



Law Enforcement Corruption of Village Funds

Puasanto; Rosmaniar; Atika

University of Muhammadiyah Palembang, Indonesia

E-mail: puasantoUmp@gmail.com

<http://dx.doi.org/10.47814/ijssrr.v6i3.904>

Abstract

In managing village finances based on regulations still in effect today, discrepancies are still found between rules and practice. Regarding village fund matters, which continue to be a hot topic among various groups, the Corruption Eradication Commission (KPK) found several problems managing village funds. These problems must be understood as well as possible because they hold the potential for deviation. This study aims to determine law enforcement against perpetrators of misuse of village funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu District, and what are the legal consequences for misusing village funds in Ogan Komering Ulu District. This research was conducted in Ogan Komering Ulu Regency, namely the app law apparatus (Inspectorate, Ogan Komering Ulu Police (Tipikor Head), and the Ogan Komering Ulu District Prosecutor's Office. The type of research in writing this thesis research is classified as sociological, legal analysis, which is descriptive. Data collection was carried out through library research, namely library research, by assessing secondary data in the form of primary legal materials (laws and regulations), secondary legal materials, and tertiary legal materials. Based on this research, it can be understood that to find out the problem of how to enforce the law against the misuse of village funds in Ogan Komering Ulu Regency and the reporting process, where the misuse itself is classified as a criminal act of corruption.

Keywords: *Law Enforcement; Corruption; Village Funds*

Introduction

The Indonesian state is a country that highly upholds the law (Kartadinata et al., 2021). Consequently, all aspects of state implementation and administration are governed by a system of legislation. (Tarigan & Sukarmi, 2020). According to the Unitary State of the Republic of Indonesia's legal framework, a village is a territorially definable community unit with the power to manage local government and community interests based on community initiatives, rights of origin, and traditional rights (Article 1 paragraph 1 of Law Number 6 of 2014 concerning Villages) (Ash-Shidiqqi & Wibisono, 2018). The village government in the division of Indonesia's administrative region is under a sub-district, and a village head heads the village (Maharani & Syahid, 2021). Village administration is a sub-system of governance so that towns have the authority to regulate and take care of the interests of their communities (Harsya, 2020).

Corruption is a phenomenon that needs more attention because it is an extraordinary crime whose impact is very detrimental to society (Permana et al., 2020). According to Law No. 20 of 2001, amending Law No. 31 of 1999 on the Eradication of Corruption Crimes, corruption is a serious problem that deserves more attention because it is an extraordinary crime with far-reaching negative consequences for society (Rohman Warsito & Alia Maerani, 2018). Crimes of corruption not only harm state coffers but also violate the social and economic rights of the community at large (Ambarwati et al., 2019). The Attorney General's Office (Kejakung) claimed the handling of corruption cases throughout 2022, breaking the record for state losses and state economic losses reaching IDR 142 trillion. The handling of corruption cases by the Young Attorney General for Corruption Crimes (Jampidsus) team during the last year reached Rp 33.09 trillion and Rp 109.55 trillion. Meanwhile, saving state finances from confiscation and its derivatives throughout 2022 reached more than IDR 21.14 trillion (Republika, 2023).

The hyper-corruption corruption tends to have a worse influence than corruption in general (Rohman Warsito & Alia Maerani, 2018). This type of corruption occurs significantly in the scope of village government in all countries, including Indonesia (Dewantara et al., 2020). Suppose the life of the village community is the smallest scope of living within the district (Djatmiati et al., 2019). This country is experiencing an era setback, where more and more acts of corruption are made (Wu & Christensen, 2021). In that case, it will further hinder a country's economic and political development (Siregar & Muslihah, n.d.). Village governments in the division of Indonesia's administrative regions are under sub-districts (Wargadinata & Sartika, 2019). A village chief heads the village. Village government organizers are a sub-system of government administration, so towns have the authority to regulate and take care of the interests of their communities (Magdalena et al., 2020).

