

**VILLAGE FUND MANAGEMENT IN CAPITAL PARTICIPATION OF  
VILLAGE OWNED BUSINESS IN DPMPK, WEST KUTAI REGENCY****Aliansyah\*, Musmuliadi, Agustinus Dju**

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**Abstract**

This study aims to determine the management of the Village Revenue and Expenditure Budget (APBDes) in the Village / Village of West Kutai Regency and analyze the accountability of the village government in managing the Village Revenue and Expenditure Budget (APBDes). This research was started from April 2022 to June 2022 with the research location at the Office of Community and Village Empowerment (DPMK) West Kutai Regency. This research is a qualitative research with the type of descriptive research. The technique of collecting data is by using interview, observation, and documentation techniques. While the research instruments are the researchers themselves, interview guides, and communication and documentation tools. The data analysis of this research used an interactive model, namely data reduction, data presentation, and data verification of conclusions. Based on the results of research that has been carried out on all the data obtained, it is concluded that accountability and transparency affect the management of village funds. while participation does not significantly affect the management of village funds. Meanwhile, accountability, transparency and participation simultaneously affect the management of village funds in West Kutai Regency. Village Owned Enterprises are good, but not yet fully maximized in encouraging the level of community welfare in West Kutai Regency. This is because there are several business units that are already good and capable in improving the quality of the community, but there are several business units that have not provided the benefits as they should as a forum in achieving the goals of BUMK itself.

**Keywords:** Village fund, village fund management; regional revenue

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**INTRODUCTION**

The Village Government entered a new chapter in the history of the Unitary State of the Republic of Indonesia. They have officially received the Village Fund budget allocation in the 2021 State Budget. With the funds flowing directly to the village, the Village Government now has the autonomy to carry out development in their respective areas. The fund is actually not a new budget because it is taken from village quotas that have been disbursed through other nomenclatures such as social posts in the form of Community Direct Assistance (BLM)

located at the Ministry of Home Affairs, and the Village Infrastructure Development Program (PIIP) budget managed by the Ministry of Public Works (Syafrudin et al., 2006).

The disbursement of these funds is an important part of the implementation of Law Number 6 of 2014 concerning Villages. Article 72 d of the Village Law states that one of the village incomes comes from the Village Fund which is part of the balancing fund received by the Regency/ City. Furthermore, regarding the function and allocation of the Village Fund, it is regulated in Article 19 paragraphs

(1) and (2) of Government Regulation Number 60 of 2014 concerning Village Funds sourced from the State Budget and Revenue, which explains that: namely: "Government Administration, Village Development and Community Empowerment". The Village Fund is prioritized to finance the field of Community Development and Empowerment (Indonesia, 1998).

First, the Field of Village Administration, such as office operations, payroll for the Village Head and Village Pamong, BPD and LIMNAS operations, general coordination meetings, drafting of Village Regulations, and so on. Second, the Village Development Sector, which includes the rehabilitation of village office buildings, construction of village infrastructure such as roads, bridges, GOR, talud and other physical developments. Third, the Community Empowerment Sector, which includes training, socialization, and coaching for community groups so that the community can be independent and empowered. In the field of Community Empowerment, there is a new formula apart from the program mentioned above, namely the program for the establishment of a Village Owned Enterprise (BUMK) (Sriyono, 2013).

Village-Owned Enterprises, hereinafter referred to as BUMK, are business entities whose entire or most of the capital is owned by the village through direct participation from the wealth of the separated village, in order to manage assets, services and other businesses for the greatest welfare of the village community (Lestari et al., 2018). The implementation of BUMK itself has included two functions of the Village Fund allocation mentioned in PP Number 60 of 2014, namely as a function of Village Development as well as Community Empowerment (Husein, 2009). Beyond district governments, village administrations represent both the lowest level of government in Indonesia and the level of government closest to the people (Watts et al., 2019).

In terms of village development, in accordance with the provisions in Article 5 letter c of the Regulation of the Minister of Villages and PDPT Number 22 of 2016, that: Priority for the use of Village Funds is directed at the implementation of the procurement, development, development and maintenance of productive-scale economic enterprises focused on the one village one policy. superior products covering aspects of production, distribution and marketing (Widodo, 2001).

