

# **CASH RECEIPT PROCEDURE SYSTEM MODEL OF VILLAGE FUNDS AND PROVINCIAL / CITY / DISTRICT ASSISTANCE FUNDS IN VILLAGE ACCOUNTING SYSTEMS IN INDONESIA**

**Khozin Arief**

Accounting Department of Politeknik Negeri Bandung, Indonesia

[Khozin.arief@polban.ac.id](mailto:Khozin.arief@polban.ac.id)

## **Abstract**

*With the issuance of Law No. 6 of 2014 Article 72 concerning Villages, each village receives 1.4 billion / year funds from the central government, but many cases of errors in the administration of cash receipts for Village Fund and Provincial / City / District Assistance Fund. Based on the field survey, village administration staff need clear procedures in administering it. Therefore, in order for village accounting companies to be accountable, transparent, accountable and in accordance with applicable laws, a system model of cash receipts for village fund allocation and provincial / city / district assistance fund is needed. The aim to be used in villages in Indonesia as an administration guide. The methodology of this research was carried out with data collection techniques through interviews, observation and system documentation conducted in villages in Parongpong sub-district, West Bandung regency, West Java province with design stages starting from planning, surveying, system analysis and design. In designing this model the author follows applicable laws and government regulations. This model is needed for villages in Indonesia as a guide to the administration of village accounting in order to avoid administration errors.*

**Keywords:** Model, System, procedure, receipts, cash, Accounting, Village

## INTRODUCTION

The village is the spearhead of Indonesia's leading development therefore the government issued Law No. 6 of 2014 concerning Villages article 72 which states that the village will get 1.4 billion / year of funding per village and each village must be accountable and transparent in its use. Therefore, so that the village accounting company can run accountably, transparently, be accountable and in accordance with the applicable laws in the sub-system of cash receipts, village fund allocation and provincial / city / district assistance, a system of administrative procedures for village fund accounting is needed. In villages in Indonesia as guidelines for administering village fund accounting. This model can also be used for students in practicing village fund administration simulations in the laboratory and is also used as a service for lecturers in village villages.

The purpose of this paper is to produce a Village Accounting Administration System and Procedure Model to be applied in villages in accordance with the Laws and Government Regulations.

## LITERATURE STUDY

### Design Theory

#### *Definition of Accounting Systems and Accounting System Design*

A system is a set of two or more interrelated components that interact to achieve a goal. System are almost always composed of smaller subsystem, each performing a specific function important to and supportive of the large system of which it is a part. For example, the collages of business is a system composed of various department, each of which is a subsystem. Yet the college itself a subsystem of the university, (Romney et al, 26: 2017).

The definition of an accounting system is the organization of forms, notes and reports that are coordinated in such a way as to provide financial information needed by management to facilitate organizational management, (Mulyadi, 3: 2014)

An Accounting Information System is a manmade system generally consists of an integrated set of computer-based components and manual components established to collect, store, and manage data and to provide output report information related to the financial aspects of business even to users (Gelinas at el, 14:2016)

System and procedure definitions according to Mulyadi (2014) are as follows: The system is a network of procedures made according to an integrated pattern to carry out the company's main activities. The procedure is a sequence of clerical activities, usually involving several people in a department or more, which is made to guarantee uniform handling of transactions. From this definition it can be concluded that a system consists of network

procedures; while the procedure is a sequence of clerical activities consisting of writing, copying, counting, coding, registering, selecting, moving and comparing (Mulyadi, 5-6: 2014). While the notion of accounting system design is the steps taken to create or modify an organization's accounting system, Gelinas (2016).

System development life cycle (System development lifecycle / SDLC) is the development of an SI through the process of system development, from birth, implementation to continuous use or operation.

To read and prepare documentation describing business processes and controls in these processes, it is necessary to have a system flowchart that presents a comprehensive overview of management, operations, information systems, and process controls that are realized in business processes. There is a flowchart symbol in Figure 1.

### **Central Government and Regional Government**

According to the Law of the Republic of Indonesia Number 6 of 2014 concerning Villages, the Central Government hereinafter referred to as the Government is the President of the Republic of Indonesia which holds the power of the government of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.

Regional Government is the Regional Government and the Regional People's Legislative Assembly which organizes governmental affairs according to the principle of autonomy and the task of assisting with the principle of autonomy to the greatest possible extent in the system and principles of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia. Governors, Regents or Mayors and regional apparatuses as elements of the administration of Regional Governments.