Concerning the government's support for village development, the government, in this case, disburses a lot of funds used for village development related to the community's facilities, infrastructure, and resources (Anderesta et al., 2018). Indonesia Corruption Watch (ICW) researcher Lalola Easter said that her party found that in 2021, most corruption crimes occurred in the village fund budget sector. ICW found as many as 154 corruption cases related to village funds (Merdeka, 2022). Ironically, the number of cases has increased from year to year. Corruption at the village level is usually related to fictitious financial statements, misuse of the village budget, embezzlement, inflated funds, and bribery among officials village (makassar.tribunnews.com, 2022). Regarding the village fund affair, which continues to be a hot topic for various groups, the Corruption Eradication Commission (KPK) found several problems managing village funds (Utoyo et al., 2020).

The most common forms of corruption in the village are crimes of embezzlement of funds, misuse of budgets, and abuse of authority (UDJIANTO et al., 2021). In general, misuse in village financial management will hinder referring to Law Number 31 of 1999 concerning the Eradication of Corruption Crimes (Law 31/1999) jo (Yudha Brata, 2021). Law Number 20 of 2001 concerning Law Number 31 of 1999 concerning the Eradication of Corruption Crimes, where there is a criminal threat to people whose welfare is public and can harm state and regional finances. In addition, these acts can also be categorized as corruption crimes (Ulfah et al., 2020).

Corruption acts will invariably negatively influence the well-being of individuals, which is why cases of corruption that are escalating in frequency and frequency pose such a significant threat to the community (Perbawa, 2019). Therefore, Indonesia's legal institutions must aid in the battle against sin. It is anticipated that the police, prosecutors, and Corruption Eradication Commission (KPK) agencies will investigate corruption cases as effectively as possible (Pratolo & Simali, 2019). In 2021, Bedegung Village, Semidang Aji District, Ogan Komering Ulu (OKU) Regency, was involved in one of the corruption scandals involving village money in Indonesia. During the 2019 fiscal year, the village head of Bedegung, MY, age 55, became a suspect in a village fund corruption investigation. MY was officially detained and labelled a suspect by the OKU District Attorney's Office (KEJARI) after it was determined

that MY had committed corruption of village funds related to the rehabilitation of suspension bridges for the 2019 fiscal year in total state losses of Rp 204,369,742.79 (banten.antaranews.com, 2021).

The prosecutor's office became aware of this matter after receiving a report regarding reconstructing a suspension bridge in Bedegung Village. According to the report, there has been a misuse of funds resulting in state losses. Fifteen eyewitnesses and experts were questioned, and the village chief of Bedegung was found to be a prime suspect. MY village chiefs are the only ones currently detained, but other suspects may have participated in the legal issue.

So that the problem obtained is how to enforce the law against perpetrators of misuse of Village funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency. And also, how do criminal sanctions for village heads who abuse or corruption of the Village Fund?

Methods

This research uses empirical juridical research, often referred to as sociological research or research based on field observation. This research will examine the enforcement of corruption crimes committed against village funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, from an empirical legal perspective, drawing on data collected through field observations and in-depth interviews with respondents.

In this case, it uses an analytical descriptive nature, which means that the first thing to do is to describe the problem based on the appropriate theories available in various literature. The qualitative method was chosen as the basis for analyzing existing data to obtain a complete picture of law enforcement against corruption crimes against village funds in Bedegung Village, OKU Regency.

Result and Discussion

Law Enforcement of Corruption Crimes Misuse of Village Funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province

The author's research indicates that the prosecutor's office in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province, is still using harsh means to uphold the law in cases involving the misuse or corruption of village money. In addition, some factors play a significant role in law enforcement, as evidenced by the incident in Bedegung village. For example, in cases of abuse of authority committed by the village head, legal tools, such as the regulations related to corruption crimes regulated in Article 3 of Law No. 31 of 1999 concerning eradicating corruption crimes jo. Law No. 20 of 2000 on the Criminal Procedure Code plays a vital role in bringing justice.

Law enforcement, specifically the police and prosecutors, and legal and community awareness are involved in reporting cases of abuse of authority that result in corruption and testifying in criminal courts about the issue. In addition, a form of prevention in the form of reporting and accountability of village funds is also essential as a form of law enforcement against village fund management that can be done. In this case, it is a criminal act of corruption committed by an authorized official or village head who is temporarily in charge of misappropriating village funds.