The article above mandates the implementation of BUMK implicitly, namely in the form of developing productive-scale economic businesses, both in the form of UMKM and BUMK. The development of BUMK itself, is not just the construction of other physical infrastructure such as roads, bridges, electricity, buildings and so on, which has been carried out by many other villages. However, the development of BUMK is the creation/ procurement of village economic infrastructure which is a long-term development investment which will ultimately improve the public service sector to the community and increase Village Original Income (PADes) (Mashad & Cahyono, 2005).

Meanwhile, in terms of the allocation of the Village Fund in the Field of Community Empowerment, it has been explained in Article 7 letter h of the Regulation of the Minister of Villages PDPT Number 22 of 2016, that the Village Fund is used to finance prioritized Village Community Empowerment programs and activities, including capital support and management of productive economic businesses. managed by BUMK (Bawono, 2019). This article states clearly and explicitly that the Village Fund is a program to empower the community which is prioritized through community participation in managing BUMK.

Therefore, the establishment and development of BUMK is something that is urgent and needs to be funded optimally. A well-developed BUMK will be able to generate large Village Original Income (PADes). PADes

is one of the indicators or benchmarks for the economic independence of a village. If a village already has a high PADes, then the village can be considered as an independent village and not too dependent on financial assistance from the central government (Moch, 2014).

It is very important for us to know and learn about the flow and mechanism for allocating Village Funds for BUMK according to existing regulations, as well as how to implement and realize these regulations in each village. The mechanism for distributing Village Funds for BUMK is of course through a long process or stage (Hambali & Akib, 2018). According to Government Regulation No. 60 of 2014 article 6 explains that the Village Fund is transferred through the district/city APBD to be subsequently transferred to the APBDes. Thus, the Village Fund disbursement from the central government (APBN) is not directly received in the village account but must go through the district or city account.

The next process has also been regulated in Article 8 of the PDDT Village Regulation Number 22 of 2016, where the mechanism for the allocation of Village Funds in the field of Community Empowerment, including the establishment and development of BUMK, is based on a village typology which is divided into 3 villages, namely disadvantaged villages, developing villages and advanced villages/ independent villages (Syafudin & Na'a, 2010).

The previous research conducted by Hulu et al. (2018) found out that enabling factors of managing village funds in empowering villagers at Tetehosi Sorowi Village were support for policies/regulations, socialization, facility, and infrastructure. The inhibiting factors were lack of human resources and lack of villagers' participation. In addition, to integrate Village development programs that are in sync with the Regional development policy, regulation intervention by Local Government is required to direct the

Village program, referring to Regional development policy (Jamaluddin et al., 2018).

From here, the authors are interested in conducting further research related to the mechanism, implementation and realization of the Village Fund allocation for BUMK based on the existing village typology. Will the implementation level be the same or will it deviate from the mechanism that has been regulated in various regulations. How is the difference in the allocation of Village Funds for BUMK based on the existing village typology. What are the obstacles faced at the implementation level and how are the optimization steps taken so that the allocation of Village Funds for BUMK can be maximized in accordance with existing regulations.

Based on the description of the background above, the authors have determined the title of the research that has been carried out, namely "Management of Village Funds in Capital Investment of Village-Owned Enterprises (BUMK) at the Community and Village Empowerment Service (DPMK) of West Kutai Regency". Furthermore, the study aims to find out the allocation of Village Funds for BUMK in the village typology, and to find out the optimization of the Village Fund for BUMK in West Kutai Regency.

## METHOD

While this type of research is classified based on the level of explanation, there are several ways (Sugiyono, 2019) as follows: 1) Descriptive research Descriptive research is a research that deals with the statement of the existence of independent variables, either only on one or more variables (variables). independent is a variable that stands alone, not the independent variable is always paired with the dependent variable); 2) Comparative research Comparative research is a research statement that compares the existence of one or more variables in two or more different samples; 3) Associative research/relationship Associative research is a research statement that is asking the relationship between two or

more variables. The type of research that will be used in this research is associative research, namely research that aims to determine the relationship between two or more variables. Namely to determine the relationship between the variables of accountability, transparency, and participation in the management of village funds in West Kutai Regency. In this study, the data collection techniques used included interviews and observations.

#### **A. Data analysis technique**

The data analysis technique used in this study is an interactive model of analysis. According to [Soetopo \(2005\)](#) qualitative analysis techniques with interactive models consist of three components.

##### **1) Data reduction**

Data reduction is the process of completing, focusing, simplifying, and abstracting data obtained from rough data contained in written notes.

##### **2) Data Presentation**

Data presentation in the form of a series of information arranged in a unified narrative form that allows conclusions to be drawn from the research conducted. Apart from being in the form of sentence narration, data presentation can also be displayed with various types of matrices, images, networks, activity links and tables.