### **Village and Village Government**

According to the Ministry of Internal Affairs Regulation number 113 of 2014 Concerning Village Financial Management Definition of Villages is a legal community unit that has territorial boundaries that are authorized to regulate and administer government affairs, the interests of local communities based on community initiatives, rights of origin, and / or traditional rights recognized and respected in system of government of the Republic of Indonesia. Definition of Village Government is the administration of government affairs and the interests of the local community in the governance system of the Republic of Indonesia State while the understanding of the Village Government is the Village head or what is called by another name assisted by the Village as an organizer of the Village Government.




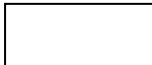


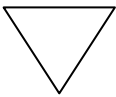
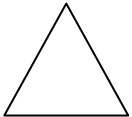
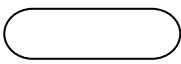
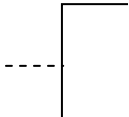
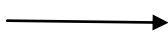

Symbol	Description of Meaning
	Document Example: forms, reports, letters
	Data Manual Entry Example: keyboard, key to disk
	Manual Process Example: Preparing documents, signing
	Computer Process Example: Printing, updating
	Monitor Display Example: Display via a computer screen
	Disk / File Example: Inventory File, Hard Disk
	Temporary archive Example: Temporary manual archive in the form of documents
	Permanent Archive Example: Archives remain in the form of documents
	System Limits Example: Start, complete or contain an external entity
	Annotation Explanation or description of the picture
	Logical flow of processing data or documents
	low through online / internet traffic

Figure 1. Symbols in a flowchart

Source: Iyeh and Khozin, Bandung Polytechnic Accounting Information System Module

### **Village head**

According to the Minister of Home Affairs Regulation No. 113 of 2014 the Village Head is the holder of the power of the village financial manager and represents the Village Government in the ownership of the village-owned assets which are separated. The Village Head as the holder of the village financial management authority has the authority:

1. Establish a policy regarding the implementation of the Village Expenditure Budget
2. Establish Village Workforce Planning
3. Determine officers who collect village revenue
4. Approve expenditure on activities specified in the Village Expenditure Budget
5. Conduct actions that result in expenditure on the expenses of the Village Expenditure Budget

### **Village Finance and Village Financial Managers**

According to the Ministry of Internal Affairs Regulation number 113 of 2014 concerning Village Financial Management, Village finance is all the rights and obligations of the Village that can be assessed with money and everything in the form of money and goods related to the implementation of Village rights and obligations. Village financial managers are all activities that include planning, implementing, administering, reporting, and village financial accountability as often as the holder of the village financial management power is the village head or another designation because his position has the authority to administer the entire village financial management.

### **Village Funds and Village Allocation Funds**

According to the Minister of Home Affairs Regulation number 113 of 2014 concerning Village Financial Management, Village Funds are funds sourced from the State Budget (APBN) allocated to villages transferred through the district / city State Revenue and Expenditure Budget that is used to finance implementation government, implementation of development, correctional development, and community empowerment while village funds abbreviated as ADD are balance funds received by the district / city after deducting special allocation funds.

### **Village finance manager**

Village finance managers According to the Minister of Home Affairs Regulation number 113 of 2014 Village Financial Management consists of:

1. The holder of the Village Financial Management Power is the Village Head or another name because the position has the authority to administer the entire village financial management
2. Treasurer is an element of village secretariat staff in charge of financial administration affairs to administer village finance.
3. The Technical Implementer of Village Financial Management, is an element of the village apparatus that assists the Village Head to carry out village financial management.

Technical Implementation of Village Financial Management can be called Village Accounting Staff.

### **Village Account and Village Revenue**

According to Minister of Home Affairs Regulation No. 113 of 2014, Village Financial Management Village Cash Accounts are Village Government money-saving accounts that accommodate all village receipts and are used to pay all Village expenses at the designated Bank while Village Revenue is Money derived from all village income.