When village officials are accused of committing abuses of power or corruption (stealing) in their duties to manage village finances, this is an example of misuse of village funds. Bedegung Village is one of the villages in Semidang Aji District, Ogan Komering Ulu Regency, which receives a Village Fund Allocation; to prevent corruption crimes against village finances, Bedegung Village uses the following

prevention: Open Use of Village Fund Allocation. Village Fund Allocation is a grant from the local government intended for the progress of the village community, especially in providing services to the community. The grant assistance allocated to the village is sourced from Regional Budget funds which are certainly adjusted to the region's capabilities. A prioritized Village Fund location for the betterment of the town refers to and uses participatory principles.

In the case of village funds that occurred in bedegung village, it was explained that this case began to be known by the prosecutor's office after a report on the construction of a suspension bridge rehabilitation in Bedegung Village. Based on the information, it is known that there is a misappropriation of funds to cause losses to the state. Fifteen witnesses and specialists have been interviewed, and the investigation has led them to suspect the village chief of Bedegung. From what has been said, it's clear that many different parts of law enforcement play essential roles in resolving cases in the village of Bedegung. In terms of criminal law enforcement, the article used in the case is about the village head's abuse of power in the village fund, which cost Rp. 204,369,742.79, so the village head's actions fit the definition of a corruption crime.

Law enforcement in the village is outstanding so that suspects can be found and the culprits of the corruption can be processed according to applicable law. It seems that putting in prisons for corruptors is not the most effective way to eradicate corruption. Moreover, in the practice of prisons, it is a place that is no different from a location outside the prison where corrupt convicts can pay a certain amount of money to get services and facilities that are no different from those outside the prison. Therefore, the term penitentiary with luxurious facilities and services appeared. Considering these circumstances, it is necessary to think of other ways to make people feel ashamed about committing corruption. Methods that can be done include provisions to announce judgments that have obtained permanent legal force on corruption cases through the mass media. This provision is not only for providing information to the public but also as a moral sanction for perpetrators of corruption crimes. In addition, it is also necessary to add disenfranchisement sanctions to defendants in corruption cases. It is essential to provide learning that the carrying out of public office is a person of moral character and high integrity.

Penalties Applied for Village Heads Who Misuse Village Funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province

The author's investigation into the issues raised by these two studies led her to conclude that criminal law sanctions against village heads who abuse their authority by misusing village funds consist of verbal and written reprimands from the Village Council. Suppose the act of the village head who uses the power of the village fund is also a criminal act of corruption because it beats his reign, which harms state finances. In that case, criminal sanctions can be applied, which are regulated by the provisions of Article 3 of Law Number 31 of 1999 concerning the Eradication of Corruption Crimes jo. Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Acts Criminal Corruption.

Procedures for Allocating, Disbursing, Using, Monitoring, and Evaluating Village Funds (Permenkeu No. 93 / PMK.07 / 2015) govern the use of village funds. Articles 21-25 outline guidelines for spending village money. Regency/allocation City's from the Village Fund is included in the equalization fund. If the Special Allocation Fund is subtracted from the equalization fund the district or city receives from the Regional Revenue and Expenditure Budget, then at least 10% (ten hundredths) of the remaining fund is allocated to the Village Fund. The village delegates some of the authority to the designated Village Apparatus. Misuse of village fund allocation by the village head is caused by not following the Budget Plan, so the village head abuses his authority or is suspected of corruption in managing village finances. Misuse of village fund allocation to village heads in village government can

also occur due to the behaviour and lifestyle of the village head being one of the factors in the corruption of misappropriation of village fund allocation.

The act of misuse of the Village Fund Allocation is an act that is prohibited from being done by the Village Head. If done, the Village Head is subject to administrative sanctions in the form of verbal and written reprimands. This act is also a criminal act of corruption because it abuses its authority, harming the state's finances. Village Heads who do not carry out their obligations, as referred to in Article 26 paragraph (4) and Article 27 of Law Number 6 of 2014 concerning Villages, the Village Head is subject to administrative sanctions in the form of verbal reprimands and written reprimands.