##### **3) Conclusion Drawing and Verification**

Drawing conclusions is an activity carried out by researchers that needs to be verified, in the form of a repetition of the previous data collection stage and carried out more thoroughly after the data is presented. Drawing conclusions and their verification is the final stage of a research conducted based on all the things that are in the reduction and presentation of the data.

## **RESULTS AND DISCUSSION**

### **A. Results**

#### **1. The Effect of Accountability, Transparency, and Participation on Village Fund Management**

##### **a) Village Fund Management Accountability**

##### **Legal Accountability and Honesty**

Based on the results of observations and interviews in the field, it was found that the village government had legal procedures for managing village funds as a basis for making public administrative decisions that the village government had to respect to avoid corruption. If the management of village funds follows legal procedures, then management can run well and be directed and can prevent corruption of the village fund budget. Then the accountability process for managing village funds is monitored continuously by the internal supervisor, namely the BPD and external, namely the inspectorate in order to create healthy practices. This is done so that there will be no budget irregularities, KKN and gratuities in order to create healthy practices.

From the results of observations and observations, it is known that the Village Government has provided the widest opportunity for the community to assess the performance of the village government and accept community suggestions for further government performance and avoid abuse of office. This is done as an effort to open the village government to the community so that abuse of office can be avoided and can have honesty in carrying out their respective duties.

Based on the results of observations, observations and interviews in the field, it can be concluded that regarding legal accountability and honesty the village government in managing village funds, the apparatus has managed it by following applicable legal procedures, carried out supervision and the village government has also provided opportunities for the community to create good management. , namely the realization of healthy and accountable practices.

#### **Accountability of the program**

Public and group interests are the main concern and consideration in the use of village funds. Based on the results of interviews and direct observations of researchers, it is known that the use of village funds has considered and prioritized the public interest and paid attention to the interests of which groups are more in need in society so that the use of village funds can be felt the primacy of the benefits.

Then in terms of village fund management planning, the village government has taken into account the Cost and Benefit Analysis which is not limited from an economic perspective but also socially and so on, the policies taken are in accordance with the needs of the community. In this case, based on the results of interviews and observations, it is known that the planning for the use of village funds has really taken into account the costs and benefits obtained, it will certainly reduce budget wastage and can fulfill suggestions from the community. Furthermore, the implementation of the village fund programs has really benefited the wider community and has also been

felt by the community. Based on the results of the researcher's observations, it was found that the community had felt that there were programs in the village such as the village road construction program, as well as other infrastructure improvements. Thus, the community will also feel the benefits of the road so as to create convenience.

The conclusion that can be drawn from the results of observations, observations and interviews conducted by researchers is that the village fund budget has really been allocated to implement things that are truly pro-people and for the welfare of the people.

#### **Policy accountability**

The village government must have the ability to explain, answer and account for every public policy proportionally to the public through accountability reports. Based on the results of observations, it is known that the village government can be transparent and accountable for every public policy through accountability, then based on the strategic plan for using the budget, it must make an accountability report to give public confidence that the implementation program is in accordance with the rules. It can be seen that every village in West Kutai Regency has carried out reporting duties actively and in accordance with the specified time and can account for the results of reports on the use of village funds that have been given.

In addition, the policies that have been implemented can be accounted for horizontally and vertically. It is known that every use of the village fund budget must be accountable to the community by

making an accountability report so that the use of the budget can be properly monitored. Based on the results of observations and observations in the field, it is known that the village government has carried out the procedures set by the government above, that the village government must be responsible for every use of village funds. In addition, the use of the budget as a result of physical evidence of the village government's report has followed a predetermined design and is in accordance with the realization to see the effectiveness of the use of funds.

Based on the findings above, it can be concluded that the accountability of policies has been implemented properly. This is because in managing village funds the village apparatus prioritizes the public interest by prioritizing programs that are really needed by the community, also paying attention to the costs and benefits derived from programs funded from the village.

#### **b) Transparency of Village Fund Management**

Information about village fund finances must be easily accessible by the public and other users of information either through electronic media or other information media. From the results of the study it was found that the village financial announcements for planning, implementation, accountability and supervision had been carried out by the village government. With financial announcements starting from the planning stage to accountability, it will increase public confidence. In addition, access to financial information on village funds must be uncomplicated and unbureaucratic. This is because

the community must know information about village funds in order to create transparent management to the community.

