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Analysis of Transparency, Accountability and Community Participation in Village Fund Financial Management

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Abstract
Purpose: This study aims to explore how transparency, accountability, and community participation in the financial management of the Village Fund are implemented in Simbur Naik Village, East Muara Sabak District.
Methodology: This study uses a qualitative method. Data were obtained through interviews, observations, and documentation with informants, including village heads, village secretaries, finance heads, members of the Village Consultative Body, and community members. The data collection and analysis process consists of the stages of data reduction, data display, and conclusion making.
Findings: The results of the study show that the village government has tried to implement the principles of transparency and accountability through the publication of information and the preparation of accountability reports. However, the implementation is not optimal, and public participation is still low. From the perspective of sharia accounting, the management of the Village Fund reflects the values of trust, honesty, responsibility, and justice as a form of accountability not only to the community but also to realize the common good. To achieve more efficient village financial governance, information quality must be improved, accountability strengthened, and community participation expanded.
Novelty: This research advances holistic governance that balances upward, downward (community), and outward (divine) accountability. This research uses a triangulated Lens from Stewardship Theory, Good Governance, and the Sharia Accounting perspective. Finally, the Qualitative view distinguishes between formalistic publication and substantive community understanding.

Keywords: Transparency, Accountability, Community Participation, Village Fund

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Introduction

Village financial management is a fundamental aspect in realizing good village governance. Since the enactment of Law Number 6 of 2014 concerning Villages, the government has given wider authority to Villages in managing finances and resources independently. This policy was born from the spirit of fiscal decentralization that places villages as the subject of development, no longer just objects (Sartika et al., 2023).

The Village Fund disbursed annually from the State Revenue and Expenditure Budget (APBN) has a dual purpose: on the one hand to strengthen physical development, such as road infrastructure, irrigation, and public facilities; On the other hand, improving the quality of life of the community through non-physical empowerment programs, such as training, local economic empowerment, and capacity building of village human resources. However, in practice, village fund management often faces serious challenges related to transparency, accountability, and community participation. Without these three pillars, the allocation of funds has the potential to be misused, not on target, or even fail to achieve the main goal of village development (Bungaeja et al., 2024).

Based on Government Regulation Number 60 of 2014, Village Funds are funds sourced from the State Revenue and Expenditure Budget (APBN) which is allocated to Villages and distributed through the Regency or City Regional Revenue and Expenditure Budget (APBD). This fund serves to support various village government activities, including government operations, community empowerment programs, infrastructure development, and social and community development activities. Previously, village financial management was regulated through the Regulation of the Minister of Home Affairs (Permendagri) Number 113 of 2014, but now it has been updated and regulated in the Minister of Home Affairs Regulation Number 20 of 2018. The regulation stipulates provisions regarding village financial governance which includes all rights and obligations of the village that can be assessed financially, as well as all forms of activities related to money and goods in the implementation of these obligations. With this regulation, the Village's financial management is required to be carried out in a transparent, accountable, participatory manner, and based on the principles of order and budget discipline in order to realize good village governance (Haq & Muzakki, 2023).

Transparency can be interpreted as a form of organizational openness in conveying information related to public resource management to all stakeholders. This concept requires clarity from the management of public sector organizations regarding various activities, programs, and policies that have been, are being, or will be implemented, including the resources used in their implementation. Thus, transparency is an important basis in building public trust in the performance of an institution. To achieve this, a reliable and adequate accounting information system is needed so that the public financial management process can run transparently and support the accountability of government institutions and other public institutions (Mahmudi, 2011).

If the government conveys information openly, it is in line with the transparency of the perspective of Islamic teachings, it is closely related to the prophetic values that are the character of the Prophet Muhammad SAW. The values *of shiddiq,* amanah, *fathonah, and tabligh* are the moral and ethical foundations in social, economic, and managerial life, these prophetic values are the ethical foundation of transparency in Islam, which leads to individuals and organizations to be open, honest, and responsible in every aspect of life.

The value of transparency strongly demands the values of honesty over every information, in relation to honesty, in the Qur'an surah Al-Isra Verse 35:

وَاَوْفُوا الْكَيْلَ اِذَا كِلْتُمْ وَزِنُوْا بِالْقِسْطَاسِ الْمُسْتَقِيْمِۗ ذٰلِكَ خَيْرٌ وَّاَحْسَنُ تَأْوِيْلًا

Meaning: "Perfect the measure if you measure and weigh it with the correct scale. That's the best and the best outcome."

Public accountability can be understood as the responsibility of the party receiving the mandate to provide reports, present information, and disclose all activities and activities under its authority to the party who gives the mandate. The mandated party has the right and authority to assess and hold accountable for the implementation of the tasks that have been carried out. In this context, public accountability emphasizes the importance of transparency and openness in every form of reporting so that public trust in institutions can be maintained. In its implementation, public sector organizations have a moral and administrative obligation to provide information needed by the public as a form of respect for public rights (Mahmudi, 2011).

Article 3 of the regulation of the Minister of Home Affairs of the Republic of Indonesia number 20 of 2018: Village Finance must be accountable administratively, financially, and beneficially. Articles 71–73: Village Heads are obliged to submit reports on the realization of the APBDes to the BPD and the community (Regulation of the Minister of Home Affairs Number 20 of 2018 concerning Village Financial Management, n.d.). Some of the basic principles used to implement accountability in government agencies are as follows: there must be a commitment from the leadership and all staff of the relevant government agencies; and there must be a system. that can ensure the use of resources in accordance with applicable laws and regulations, can show the level of achievement of goals and objectives that have been set, must focus on achieving the mission and results obtained, must be objective and transparent, and must be innovative to encourage change in the management of government institutions (Hanifa et al., 2026).

If the Village Government carries out its obligations by providing open accountability to the community and authorized institutions, it reflects the application of accountability from an Islamic perspective in the management of village finances. This accountability requires honesty, trust, and moral responsibility in every public financial management process. The form of accountability must be prepared and delivered in accordance with the format and provisions that have been set, both based on village regulations and sharia principles, so that the Village's financial management not only meets the administrative aspect, but also reflects ethical and spiritual values that are in line with Islamic teachings on justice and trust in managing public property (Onsardi et al., 2020). In the Qur'an surah An-Nisa' verse 58 it is mentioned about accountability:

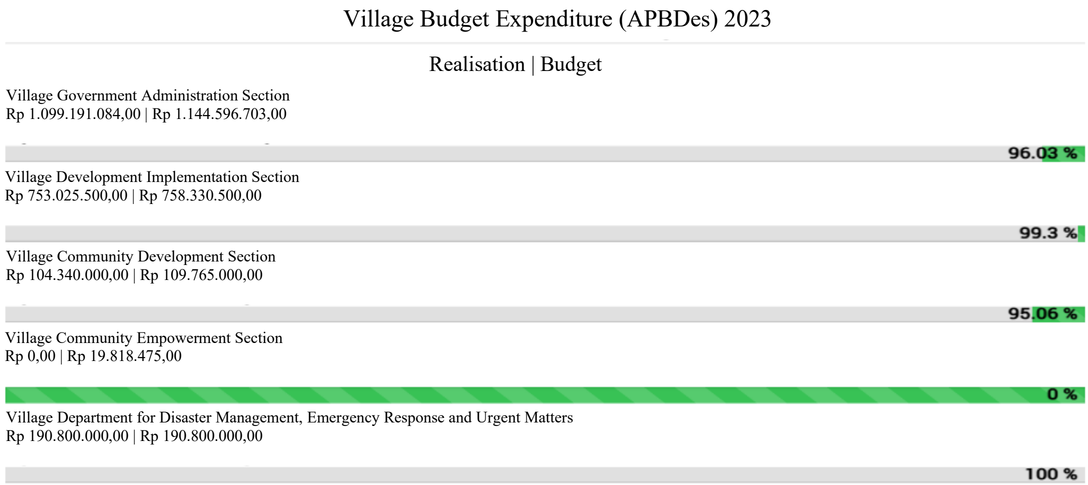
" اِنَّ اللّٰهَ يَأْمُرُكُمْ اَنْ تُؤَدُّوا الْاَمٰنٰتِ اِلٰٓى اَهْلِهَاۙ وَاِذَا حَكَمْتُمْ بَيْنَ النَّاسِ اَنْ تَحْكُمُوْا بِالْعَدْلِ ۗ اِنَّ اللّٰهَ نِعِمَّا يَعِظُكُمْ بِهٖ ۗ اِنَّ اللّٰهَ كَانَ سَمِيْعًاۢ بَصِيْرًا "

It means: "Indeed, Allah has commanded you to convey the mandate to its owner. When you establish the law among men, you shall establish it justly. Indeed, Allah has given you the best teaching. Indeed, Allah is All-Hearing and All-Seeing".

Community participation can be interpreted as a form of active involvement of residents in an activity, both individually and collectively, which is carried out voluntarily to achieve a common goal. This involvement is not only limited to the contribution of energy or thought, but also includes a sense of responsibility for the sustainability and results of the activities carried out (Bihamding, 2019).

Simbur Naik Village is one of the recipients of a large allocation of Village Funds in East Tanjung Jabung Regency. By 2025, the village will receive village funds of Rp 979,397,000, which is part of a total of Rp 68.3 billion in Village Funds for 73 villages in the district (Fitriani, 2024). This large nominal certainly requires transparent, accountable, and participatory governance to really provide real benefits to the community. The large allocation of the village budget also shows the potential as well as the risks, where without a good management system, funds that should be for development can actually cause new problems, such as budget abuse, social conflicts, and a decrease in public trust in village officials.

The phenomenon that occurred in Simbur Naik Village, East Muara Sabak District, East Tanjung Jabung Regency, provides a real picture of the complexity of village fund management, based on the following image:



Source : (*Simbur Budget Increases in 2023*, 2023)
Figure 1. Budget Realization

Based on the search results on the official website of Simbur Naik Village, the information displayed through the 2023 Simbur Naik Regional Budget article and the 2024 Regional Budget Infographic shows that the transparency implemented is still administrative and not fully substantive. The data presented only contains the total budget and realization figures in each field without including details of activities, program goals, or expected results. In addition, there is a discrepancy between the budget and realization in several fields, such as the Village Community Empowerment Sector which has a budget of Rp19,818,475.00 but does not have realization (Rp0.00) without an explanation or explanation of the cause. This condition gives the impression of a lack of information disclosure related to the implementation of activities and results achieved by the village government. Based on the 2023 Simbur Naik APBDes, it was recorded that the budget for the community empowerment sector of IDR 19,818,475.00 was not realized at all or reached 0%. In fact, community empowerment is one of the important aspects that can support the improvement of the quality of village human resources.

Meanwhile, the publication of the 2024 APBDes Infographic which only displays the slogan of transparency without being accompanied by detailed data or realization reports shows that the transparency carried out tends to be formalistic and has not fully provided understanding to the public about the use of village funds. As a result, it is difficult for the public to assess the effectiveness, efficiency, and benefits of the implementation of the APBDes that have been set.

The findings were strengthened by the results of interviews with several community informants who showed that although the information has been published, not all people can understand the content of the information in depth. One of the community informants, Mr. Basri, said that the reception of information by the community, especially the younger generation, is still taking place in stages. He stated:

The speaker's statement showed that the delivery of village financial information has not been fully understood widely by all levels of society. This indicates that transparency is not only related to the availability of information, but also to the ability of the public to access and understand the information. In addition, Mr. Saharman as a community also explained that information about village activities is usually conveyed through infographics and announcements on community activities. He stated:

Although information has been conveyed, the form of delivery that is limited to infographics and general announcements often does not provide a complete picture of the details of the use of the village budget. As a result, the public has not been able to fully assess the effectiveness, efficiency, and benefits of the implementation of the APBDes that has been determined. Other findings also show that some communities judge the success of the use of village funds more than the results of development that are seen directly. This is as conveyed by a member of the BPD, Mr. Abdul Azis, who stated:

"The community in general is important to be seen. If they see anything, they feel satisfied."

The statement shows that the transparency that occurs still tends to be oriented towards the physical results of development, not on the community's understanding of the overall village financial management process. In other words, it is easier for the public to judge the success of what is seen directly than from financial statements or published administrative information.

Even so, the village government's efforts to display APBDes information online still show a commitment to public openness. However, in terms of financial accountability and performance, the reporting has not met the standards as stipulated in Permendagri Number 20 of 2018, because it has not shown a complete form of accountability for the implementation of activities and the achievement of development results. Thus, the main problem that arises is the lack of optimal application of the principles of transparency, accountability, and community participation in village financial management, which has the potential to reduce public trust and the effectiveness of the use of village funds for community welfare.

In a literature review of the management of the Village Fund, the research of Fitria Melynsyah Yusuf, Yuwin Ali, and Sariyanti P. Bout entitled Analysis of Transparency and Accountability in

Financial Management of Ombulo Tango Village, Tolangohula District shows that the village government has managed finances quite well through the preparation of regular financial reports as a form of accountability to the district government. However, the management is not optimal because the report is still oriented to the interests of the district government, while participation and access to information for the community is still limited, so the principles of transparency and public accountability need to be continuously improved (Yusuf et al., 2021).

The next research conducted by Yuli Sartika, Suhar, and Faturahman entitled Analysis of Transparency, Accountability and Responsibility in Village Fund Financial Management is the result of the research on how the implementation, problems, and community responses related to transparency, accountability, and responsibility are quite good, although there are still some obstacles in the implementation in the field and the use of responsibility has not been maximized (Sartika et al., 2023).

The next research conducted by Fika Attaqy, Khairudin entitled Transparency and Accountability in Village Fund Management in Karta Jaya Village as for the results of the research the Karta Jaya village government has applied the principles of transparency and accountability well (Attaqy & Khairudin, 2022).

The next research conducted by Sofadiya Oktavia & Sarwenda Biduri entitled Transparent Governance Reveals Accountability in Village Budget Management as for the results of the research High legal compliance, transparency is strengthened through public information boards to increase public trust (Octavia & Biduri, 2024).

The next research conducted by Tika Andriani, Usdeldi, and Achyat Budianto, entitled Analysis of Village Fund Accountability in Alang-Alang Village, East Muara Sabak District, East Tanjung Jabung Regency for the 2020-2022 Fiscal Year found that the village fund planning process has generally involved the community through village deliberations, but at the accountability stage, weaknesses are still found, especially in the delivery of information to the community so that transparency is not yet complete materialized. This condition shows that the management of village funds still requires improvement in terms of accountability and information disclosure to the public (Andriani et al., 2024).

Previous research has shown that transparency and accountability in the management of village funds in general have gone quite well. However, the study found that the public is still underinformed and that the community is less involved in the surveillance process. Research (Yusuf et al., 2021), (Sartika et al., 2023), and (Andriani et al., 2024) Emphasizing the aspect of administrative compliance with the Village Fund Management Regulations. Meanwhile, research (Attaqy & Khairudin, 2022) and (Octavia & Biduri, 2024) focuses on the implementation of transparency and accountability from the perspective of government management. However, these studies have not comprehensively integrated the relationship between transparency, accountability, and community participation as a unit in realizing good village financial governance.

In addition, the study on the management of Village Funds which is analyzed simultaneously using the perspective of Stewardship Theory, Good Governance principles, and Sharia Accounting values is still relatively limited. In fact, these three perspectives complement each other in explaining how the village government carries out public mandates, builds community trust, and accounts for the use of village funds not only to the government but also to the community and Allah SWT.

Therefore, this study aims to fill this gap by looking at how transparency, accountability, and community participation are applied in the management of the Simbur Naik Village Fund. In addition, how is this practice seen from the perspective of sharia accounting. This approach is expected to be able to provide a more comprehensive understanding of the quality of Village Fund governance and contribute to the development of sharia-based public sector accounting studies.