If administrative sanctions are not implemented, a quick dismissal action is taken and can be continued dismissal. So, in essence, in carrying out their duties, the Village Head and Village Apparatus are prohibited from abusing their authority. Village Heads and Village Officials who violate the consequences may be subject to administrative sanctions. Then in addition, these acts can also be categorized as corruption crimes, and the rules used are Law Number 31 of 1999 concerning the Eradication of Corruption Crimes as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Crimes. Consequently, there is a criminal threat to the person who abuses his authority, harming the state's financial losses.

Misappropriation of village funds has persisted thus far due to a lack of knowledge about the fund's administration and widespread acceptance of the behaviour by the populace. It is especially true if the supervisor or interested person to guard against violations like the misuse of village funds is complicit in the offence. Village funds are a source of income, but they are also the source of many corruption crimes committed by village officials who are tempted by the sight of such a large sum of money and do not know what they will do with it.

So that any acts or indications of corruption can be handled optimally, the community can help by providing information strengthened by sufficient evidence of a crime. If it is related to the misuse of Village Finance, in this case, the misuse of the Village Fund Allocation, then the act is categorized as corruption. In addition, based on the author's analysis, due to the actions of the village head who abuses authority if corruption crimes provide financial losses to the state and the community, refunding these losses is deemed necessary to give guarantees of justice and legal benefits to the community.

Conclusion

Law enforcement of misuse or corruption of village funds in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province, has been carried out by the prosecutor's office and is still repressive. There are no preventive measures that educate the village government about the dangers of corruption. Despite compliance with the provisions of the Corruption Eradication Law, the High Court's enforcement of village fund corruption crimes in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province, remains very weak. The judge's consideration of law enforcement of village fund corruption crimes in Bedegung Village, Semidang Aji District, Ogan Komering Ulu Regency, South Sumatra Province, consists of juridical and non-juridical considerations. Essential tools, such as the regulations regarding corruption crimes outlined in Article 3 of Law No. 31 of 1999 on the Eradication of Corruption Crimes, play an integral role in law enforcement, as evidenced by the incident in Bedegung village. Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Crimes. Law enforcement, namely the police and prosecutors, and Legal and Community Awareness in reporting cases of abuse of authority that lead to corruption and testifying to criminal courts related to the topic. In addition, a form of prevention in the form of reporting and accountability of village funds is also essential as a form of law enforcement against village fund management that can be done.

Criminal law sanctions against village heads who abuse their authority in the event of misuse of village funds are that the Village Head is subject to administrative sanctions in the form of verbal reprimands and written reprimands. Suppose the act of the village head who abuses the authority of the village fund is also a criminal act of corruption because it uses his power, which harms state finances. In that case, criminal sanctions can be applied, which are regulated by the provisions of Article 3 of Law Number 31 of 1999 concerning the Eradication of Corruption Crimes jo. Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Acts Criminal Corruption.

References

- Ambarwati, R., Mudjib, A. W., Lestariana, F. F., & Handiwibowo, G. A. (2019). The Implications of Good Governance of Village Government Office in Sidoarjo. *Binus Business Review*, 10(3), 147–158. <https://doi.org/10.21512/bbr.v10i3.5683>.
- Anderesta, K., Maretta, O., & Min Arsyillah, R. (2018). Village Counselors To Guide Village Funds Management, Is This Effective? a Case Study of Villages in Tangerang District. *Online) INTERNATIONAL JOURNAL OF SOCIAL SCIENCES AND HUMANITY STUDIES*, 10(2).
- Ash-Shidiqqi, E. A., & Wibisono, H. (2018). Corruption and Village: Accountability of Village Fund Management on Preventing Corruption (Problems and Challenges). *Journal of Indonesian Legal Studies*, 3(2). <https://doi.org/10.15294/jils.v3i02.27524>.
- banten.antaranews.com. (2021, June 9). <https://banten.antaranews.com/berita/168774/korupsi-dana-desa-kejari-oku-tetapkan-kades-bedegung-sebagai-tersangka>.
- Dewantara, B. A., Sawitri, H. W., & Utami, N. A. T. (2020). The Role of Investigators in Disclosing Corruption Cases of Village Fund Allocation in Kuningan District. *UNIFIKASI : Jurnal Ilmu Hukum*, 7(1). <https://doi.org/10.25134/unifikasi.v7i1.2348>.
- Djatmiati, T. S., Shomad, A., & