18 of 1997 concerning Regional Taxes and Levies.

Through the provisions of this regulation it clearly mandates the government district to allocate the balancing funds received by the district to the villages by paying attention to the principles of justice and guaranteeing even distribution. The provision of Village Fund Allocation is a form of fulfilling village rights to carry out its autonomy in order to grow and develop accordingly growth of the village itself based on diversity, participation, genuine autonomy, democratization, community empowerment and increasing roles village government in providing services and improving welfare society and accelerate the development and growth of areas strategic area. So this can develop areas left behind in a development area system. Village finances are rights and obligations in the context of administering village governance that can valued in money including all forms of wealth related to the rights and obligations of the village.

It can be analogized that the Allocation of Village Funds and Village Funds are General Allocation Fund or Special Allocation Fund for Uteun Pulo Village, and for village of Uteun Pulo Allocation of Village Funds and Village Funds is a source of financing main reason is because PADes is limited. However, based on the information not obtained from the community, village officials and the village head of Uteun Pulo positioning the Allocation of Village Funds and Village Funds as stimulants for community empowerment, Allocation of Village Funds and Village Funds only allocated to infrastructure and physical development that is of long-term benefit short or small contribution to the welfare of society. Not enough directed distribution of Village Fund Allocations and Village Funds in Uteun Pulo Village so far it can be seen from the reality that the village government apparatus only allocating the Village Fund Allocation and Village Fund budgets for physical repair/enhancement of roads, buildings, drainage and others.



## **LITERATURE REVIEW.**

### **2.1. Community welfare**

The term welfare is not new, both in global discourse as well as nationally. In discussing the analysis of welfare levels, of course we have to know the meaning of prosperity in advance. Prosperity includes security, safety and prosperity. The definition of prosperous according to WJS Poerwarda Minta is a state that is safe, secure, and prosperous. In another meaning if the need for security, safety and prosperity can be fulfilled, then prosperity is created.

According to Law No. 11 of 2009, concerning Welfare Society, "community welfare is a condition of fulfillment of needs material, spiritual, and social citizens so that they can live properly and affordably develop themselves, so that they can carry out their social functions.

According to Soetomo (2014: 47) "welfare is a condition that contains elements or components of order, security, justice, peace, prosperity and an orderly life which contains a broad meaning, not only the creation of order and security, but also justice in various dimensions." Welfare indicators contain five components, namely:

1. Community interests.
2. Needs are met
3. Social unity
4. Security
5. safety

According to Fahrudin (2012) "Welfare is a condition where a person can meet basic needs, be it the need for food, clothing, shelter, clean drinking water and opportunities for continuing education and have adequate jobs that can support the quality of life so that life is free from poverty, stupidity, fear or worry so that his life is safe, peaceful, both born and inner."

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### **2.2. Allocation of Village Funds**

The Village Fund Allocation was revised from the General Allocation Fund with several additional proportions. The Village Fund Allocation Source comes from the APBN 25% or what is called a balancing fund which is distributed to the regions which is called the General Allocation Fund, from the general allocation fund then the district gives to the village a further 10%. called Allocation of Village Funds in the context of regional autonomy, namely giving trust in the village to take care of his household in accordance with village needs in the context of community empowerment for prosperity the life of the village community.

Based on Article 1 paragraph 9 (PP 43/2014) "Village Fund Allocations are funds the balance received by the district/city in the Revenue Budget and Regency/city Regional Expenditure after deducting the Special Allocation Fund. According to Sujadi, et al. (2014: 196) "Village Fund Allocation is a village right as the district/city regional government has the right to acquire budget of the General Allocation Fund and the Special Allocation Fund from the Central Government".