### **Village Accounting System and Village Financial Administration**

The Village Accounting System is the recording of the transaction process that takes place in the village, evidenced by notes then financial records and reporting are carried out so that it will produce information in the form of financial reports that are used by parties related to the village, namely the Village Community, Village Roles, Local Government and the Central Government (Wiratna Sujarweni, 2015: 17). The village head in carrying out village financial administration must determine the village treasurer. The determination of the village treasurer must be made before the commencement of the relevant budget year and based on the decision of the village head. The Treasurer is a village apparatus appointed by the village head to receive, store, deposit, administer, pay, and account for village finances in the context of implementing the Regional Budget (Wiratna Sujarweni, 2015: 59). The village treasurer is obliged to account for money through accountability reports. The accountability report is submitted monthly to the Village Head and no later than the 10th of the following month. According to the Minister of Home Affairs Regulation number 113 of 2014 the accountability report that must be made by the village treasurer is General Cash Book, Cash Book Tax Helper and Bank Books.

## **Village Financial Report**

Village financial reports according to the Minister of Home Affairs Regulation number 113 of 2014 which must be reported by the village government in the form Budget, Cash Book, Tax Book, Bank Books and Budget Realization Report.

## **RESEARCH METHOD**

### **The Study**

#### a. Place

The study was conducted at the Public Sector Accounting Laboratory and the nearest village from POLBAN campus, Ciwaruga Village and Sariwangi Village, Parompong sub-district, West Bandung district, West Java. In this study, a village accounting system model was designed that could assist village officials in the administration of village accounting so that it could be used as a solution to alleviate problems, namely village accounting management based on the applicable law.

#### b. Actor

The perpetrators who are examined are the village apparatus that handles village finances.

#### c. Activity

The activities studied were the activities of the village apparatus related to the administration of village accounting.

### **Data collection technique**

#### a. Observation

The observation technique that will be carried out by the researcher is participatory observation where the research will at any time be involved in the activities of the village apparatus in administering village accounting so that the data obtained will be more complete, sharp, and to know the level of meaning of each behavior that appears.

#### b. Interview

The interview technique that will be conducted by the researcher is semi structured interview so that the researcher can find the problem more openly and can ask the interviewee for ideas and opinions about Village Accounting.

#### c. Documentation

The technique carried out in this documentation is to collect data in the form of existing system procedures with flowcharts, collect form forms, financial data and village financial reports.

### **Research Design Steps**

The steps of the research design conducted by the researchers are as follows:

a. Planning

This stage is the initial stage of the author's work, at this stage the author makes a research proposal

b. System survey and analysis

At this stage the activities to be carried out by the writer interview the employees of the devices of Sariwangi Village and Ciwaruga Village, surveying, analyzing, calculating and identifying and observing matters relating to the Village Accounting System.