The conclusion that can be drawn is that if financial information can be accessed easily by the public/parties in need. The village government must also be responsible for managing the budget starting from planning to reporting.

Based on the results of interviews and observations of researchers, it is known that openness regarding the allocation of village funds can increase public confidence in the management of village funds by the government. So far, it has been in accordance with the programs that have been set according to the needs of the community. With the attitude of openness from the government as a policy maker and manager of village funds, it will create a positive attitude in the community towards the government, because the government can be open in financial management.

The conclusion that can be drawn is that if the government as the policy maker and implementer in managing village funds has an open attitude, it will lead to a high level of public trust in the government and lead to a positive attitude from the community towards the government.

#### **c) Participation in Village Fund Management**

Based on the results of observations and research in the field, it is known that the government provides opportunities for the community to make decisions and participate in the village development planning meeting (musrenbangdes) in determining activities related to village funds, starting from planning. This is done with the aim that the involvement of the community in decision-making

will make the government aware of and will prioritize programs that are agreed upon when making decisions with the community. Budget preparation is prone to manipulation and deviation when it is realized, so if the community is involved in budgeting, the relationship between agent and principal will be more positive. In addition, village funds are funds provided by the government for the welfare of the community through development and empowerment programs so that if there are proposals from many people, then the proposal must be a top priority.

Based on the results of the research above, it can be concluded that the planning process for the preparation of village budget needs is given the opportunity for the community to be involved, so that the community can submit proposals that are priorities for the village community.

Furthermore, village funds must be fully utilized for the needs and benefit of the community. Therefore, the determination of the program to be carried out by the village based on village funds must really be in accordance with the needs of the community. The welfare of the people from below (the village) is a program that is intensified by the government, so the village government and the community must jointly build a village with an effective program. Based on observations, it is known that the management of village funds, the West Kutai Regency government has tried to determine a program that is truly effective and refers to the needs of the community, so the achievement of a good program is one that can be felt by the community.

## **2. The Role of BUMK for the Welfare of the Village Community**

Kampung business entities in most villages in West Kutai Regency have been formed and have been operating and are expected to be able to effectively achieve the goal of bringing contributions as a form of community welfare by forming various business units in various fields. This Village Business Entity is based on the results of an interview with the Head of the West Kutai DPMK that assesses that there has been a sufficient role to facilitate access for the village community to obtain services, for example aisle rental and installation services. The role of BUMK can be enjoyed by the community, such as the establishment of shophouses belonging to BUMK to be rented out to the public, and from these shops, people who rent shophouses and sell are helped by the existence of a place to sell with low rental costs and a very strategic location. So it really helps increase sales turnover which has an impact on improving the economy. While the impact for other communities is the availability of shop houses where there are people who rent to sell basic necessities, thus helping other people to shop with close reach and of course at affordable prices.

The more interesting village business unit is waste management. The existence of this waste bank business unit also provides benefits to the community by being a waste collector. Not only creating new jobs, the waste bank is also very effective in contributing to environmental cleanliness and education on waste management for the community.

From the results of the research above, it can be seen that there have been many people who have felt the benefits of this Village-Owned Enterprise. Various general needs of the village can be obtained in the village at affordable prices and locations, creating jobs, and entrepreneurship opportunities where the

capital is obtained from village savings and loans, not only that. All BUMK business units have been able to bring satisfactory results to the independence of the village community, the village funds disbursed every year are sufficient to provide impetus for the development and development of this village business unit. However, although this village business unit has brought enough positive benefits that benefit the community from various business sectors, the community's knowledge about the existence of BUMK.

Based on the results of research and interviews with some community members, it is known that there is a lack of BUMK existence so that there is a need for socialization of villagers in remote areas. According to the business unit management system, especially the waste bank, the management of the waste bank business unit is still not good. The rest BUMK through the waste bank business unit already wants to need the role of BUMK in this waste management, but the community who participates is still lacking.

Talking about the effectiveness of an organization in bringing about a positive influence on its goals is something that needs to be studied so that every actor in the organization realizes where his weaknesses lie and responds immediately to solve them so that the achievement of goals is maximized.

Based on the results of interviews and observations of researchers, it is known that BUMK has not been maximized in the welfare of the community, but at least with the existence of BUMK many benefits are obtained such as the creation of new jobs, the opening of economic cycles among the community. In addition, the effective level of the organization is also seen from the social mission, namely how the organization can improve social relations between communities, as well as between organizations. According to the results of research and observations, it is

known that the existence of various village business units is able to improve relations between the village community and even with other organizations, for example, such as socialization and education in various fields to increase community insight plus social relations between communities, if communication with other organizations exist, for example, a waste bank business unit.

From the results of interviews with several informants above, it can be seen that so far the Village Owned Enterprises have been quite effective in improving the welfare of the community, although not in high numbers. At least the people who join each village business unit get a steady income or additional income. Social benefits can also be enjoyed by the village community. Likewise, the effectiveness shows that the effectiveness of BUMK in improving community welfare in terms of optimizing the goals or achieving work targets of the business entity apparatus is in accordance with the initial planning, this can be proven by all business units that have been operating and arranged according to the structure of the business entity as well as the positive impact to the welfare of the local community.

## **B. Discussion**

### **1. The Effect of Accountability, Transparency, and Participation on Village Fund Management**

#### **a) Accountability of Village Fund Management**

Based on the results of research that has been carried out, it shows that accountability has a significant effect on the management of village funds. The results of this study indicate that accountability is a very important thing done by the government in managing village funds. This is reinforced by the results of observations that prove that the



responsibility of the village government to both the community and the government above is the obligation of the village government to fulfill these responsibilities.

Good management of village funds is management that can be accounted for starting from planning to reporting. In the results of this study, it is also hoped that the village government will comply with applicable laws and procedures in financial management. The village government's compliance with procedures and laws will encourage the creation of management that avoids waste and corruption. The performance of the village government can be seen from the compliance of the village government to the community through making reports on the realization of village funds that are timely and can be accounted for.

The results of the research on managerial accountability show that the village government establishes programs based on the consideration of the effectiveness of the use of the budget. In allocating the government's budget, the applicable procedures must also follow, and most of the villages in West Kutai Regency have followed the established procedures. The performance of the village government in preparing village fund programs has been carried out well.

The results of research on program accountability, that the village government has prioritized the public interest in determining the village fund program, the village government has also taken into account the costs and benefits in determining the program. This was also shown by the village

community who stated that they had benefited from the program using village funds.

The results of research on policy accountability show that every policy taken by the village government has been able to be accounted for, both the central government and to the community, this was conveyed by the village government as evidenced by the accountability report.

The results of research on financial accountability are strengthened by research results that prove that there is financial accountability in the process of allocating village funds. This shows that if the village government has presented a report on the realization of village funds, followed by submitting a report in a timely manner, this is as conveyed by staff at the Community and Village Empowerment Office of West Kutai Regency, who said that the village had made a report on the realization of funds. village although there are still frequent delays in reporting and continues to improve. The presentation of reports on the realization of village funds and reporting them on time is proof of the responsibility of the village government vertically and horizontally to improve good management.

#### **b) Transparency of Village Fund Management**

Based on the results of the analysis and hypothesis testing conducted, it shows that transparency has a significant effect on the management of village funds. One of the main elements in good financial management is transparency. Given that the government currently has the

authority to make various important decisions that have an impact on many people, the government must provide complete information about what it does.

The results of informative research indicate that if the village government makes it easy for the community starting from the planning stage to reporting to be able to access managed financial information, then if the village government is open in providing information to the community, it will create a positive relationship between the community and the village government to together to create good financial management.

The results of the research regarding the openness of the village government are indicated by the appeal from the village government to invite the community to participate in the village development planning meeting; the village government also does not shut down in managing village finances because the community has the right to know village financial information. The results of the study regarding the disclosure of the village government on all matters relating to the management of village funds that the village government can disclose financial information thoroughly and honestly to the community in order to make it easier for the community to know the course of managing village funds so that it will make the village government prioritize honesty in village financial management.

The results of the research regarding the availability of clear information indicate that if the village government provides clear information about the use of village funds, the community will be able to

clearly know the use of the budget, so that the village government and the community will be able to create good financial management. The results of research on the openness of the management process show that the village government is open to all management processes starting from planning to reporting to the community and the government above to encourage good management.

The results of research on information disclosure show that if the village government is open in providing documents on the use of village funds, the community will know the clarity of the budget used, it will make the community and the village government create good management.

### **c) Participation in Village Fund Management**

The results of research on community involvement in decision making show that decision making that involves the community in determining programs that use village funds does not always indicate that the management of these funds is good, this was conveyed by one of the village officials who stated that community involvement not too priority because in the end the village apparatus will determine what program decisions will be chosen. On the other hand, if the management of village funds does not involve the community, the program that uses village funds will continue to run.