Literature Review

Stewardship Theory

Stewardship Theory is a normative alternative to the Theory *Agency* which views that managers or managers of the organization basically have a tendency to work optimally, responsibly, and oriented to the interests of the organization. In contrast to Agency Theory which emphasizes the existence of conflicts of interest and opportunistic behavior, the Theory of Agency *Stewardship* departing from the assumption that the manager (*Steward*) have moral integrity, commitment, and high loyalty to the organization's goals. In perspective *Corporate Governance*, especially those that develop in Indonesia, Theory *Stewardship* It is based on approaches to psychology, sociology, and leadership theory. This theory emphasizes the importance of the relationship of trust, moral values, and collective responsibility between principals and stewards. The relationship is not merely a formal contractual one, but also reflects a psychological contract based on common goals and relational closeness (Primary, 2024).

In the context of this research, Stewardship Theory is used to explain the role of the village government as a manager of the Village Fund who acts as *a steward* of public resources. The village government is positioned as a party trusted by the community (*principal*) to manage the Village Fund in a transparent, accountable, and oriented manner in a transparent manner. The application *of Stewardship* Theory in this study is directly related to the research variables, namely transparency, accountability, and community participation. Transparency is seen as a form of steward openness in conveying information on the management of Village Funds to principals as a form of trust. Accountability reflects the moral and administrative responsibility of stewards over the use of public funds. Meanwhile, community participation is understood as a collaborative relationship between *principals* and *stewards* in the process of planning, implementing, and supervising the Village Fund.

Using *the Stewardship* Theory, this study emphasizes that the management of Village Funds is not solely based on strict control and supervision mechanisms, but on the trust, moral commitment, and collective awareness of the village government in carrying out the public mandate. Therefore, *Stewardship* Theory is a relevant theoretical foundation to explain the ideal and well-oriented practice of managing Village Funds.

Good Governance

Conceptually, *Governance* It can be interpreted as a mechanism or way of managing public affairs effectively and responsibly. According to *World Bank, governance* defined as "*the way state power is used in managing economic and social resources for development of society*." That is, *World Bank* highlighting how state power is used to manage economic and social resources to support community development. On the other hand, *United Nations Development Programme* (UNDP) provides a broader definition, namely "*the exercise of political, economic, and administrative authority to manage a nation's affairs at all levels*." In this sense, UNDP emphasizes the importance of political, economic, and administrative authority in regulating and managing government affairs at every level. Thus, if *World Bank* Focusing on the management of resources for development purposes, UNDP highlights the balance between political, economic, and administrative power in the process of state governance (Mardiasmo, 2021).

Transparency

Transparency can be interpreted as a form of organizational openness in conveying information related to public resource management to all stakeholders. This concept requires clarity from the management of public sector organizations regarding various activities, programs, and policies that have been, are being, or will be implemented, including the resources used in their implementation. Thus, transparency is an important basis in building public trust in the performance of an institution. In order to realize public transparency, public sector accounting plays a crucial role through the provision of open financial information accompanied by detailed explanations in the Notes to the Financial

Statements. Public sector organizations as managers of public funds are obliged to provide accurate, relevant, timely, and accountable financial information. To achieve this, a reliable and adequate accounting information system is needed so that the public financial management process can run transparently and support the accountability of government institutions and other public institutions (Mahmudi, 2011).

Accountability

Public accountability can be understood as the responsibility of the party receiving the mandate to provide reports, present information, and disclose all activities and activities under its authority to the party who gives the mandate. The mandated party has the right and authority to assess and hold accountable for the implementation of the tasks that have been carried out. In this context, public accountability emphasizes the importance of transparency and openness in every form of reporting so that public trust in institutions can be maintained. In its implementation, public sector organizations have a moral and administrative obligation to provide information needed by the public as a form of respect for public rights. These rights include the right to know, the right to obtain clear information, and the right to express opinions and aspirations. Therefore, public institutions are not only required to run *Vertical Accountability* namely reporting to higher authorities but also *Horizontal accountability*, namely providing reports openly to the wider community as a form of social responsibility and public transparency (Mahmudi, 2011).

The principle of accountability reflects the form of responsibility that must be borne by a person or parties who have been given the authority to manage various affairs and interests in an organization or company. Every business actor has a moral and professional obligation to account for every policy, action, and decision taken while carrying out his duties. This is an important foundation in maintaining trust and integrity in the business world. In the context of sharia-based business, the application of the principle of accountability must be carried out openly and responsibly to all stakeholders, including the community. Accountability is a fundamental element in ensuring the sustainability of company performance, because through a good accountability mechanism, justice, transparency, and Islamic business ethical values can be realized consistently and sustainably.

Community participation

Community participation can be interpreted as a form of active involvement of residents in an activity, both individually and collectively, which is carried out voluntarily to achieve a common goal. This involvement is not only limited to the contribution of energy or thought, but also includes a sense of responsibility for the sustainability and results of the activities carried out. Thus, community participation is an important element in supporting the effectiveness of various social programs and public policies implemented by the government or related institutions. In the context of development, community involvement has a very crucial role because it is one of the determining factors for the success of a development process. The success rate of development basically depends on the awareness, concern, and sense of responsibility of the community to participate in every stage of development activities, starting from the planning, implementation, to supervision and maintenance of development results. Without the active participation of the community, the implementation of development tends to be unsustainable and risks failing to meet the needs and expectations of the public optimally (Bihamding, 2019).

Village Fund Financial Management

According to the Great Dictionary of the Indonesian Language (KBBI), the term finance refers to everything related to money, both in the context of management, affairs, and the financial condition itself. This term covers various aspects related to the use, regulation, and supervision of financial resources. Meanwhile, the term village has several meanings, namely an area inhabited by a group of families and has its own system of government led by a village head. In addition, a village can also be interpreted as a group of houses located outside urban areas and forming a social unit, or in other contexts, referring to rural areas that are the residences of people with certain boundaries (Fitri et al., 2023).

Method

The research uses a qualitative research method using a case study design, this study examines transparency, accountability, and community participation in the management of Village Funds in Simbur Naik Village, East Muara Sabak District, East Tanjung Jabung Regency. This location was chosen because of the large allocation of Village Funds received and the phenomenon of administrative transparency that still exists. This approach emphasizes the contextual and interpretive aspects of the phenomenon being studied. In this method, the researcher plays the role of the main instrument that is directly involved in the process of data collection and analysis. The research informants were selected using the purposive sampling technique consisting of the Village Head, Village Secretary, Head of Financial Affairs, Village Consultative Body (BPD), and community members. Data was collected through observation, in-depth interviews, and documentation. Data analysis is carried out through the stages of data reduction, data presentation, and drawing conclusions. To ensure the validity of the data, this study uses source triangulation, technique triangulation, and time triangulation.

Results and Discussion

The implementation of transparency in the management of Village Funds in Simbur Naik Village is analyzed through four main indicators, namely the availability of documents, the level of information accessibility, openness in the process, and the regulatory framework that supports transparency. The results of the study show that the Simbur Naik Village government has administratively tried to ensure the availability of public documents by making planning documents such as RPJMDes, RKPDes, and APBDes through mechanisms involving the Village Consultative Body (BPD) and community groups.

Table 1. Results of interviews from village governments and communities on transparency indicators

Research Questions	Informants	Answer	Researcher Interpretation
What is the form of responsibility of the village government to the community regarding the use of Village Funds and what information is conveyed to the community?	MR	For accountability to the community, the form of publication can be through a realization infographic. We put everything in the realization infographic and we also list it on the website so that the community can access everything the village fund transfer ceiling itself, then the planning is there is an APBDES infographic, there is a realization infographic, there is a realization of how much has been used.	As a form of public information disclosure, the Simbur Naik Village government has provided information media through websites and infographics. This shows that there are efforts to ensure that the management of the Village Fund is transparent. However, access to information does not guarantee that the public understands it.
Does the community understand the published village financial information?	IHN	If I open the RAB in front of people who don't understand the draft cost budget, I will be confused	Because the information has not been packaged in a format that is easy for the public to understand, the transparency used is still administrative.

Research Questions	Informants	Answer	Researcher Interpretation
Have the community ever asked for an explanation regarding the use of the Village Fund?	AA	The community in general is important to be seen. If they see anything, they feel satisfied	Some people consider the transparency of the results of physical development so that substantive transparency has not been fully achieved.
Is it easy for the community to access and understand the village's financial information?	B	The reception of information by the public, especially the younger generation, is still taking place gradually and slowly	The community responded positively to the publication efforts, but the speed of village digital information transformation was not in line with the social capacity of residents in digesting the administrative data instantly.

The statement in the table 1 is supported by field data that shows that access to information is considered quite easy by some residents because it has been provided digitally through the village's official website and conventionally announced on residents' religious forums. The commitment of the village apparatus to open access to this data reflects the characteristics of stewards in Stewardship Theory. As a party trusted by the community (principal), the village government acts as a manager of public trust that does not hide information for one-sided gain, but tries to provide the widest possible access to maintain public legitimacy and trust.

But the transparency of Simbur Naik Village is still limited to the formal-administrative aspect and has not fully reached the substantive transparency aspect, according to a critical examination of the empirical draft on the ground. According to a search conducted on the village's official website, the 2023 APBDes data and the 2024 Info Grafik only display the total budget macro figures per field. They do not display details of actual activities, program goals, or expected outcomes. The asymmetry of understanding at the societal level arises as a result of this formalistic state. As a result, people have difficulty understanding technical financial documents

Due to the limited financial knowledge of the community, the indicators of the success of public development have changed. The community constructs transparency and success in the management of the Village Fund purely from the physical results of development that are directly visible to the naked eye. This is due to the fact that published financial accountability documents are very complicated and difficult to communicate.

In sharia accounting, the value of trust (trust), sidq (honesty), and the obligation to convey information accurately without misleading in an effort to realize the common good are associated with information disclosure. In cases where important programs are not realized, such as the 2023 Community Empowerment budget of IDR 19,818,475.00 which is not realized at all, the principle of full explanation requires that the responsible party provide a clear explanation to the public about the reasons why the program is not realized. so that there is no prejudice. As a result, the ideal collaborative relationship between stewards (village governments) and principals (communities) within the framework of good governance is still hampered by the dichotomy between administrative compliance on the one hand, and social capacity readiness on the other.

The accountability of the financial management of the Village Fund in Simbur Naik Village can be mapped into three main dimensions, namely administrative accountability (compliance with formal regulations), procedural accountability (management system mechanism), and social accountability (horizontal accountability to the public).

Table 2. Results of interviews from village governments and communities on accountability aspects

Research Questions	Informants	Answer	Researcher Interpretation
Are village financial statements prepared on time and in accordance with applicable regulations?	IHN	We use the village financial system provided directly by BPKP, inspectorate, PMD, and sub-districts. So whatever we do in finance can directly be in the village financial system, if we don't compile the report, we can't submit it again as a condition for the next submission	The use of the Siskeudes application in stages has succeeded in forcing timely and law-abiding administration (rule of law).
What is the role of BPD in supervising and evaluating village financial statements?	AA	In the preparation together with the village head, from the preparation of the work plan. Furthermore, in month 12 there is a determination of the APBDES, we have an internal meeting in the BPD, then we call the Village Head. And every year at the end of the year we ask for it, it is true, we ask for the responsibility of the Village Head.	The horizontal control function by the BPD runs actively on a periodic basis through internal meetings to determine the APBDes and the annual LKPJ evaluation.

Based on the table 2 on the administrative and procedural dimensions, the Simbur Naik Village Government has shown a high commitment to compliance with the rule of law to Permendagri Number 20 of 2018. The Village Financial System Application (Siskeudes), provided by BPKP, is used to manage the budget.

This tiered controlled accountability system ensures that every cash expenditure is supported by authentic evidence in the form of notes, receipts, and coordinate-based photo documentation (open camera). In the perspective of Good Governance, the use of Siskeudes technology has succeeded in minimizing the space for manipulating financial data, strengthening the internal control system, and meeting vertical accountability indicators to the top-level government (Districts, PMDs, and Inspectorates).

From the perspective of the theoretical steward, the administrative compliance shown by the village apparatus is the result of pro-organizational behavior rather than mere fear of legal sanctions (coercive compliance). In the eyes of institutional principals, village officials are responsible for maintaining the integrity of the institution and the reputation of village governance.

Meanwhile, in the social-horizontal accountability dimension, the mechanism is realized through the obligation of the Village Head to submit the Accountability Report (LKPJ) at the end of the fiscal year to the Village Consultative Body (BPD) in an open deliberation forum.

This amount of administrative and social responsibility in sharia accounting shows the embodiment of the value of mas'uliyyah (responsibility) and trust. The village budget manages public assets as a treasure that has dual responsibilities in this world and in the hereafter. The timeliness of the preparation of financial reports and the openness of the apparatus to be supervised by the BPD and the community indicate that financial governance in Simbur Naik Village is sought to be in line with the principles of shura (deliberation) in order to uphold economic justice for the benefit of the villagers.

Community participation is a crucial instrument in justifying the effectiveness of the Village Fund allocation. Based on the results of the research in Simbur Naik Village, the involvement of residents was analyzed into two classifications: consultative participation at the planning stage and functional participation at the implementation and supervision stages.

Table 3. Results of interviews from the community regarding aspects of community participation

Research Questions	Informants	Answer	Researcher Interpretation
What is the mechanism for community involvement in planning the use of the Village Fund?	S	Regarding the submission of aspirations, it was conveyed to the RT, if not the same hamlet. Not all people are present	Although it has not involved all residents directly, community participation has been facilitated through a representative system.
Are the community involved in supervising the implementation of the Village Fund program?	A	Yes, when there is a village fund program, the local community participates in the development.	The community actively participates in the implementation stage of village development.

Based on the table 3 at the planning stage, the participation space was formally opened through the Village Deliberation Forum (Musdes) and Musrenbangdes to prepare RPJMDes and RKPDes. The village government has procedurally invited various social clusters, ranging from RT representatives, hamlet heads, community leaders, youth organizations, health cadres, to local educators. Although public spaces have been opened in an inclusive manner, the intensity of residents' presence in physical forums has not been fully maximized. The constraint of space and time has implications for the implementation of the representation system

From the perspective of Good Governance, this representative model is legally valid, but it leaves challenges in the form of potential aspirational bias if the communication channels between the head of RT/Kadus and grassroots constituents are not active. In addition, research on Supervision Theory shows that the orientation of collectivity is still not evenly distributed throughout society. Some residents are still trapped in a transactional-materialistic mindset when they are given a deliberation space by stewards. They tend to be passive or refuse to participate in rural mutual cooperation unless they receive direct monetary incentives.

On the other hand, at the physical implementation stage, the functional participation of the community shows more optimistic dynamics. Local residents are actively involved as workers in village infrastructure development projects, such as the cementation of local roads. This functional involvement in physical work indirectly creates a natural social control mechanism in the field. Residents can monitor the quality of materials directly and have the right to request verbal clarification from the Activity Implementation Team (TPK) if they find any discrepancies.

If associated with sharia accounting, the active involvement of local residents in physical development is an example of economic distribution justice (adl). In this case, the use of village funds allows for the absorption of local labor and increases the prosperity of village households. However, the results of critical evaluation show that community participation in Simbur Naik Village is still at the level of tokenism (participation is only an additional requirement) and has not progressed to the level of citizen control (transformative participation where the community has full control over the budget). Public oversight largely focuses on physical outcomes that appear due to a lack of technical understanding of how the Draft Cost Budget (RAB) is drafted. However, substantive supervision of the efficiency of the budget post remains the main responsibility of village officials and BPDs.

Discussion

Application of the principle of transparency in the financial management of the Village Fund in Simbur Naik Village

Stewardship Theory In view, organizational managers are stewards who act in the public interest, or the public, rather than their own personal interests. In this case, the commitment of the Simbur Naik Village Government to actively provide public documents such as RPJMDes, RKPDes, and macro publications of the APBDes through infographic media and the village's official website shows the nature of a leader who strives to maintain public legitimacy and trust (head). This research is in line with the principle of Good Governance, which wants the public to have easy access to information to monitor public resources. These results support the research (Attaqy & Khairudin, 2022) and (Octavia & Biduri, 2024) that the transparency and trust of the community in the ranks of the village government is improved through the effective use of open media.