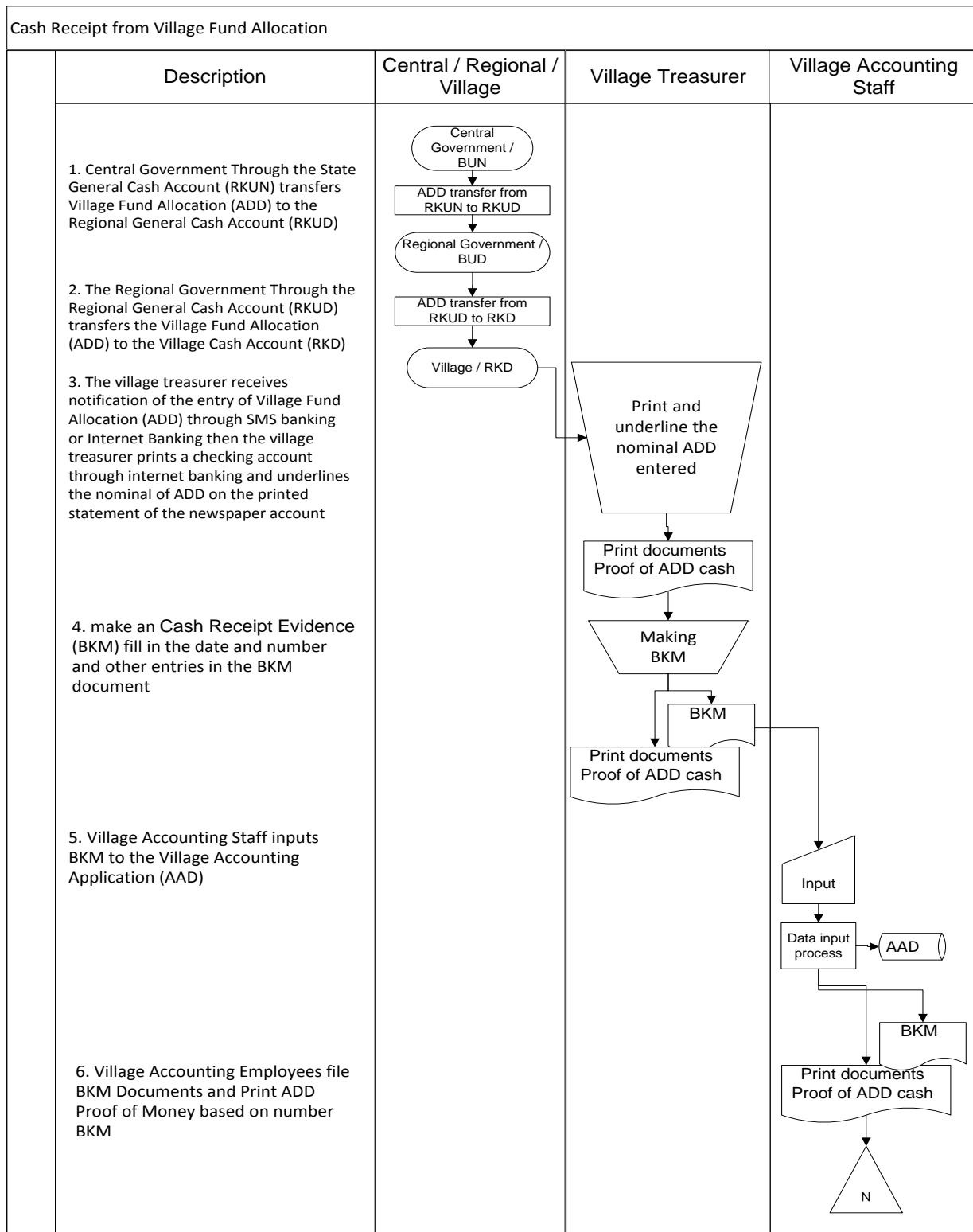
c. System Design

This stage is the core of the research activities, namely designing the system and procedures for administering village accounting

### **ANALYSIS AND DISCUSSION OF RESULTS**

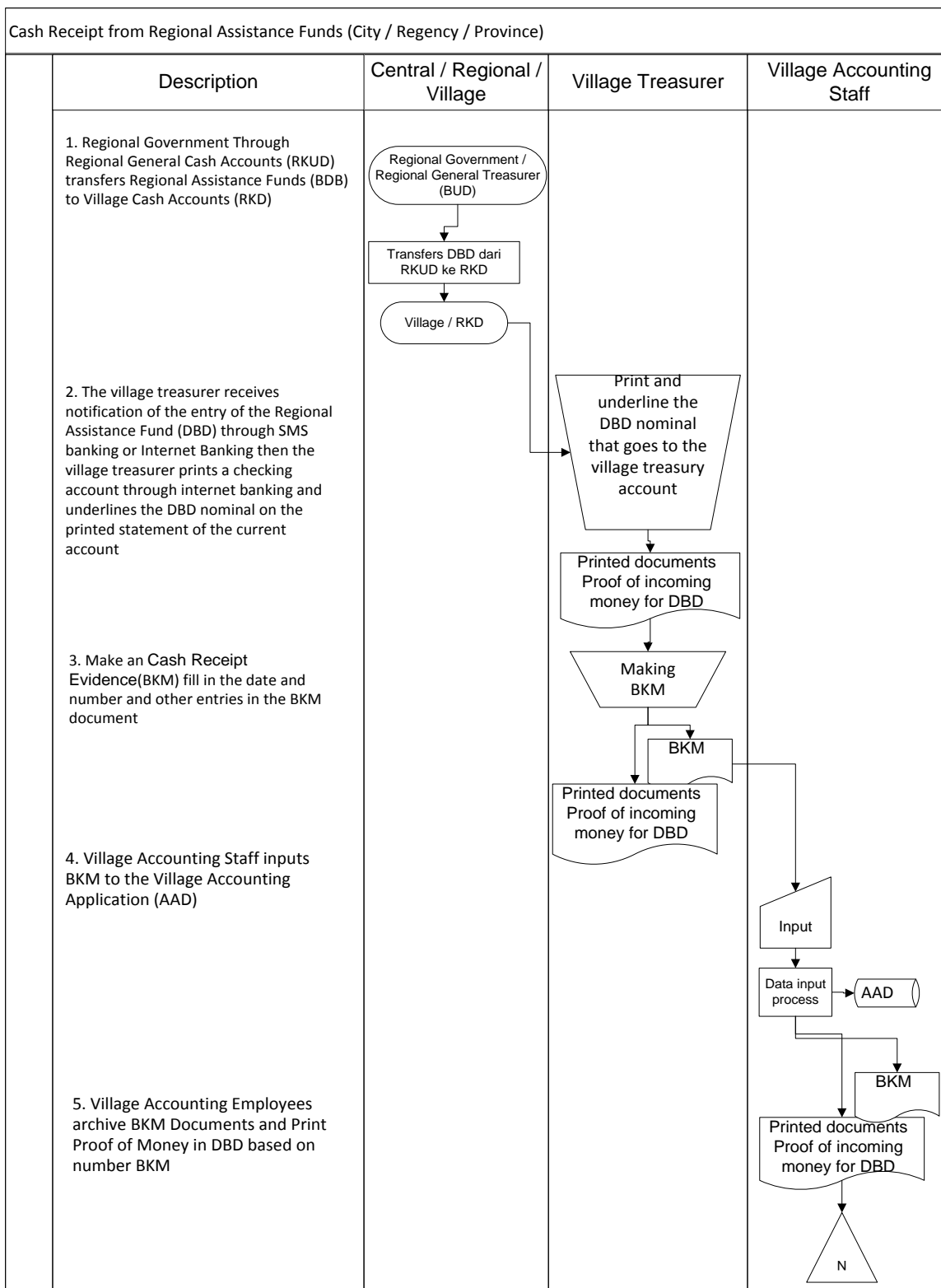
The System and Procedure Design Model created by the author is a design in the form of a flowchart which is a description of the procedure of accounting system procedures for cash receipts village fund allocation and provincial / city / district assistance supplemented with accounting documents and records needed and described in detail and clearly this aims as guide village officials in conducting village financial administration procedures. As for the design as in the following picture.