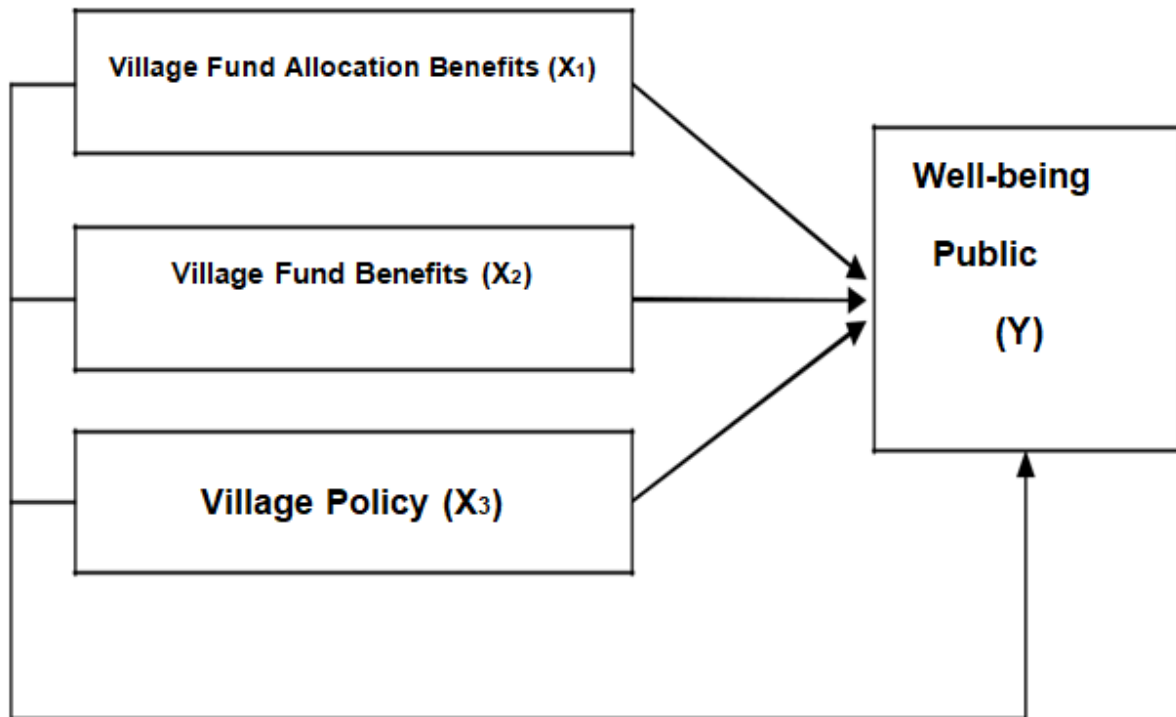
### **2.3. Use of Village Fund Allocations**

Allocation of Village Funds is used to finance implementation governance and community empowerment with the division as follows (Regulation of the Minister of Home Affairs No. 21 of 2011 concerning Guidelines Regional Financial Management) :

- 1) Approximately 30% of the Village Fund Allocation received is used for the cost of administering the village government.
- 2) Approximately 70% of the Village Fund Allocation received is used for Village community empowerment activities.

## METHOD.

In this study the researchers wanted to explain the influence of benefits Allocation of Village Funds, Village Funds and Village Policies on Welfare Community of Uteun Pulo Village, East Seunagan District, Nagan Regen Raya, For that the researcher made a chart as follow.



**Figure 1.** Conceptual Framework

According to Russiadi (2013: 79) "Hypothesis or hypothesis is the answer while on issues that are presumptive because they still have to be proven the truth".

1. Benefits of Allocation of Village Funds have a partial effect towards Community Welfare.
2. The benefits of Village Funds have a partial effect on Public welfare.
3. Village Policy has a partial effect on Welfare public.
4. Benefits of Allocation of Village Funds, Benefits of Village Funds and Village Policies have a simultaneous influence on the welfare of society.

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**RESULT.**

**4.1. Instrument Trial Results**

Instrument trials were carried out before the instrument was used as a test data collection tool. The researcher tested the instrument because the questionnaire in this study was made new by the researcher. Next is the researcher conducting instrument trials on people with different characteristics the same but outside the population, namely in the village community of Keude Linteung totaling 20 families. The results of the instrument trials were processed with using the help of SPSS.

**Table 1.** Test the Validity and Reliability of the Village Fund Allocation Benefits

Item- Total Statistic s	Scale Mean if	Scale	Corrected	Cronbach
	Item Deleted	Variances	Item- Total Correlation	's Alpha if Items Deleted
X1.1	15.85	3,713	.464	.781
X1.2	15.45	3.313	.651	.714
X1.3	15.65	3,292	.618	.727
X1.4	15.65	4,029	.489	.768
X1.5	15.00	3,895	.637	.732

SPSS data results will test the validity of the column *Corrected Item-Total Correlation* produces data greater than ( $>0.4438$ )  $df=(N-2)=(20-2)=18= 0.4438$  then test the validity of the 5 statements on the variable benefits of fund allocation village can be said valid (valid).

**Tables 2.** Reliability Statistics

Cronbach's Alpha	N of Items
.786	5

It is known that the reliability value is  $0.786 > 0.60$ , the results of the validity test and reliability is sufficient, the instrument can be trusted to use in this research.



#### 4.2. Test the Validity and Reliability of Village Fund Benefits

**Table 3.** Test the Validity and Reliability of Village Fund Benefits

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variances if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Deleted
X2.1	16.95	4,261	.451	.718
X2.2	16.75	5,250	.470	.711
X2.3	17.15	4,239	.542	.675
X2.4	16.90	4,411	.528	.681
X2.5	17.25	4,408	.553	.672

SPSS data results will test the validity of the column *Corrected Item-Total*

*Correlation* produces data greater than ( $>0.4438$ )  $df=(N-2)=(20-2)=18= 0.4438$  then the validity test of the 5 statements on the variable benefits of village funds can be said to be valid.

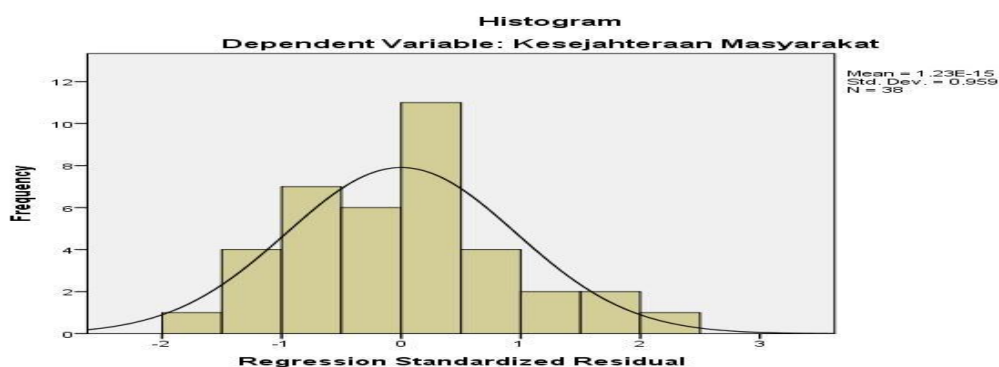
**Tables 4.** Reliability Statistics

Cronbach's Alpha	N of Items
.738	5

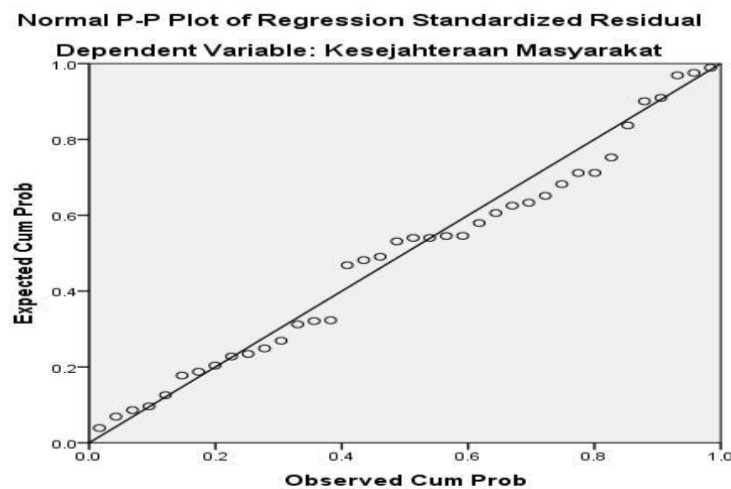
It is known that the reliability value is  $0.738 > 0.60$ , the results of the validity test and reliability is sufficient, the instrument can be trusted to use in this research.

#### 4.3. Classic assumption test

##### Normality Test Results (Histogram)



**Figures 2.** Normality Test Results (PP Plot)



**Figure 3.** Data has been distributed normal.

Where the histogram image has a balanced convexity in the middle, then the normal PP Plot image shows that the points are in a diagonal line.

#### **4.4. Effects of Village Fund Allocation Benefits, Village Fund Benefits, and Village Policy on Community Welfare**

The results of this study indicate that the benefits of village fund allocation has a positive and significant effect on the welfare of society (H1: the benefits of village fund allocation have a positive and significant effect on public welfare, accepted). The variable coefficient of the benefits of village fund allocation is positive, so that the benefits of village fund allocation are directly proportional to public welfare). With the allocation of village funds, it is very assist in village development for the realization of community welfare For example, with the allocation of village funds, infrastructure facilities can be formed such as the construction of drainage, water distillation and irrigation thereby increasing the welfare of society, especially farmers. With this development can also create jobs for the community by working to make development infrastructure. In the village of Uteun Pulo, a bridge has also been built hanging from the village fund allocation before the suspension bridge was built people have to cross the river to work in the rubber plantations located in across the river. Therefore, the community feels very helpful and allocated The Village Fund provides many benefits for the welfare of the community uteun island village.

#### **CONCLUSION.**

From the research results after being analyzed statistically can be taken Some conclusions include:

1. The benefits of Village Fund Allocation partially have a positive and significant effect to the welfare of society.
2. The benefits of Village Funds partially have a positive and significant effect on public welfare.
3. Village policies partially have a positive and insignificant effect to the welfare of society.
4. Benefits of Allocation of Village Funds, Benefits of Village Funds, and Village Policies simultaneously positive and significant impact on the welfare of society



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