However, a critical evaluation of empirical drafts on the ground reveals a fundamental disconnect: the transparency that is carried out is still stuck in the formality-administrative dimension and has not touched on the substantive transparency aspect. The facts from the results section show that the 2024 infographic and the official village website only present the total macro figures per field without detailing the activity plan or program goals in real terms. This limitation of presentation triggers the emergence of asymmetry of understanding at the grassroots level.

This condition is exacerbated by people who do not understand technical financial documents. This is in line with the Finance Department's admission that residents will be confused if they are directly confronted with the Cost Budget Draft document. Due to overly complicated accountability documents, the indicators of success in the eyes of the public change. People believe that transparency can only be based on the results of development that can be physically seen, such as the cementation of roads, and as long as the physical results are visible, people will assume that governance is going well. This fact supports the record (Baining et al., 2022) That, although draft management is formally provided, its quality must be improved to ensure that important information can be digested widely and unbiased.

Thus, transparency in Simbur Naik Village can be understood as a manifestation of the village government's role as a steward who seeks to maintain public legitimacy and trust through information disclosure. In sharia accounting, transparency must be integrated with the values of amanah (trust), sidq (honesty), and the principle of full disclosure to achieve maslahah (common good). Full disclosure demands honest moral accountability in cases where an unfulfilled development agenda requires moral accountability.

For example, in the results section, it is recorded that the 2023 Community Empowerment budget of IDR 19,818,475.00 was not realized by 0%. This is despite the village apparatus having provided verbal clarification in the citizens' forum regarding the fact that the funds will be allocated to food security programs as a result of the central budget cuts. However, there are no official records or written explanations on the online infographic, which shows that the village apparatus has not optimized digital media The village government is vertically administratively compliant to the ministry, but is still weak in fulfilling horizontal-sharia accountability to the community due to cultural barriers such as the lack of the internal digital ability of the village apparatus to manage the website continuously.

Transparency in the management of village funds has basically been sought by the village government through the delivery of information to the community, such as through village deliberations and the submission of activity reports. However, based on the results of interviews with several informants, the delivery of this information is still not fully understood by the entire community. This shows that the transparency practices carried out still need improvement, especially in terms of presenting information that is easier for the public to understand.

A form of accountability of the village government in the financial management of the Village Fund in Simbur Naik Village

In the administrative and procedural dimensions, the Simbur Naik Village Government has succeeded in strongly justifying the principles of accountability and rule of law through the adoption of the Village Financial System Application (Siskeudes) from BPKP. The implementation of this technology forces village financial administration to run strictly, orderly, and on time, because the delay in reporting has direct implications for the freezing of the next stage of fund disbursement.

From the point of view of Stewardship Theory, the strict compliance of village officials in collecting evidence of authentic expenditures (notes, receipts, to photos based on open camera coordinates) is a reflection of pro-organizational behavior. In the presence of the heads of institutions (Districts, PMD, and Inspectorates), the apparatus functions as supervisors oriented towards maintaining institutional integrity and the reputation of village governance. This study is in line with (Sartika et al., 2023) which states that rural formal accountability has generally been well fulfilled thanks to the support of standardized instrument documents.

In the social-horizontal accountability dimension, the control function is carried out through the mechanism of submitting the year-end Accountability Report (LKPJ) by the Village Head to the BPD in an open deliberation forum. In sharia accounting, this administrative and social responsibility is a tangible representation of the value of mas'uliyyah (responsibility) and trust. The management of public funds is positioned to have dual accountability, human accountability in the world (through Siskeudes and BPD) and divine accountability in the hereafter. This timeliness and openness prove that governance is sought to be in harmony with the principles of shura (deliberation) in order to uphold economic justice, in accordance with the affirmation (Mahendra et al., 2023) That the accountability of village funds should not be seen as limited to matters of files on paper, but a deep reflection of spiritual trust.

Thus, it can be concluded that accountability in Simbur Naik Village has been running in accordance with the provisions of regulations, although it still requires an increase in the aspect of information disclosure to the wider community.

Community participation in the supervision and evaluation of the financial management of the Village Fund in Simbur Naik Village

Analysis of the level of community participation in Simbur Naik Village shows that there are contradictory dynamics between the planning stage and the implementation stage. At the planning stage, the village government has procedurally implemented the principles of participation and inclusiveness of Good Governance by opening a formal consultative space through the Musdes and Musrenbangdes forums. However, due to time and space limitations, the representation system through the Head of RT or Hamlet Head must be implemented. This representative model has the potential to trigger aspiration bias if the internal communication channels at the level of neighborhood harmony are not active, so that the majority of grassroots residents only end up as passive recipients of information, not decision-makers.

From the perspective of Stewardship Theory, this condition indicates that the orientation of collectivity has not crystallized evenly at the community level. While village officials try to position themselves as stewards, some residents are still trapped in a transactional-materialistic mindset, which is shown by their reluctance to participate in the village mutual cooperation agenda if they do not get direct financial incentives. This confirms the results of the study (Yusuf et al., 2021) which states that community involvement often still encounters sectoral ego barriers and cultural barriers in the field.