**Abbreviations:** BUN: State General Treasurer, RKUN: State General Cash Account, ADD: Village Fund Allocation; RKUD: Regional General Cash Account; BUD: Regional General Treasurer; RKD: Village Cash Account; BKM: Cash Receipt Evidence; AAD: Village Accounting Application

Figure 2. Model of Cash Receipt Procedure for Village Fund Allocation



**Abbreviations:** DBD: Assistance Funds City/ district / Province; RKUD: Regional General Cash Account  
 BUD: Regional General Treasurer; RKD: Village Cash Account; BKM: Cash Receipt Evidence;  
 AAD: Village Accounting Application

Figure 3. Model Cash Receipt from Regional Assistance Funds City / District / Province

These systems and procedures require documents in the form of cash receipt documents as shown below.

<b>PEMERINTAH KABUPATEN</b> .....	
<b>KECAMATAN</b> .....	
<b>DESA</b> .....	
<b>BUKTI KAS MASUK</b>	
Tanggal	No. BKM
<input style="width: 100px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text"/>
Telah diterima sejumlah uang	<input style="width: 200px; height: 20px;" type="text"/>
Terbilang :	
Berasal dari :	
:	
:	
:	
Mengetahui,	Penerima,
Kepala Desa	Bendahara
_____	_____
Desa	Desa

**Explanations:** BKM: *Bukti Kas Masuk*(Cash Receipt Evidence); PEMERINTAH KABUPATEN: DISTRICT GOVERNMENT; KECAMATAN: SUB-DISTRICTS; DESA: VILLAGE

Figure 4. Draft Model of Cash Receipt Evidence

Cash receipt documents are documents designed as evidence of cash inflows. This document is used when cash inflows occur from village fund allocations and provincial / city / district assistance. To fill out this document is as follows-