The results of research on community involvement in implementation show that the village government proves that by inviting the community to carry out programs such as building roads, when the village government invites

the community to development activities, many people refuse on the grounds that there is a budget to build the road. Community involvement in implementation does not always indicate that budget management has been carried out properly, and vice versa, the non-involvement of the community in the implementation process does not always indicate that budget management is bad.

The results of the research regarding benefit-taking are that the program chosen with the community must refer to the needs of the community and be effective for the welfare of the community, so that the community can feel the benefits of all programs that have been implemented. The results of research on community involvement to evaluate that the village government and the community continue to evaluate the village fund management process so that they will continue to improve good financial management. Community involvement in the management of village funds will encourage positive relations between the community and the village government. This was also conveyed by one of the DPMK employees who said that if the community was invited to participate in musrenbangdes activities, the community would know about the prioritized plans and programs. Community involvement is also expected to encourage the community to make suggestions about what they really need, so that the government can fulfill and prioritize what the community needs.

The results of the research on the openness of the village government, both from planning to

reporting, were carried out openly to maintain a positive relationship between the village government and the community to create good management.

Information disclosure will enable the community to assess the performance of the village government in managing village funds. The results of research on community involvement start from the management process from planning to reporting. Community involvement is expected to provide convenience for the village government in determining priorities for the use of village funds. In addition, with the involvement of the community, it will also make the community active in village activities. This shows that the village government has given accountability to the community and the government above it. The government has also been transparent about financial information, although there is still a lot that needs to be addressed and improved. In addition, this also shows that the government has also involved the community in decision making even though there is still very little contribution from the community.

## **2. The Role of BUMK for the Welfare of the Village Community**

Based on the results of research and observations conducted by researchers, it can be seen that the Village Owned Enterprises are good, but not yet fully maximized in encouraging the level of community welfare in West Kutai Regency. This is because there are several business units that are already good and capable in improving the quality of the community, but there are several business units that have not

provided the benefits as they should as a forum in achieving the goal of BUMK itself, namely creating village economic equality. However, although the role of BUMK has not been maximized, it is not considered that its role as an economic driver for the village does not exist at all, it's just that there is a need for an expansion of business units that can provide job vacancies for many village communities, and there is a need for good management in each business unit. As well as stricter supervision so that there is no misuse that hinders the objectives of the BUMK itself.

The role of BUMK has not been fully felt by the community. However, after the existence of this village business unit program, the condition of the community began to change. For example, with the existence of a village cooperative as a capital investment, at least many people have started their own business, in other words giving birth to a home industry which will later create new job vacancies so that unemployment will decrease. not only that, other business units are also able to open up job opportunities for the community, although not yet fully maximized.

## **CONCLUSION**

Based on the results of research that has been conducted on all the data obtained, it is concluded that accountability and transparency affect the management of village funds. while participation did not significantly affect the management of village funds. Meanwhile, accountability, transparency and participation simultaneously affect the management of village funds in West Kutai Regency.

Accountability; based on the results of the study, it is known that the village government in determining programs is based on the consideration of the effectiveness of the use of the budget. In allocating the

government's budget, the applicable procedures must also follow, and most of the villages in West Kutai Regency have followed the established procedures. The performance of the village government in preparing village fund programs has been carried out well. the village government has prioritized the public interest in determining the village fund program, the village government has also taken into account the costs and benefits in determining the village government program and has been able to account for both the central government and the community.

Transparency; based on the results of the study, it is known that the village government provides convenience for the community starting from the planning stage to reporting to be able to access financial information managed by the village government providing clear information about the use of village funds, then the community will be able to clearly know the use of the budget, so that the village government together with the community will be able to create good financial management. In addition, the village government is also open in providing documents on the use of village funds so that the community will know the clarity of the budget used.

Participation; the village government is proven by inviting the community to carry out programs such as building roads. The village government together with the community continue to evaluate the village fund management process so that it will continue to improve good financial management. In addition, planning and reporting of village funds are carried out openly to maintain a positive relationship between the village government and the community to create good management.

Village Owned Enterprises are good, but not yet fully maximized in encouraging the level of community welfare in West Kutai Regency. This is because there are several business units that are already good and capable in improving the quality of the

community, but there are several business units that have not provided the benefits as they should as a forum in achieving the goals of BUMK itself. The role of BUMK has not been fully felt by the community. However, after the existence of this village business unit program, the condition of the community began to change.

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