However, the functional participation of the community becomes much more optimistic at the physical implementation stage. Naturally, social control mechanisms emerged when local citizens worked for infrastructure projects such as road construction. People can directly see the quality of the materials in the field. The perspective of sharia accounting states that the placement of local labor shows the value of economic distribution justice (adl), which has a direct impact on increasing the prosperity of village households. This active involvement is in line with research conducted by (Putriana et al., 2022) on how important multi-stakeholder engagement is for sustainable development.

However, substantially, the level of community participation in Simbur Naik Village is still limited to the formal participation tokenism required to meet the requirements and has not been able to develop into community control the community has full control over budget decisions. Since not many people know how to dissect budget posts and technical RAB documents, the community is forced to provide substantive oversight of financial governance to the BPD and village officials. As a result, residents are only satisfied with the results of clear physical development.

Community participation in village fund management has basically been facilitated through village deliberation forums involving various elements of society. However, the level of community involvement in the supervision process is still relatively limited. This can be caused by several factors, such as the limited understanding of the community on village financial statements and the tendency of the community to focus more on the results of physical development that are directly visible. Therefore, efforts are needed to increase public understanding so that participation in the supervision of village fund management can run more optimally.

Supporting and inhibiting factors in the implementation of transparency, accountability, and community participation in the financial management of the Village Fund in Simbur Naik Village

Based on the findings of the study, the main supporting factors for the implementation of transparency, accountability, and participation in Simbur Naik Village are the commitment of village officials, an application-based financial system, the active role of BPD, and a culture of deliberation that is still maintained. However, there are structural and cultural inhibiting factors, namely budget cuts, limited human resources, low public financial literacy, and participation that is not fully optimal.

Overall, the implementation of *good governance principles* in Simbur Naik Village has been running substantively, although it still faces external and internal challenges. Transparency and accountability are not only administrative, but also seek to build public communication. Meanwhile, community participation has been realized in the form of planning, implementation, and supervision, although it is necessary to improve the quality of involvement to be more inclusive and sustainable.

Conclusion

Based on the results of the research, it can be concluded that the financial management of the Village Fund in Simbur Naik Village has basically led to the application of the principles of transparency, accountability, and community participation. New Transparency Touches the Level of Administrative Formalities by providing planning documents and infographics for the APBDes digitally and conventionally, the village government shows its commitment as a steward. Because publications only display macro numbers without details of activities, this transparency is not substantive. As a result, there is an asymmetry of information and a shift in success indicators in the eyes of the general public who exclusively assess the transparency of visible physical development.

The accountability of the village government can be seen from the planning, implementation, and reporting process that is carried out systematically and in accordance with applicable regulations. Each activity is formulated through village deliberations and accompanied by an accountability report equipped with administrative evidence. This shows that the management of village funds has been carried out responsibly both to the government and to the community.

Community participation has also been seen in the process of village deliberation, musrenbang, and involvement in development activities. The presence of the community in the forum shows that there is a space for participation in decision-making and supervision of village programs, although the level of community involvement is not completely evenly distributed. In addition, there are several factors that affect the implementation of the governance.

Supporting factors include the commitment of village officials, a structured financial management system, the role of BPD, and a culture of deliberation that is still maintained. Meanwhile, the inhibiting factors include limited human resources, budget cuts, and low public literacy regarding village financial management.

From the perspective of sharia accounting, the practice of managing Village Funds in Simbur Naik Village reflects the values of trust, honesty, and responsibility. The management of public funds is not only seen as an administrative obligation, but also as a form of moral responsibility that aims to realize justice and benefits for the community.

Thus, although there are still several obstacles, the management of village funds in Simbur Naik Village has shown efforts towards more transparent, accountable, and participatory governance in accordance with the principles of Stewardship Theory, *good governance* and sharia accounting values. Overall, the management of the Village Fund in Simbur Naik Village has shown the application of *good governance* principles quite well, although it still requires strengthening the quality of participation and optimizing digital transparency.

This research provides several theoretical and practical benefits. From a theoretical perspective, it integrates management theory, good governance, and Islamic accounting to assess transparency, accountability, and community involvement, thereby enriching research on village fund governance. These three perspectives show that the success of Village Fund management depends on compliance with laws and the moral commitment of village officials in carrying out public trust.

From an empirical perspective, this study shows that the transparency in managing Village Funds in Simbur Naik Village is dominated by administrative transparency, so the community tends to judge development success more based on physical results rather than published financial data. This finding sheds new light on the fact that increasing public knowledge about finances is an important component in achieving participatory village governance.

From a practical perspective, the findings of this study can be used as a reference for village governments to improve the quality of financial information services, increase community participation in the oversight process, and optimize the use of digital media to boost public transparency.

Theoretical Implications The results of this study reinforce the view that effective village financial governance does not only depend on administrative compliance, but also on the moral commitment and social responsibility of village officials. These findings show that the practice of managing Village Funds in Simbur Naik is more reflective of the stewardship approach, where village officials try to carry out their mandate for the benefit of the community.

Practical Implications This research provides the following practical implications:

a. The village government needs to continue to improve the quality of the presentation of financial information so that it is easier for the community to understand, not only administratively open but also communicative.
b. Optimizing village websites and social media is a strategic need to reach young people who are more digitally active.
c. Strengthening people's financial literacy can improve the quality of participation in planning and supervision

Policy Implications The findings regarding the reduction of Village Funds show that fiscal policy at the central level greatly affects the realization of programs at the village level. Therefore, it is necessary to synchronize policies so that village development priorities are not significantly disrupted due to changes in budget allocation.

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