1. **Tanggal (Date)** column is filled with the date the money entered the village account.
2. **No. BKM (Cash Receipt Evidence Number )** is filled in by numbering as follows: the first to the 4th digit is filled with the year of transaction, the 5th to 6th digit is filled in with the month of transaction, the 7th to 8th digit is inputted with the transaction serial number in the month the transaction occurs, for example there is a transaction of cash receipts from phase 1 village fund allocation of *Rp. 400.000.000* on January 5, 2018, then the method of writing is 201801001, if on the next day of July 13, 2018 there is another acceptance transaction then the BKM number becomes 201807002 and so on. The BKM number is designed to facilitate the search for archives because with the numbering it will be known what documents are in what month and what year.
3. **Telah diterima sejumlah uang (Has received)** is filled with the cash amount received for example *Rp. 400.000.000*
4. **Terbilang (Spelled out)** to be filled with letter numbers for example ***Empat Ratus Juta Rupiah (Four Hundred Million Rupiah)***
5. **Berasal dari (Fund Sources)** filled with the origin of the cash receipt transaction for example from the ***Alokasi Dana Desa Tahap 1 (Village Fund Allocation Phase 1)***
6. **Penerima (The recipient)** is filled with the name and signature of the ***Bendahara Desa (village treasurer)***
7. **Mengetahui (Validator)** the name and signature of the ***Kepala Desa (village head)***

Suppose the village receives money from the center in the form of a village allocation fund for stage 1 of *Rp. 400,000,000* on January 5, 2018, the documents filled in are as follows:

<b>PEMERINTAH KABUPATEN BANDUNG BARAT</b>				
<b>KECAMATAN PARONGPONG</b>				
<b>DESA CIWARUGA</b>				
<b>BUKTI KAS MASUK</b>				
Tanggal	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 30px; text-align: center;">05</td> <td style="width: 30px; text-align: center;">01</td> <td style="width: 60px; text-align: center;">2018</td> </tr> </table>	05	01	2018
05	01	2018		
No. BKM	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 30px; text-align: center;">18</td> <td style="width: 30px; text-align: center;">01</td> <td style="width: 60px; text-align: center;">001</td> </tr> </table>	18	01	001
18	01	001		
Telah diterima sejumlah uang	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 150px; text-align: center;"><i>Rp. 400.000.000</i></td> </tr> </table>	<i>Rp. 400.000.000</i>		
<i>Rp. 400.000.000</i>				
Terbilang	: <i>Empat Ratus Juta Rupiah</i>			
Berasal dari	:			
	<i>Alokasi Dana Desa Tahap 1</i>			
	:			
	:			
Mengetahui,	Penerima,			
Kepala Desa	Bendahara Desa			
_____	_____			

**Explanations:** BKM: *Bukti Kas Masuk* (Cash Receipt Evidence)

PEMERINTAH KABUPATEN BANDUNG BARAT: BANDUNG BARAT DISTRICTS

KECAMATAN PARONGPONG: PARONGPONG SUB-DISTRICTS

DESA CIWARUGA: CIWARUGA VILLAGE

Figure 5. Draft Model of Cash Receipt Evidence

Accounting records that will be carried out by village officials

1. When the inclusion of phase 1 village fund allocation is as follows:

Cash / Bank (D)

Village Fund Allocation (K)

2. When the provincial government funds are received

Cash / Bank (D)

Grants from the Provincial Government (K)

3. When the provincial government funds are received

Cash / Bank (D)

Grants from the City / District Government (K)

## CONCLUSION

The conclusion of this study is that the village needs clear and documented administrative procedures as a means of monitoring the administration of village accounting. This was seen during the preliminary survey where the findings in the field were that the village accounting administration staff had difficulties in studying the laws and government regulations in administering village accounting due to their limited accounting and administrative skills. The correct procedure in accordance with the laws and government regulations so that with documented systems and procedures it becomes the reference of the village in managing village finances and avoiding wrong procedures.

## REFERENCES

Gelinas, Sutton and Hunton. (2004). *Acquiring, Developing and Implementing, Accounting Information System*. (6th ed.).USA : South-Western.

Gelinas, Sutton and Hunton. (2017). *Accounting Information System*(11th ed.).USA : South-Western.

Romney, Marshall B., Stembart, Paul John. (2009). *Accounting Information System*, (13th ed.). New Jersey : Prentice Hall.

Mulyadi. (2014). *Sistem Akuntansi*.Jakarta :Salemba Empat.

Wiratna Sujarweni. (2015). *Akuntansi Desa*. Yogyakarta : Pustaka Baru Press.

Undang Undang Republik Indonesia Nomor 6 Tahun 2014 Tentang Desa

Peraturan Menteri Dalam Negeri Nomor 113 tahun 2014 Tentang Pengelolaan Keuangan Desa

Peraturan Menteri Dalam Negeri Nomor 32 Tahun 2006 Tentang Pedoman Administrasi Desa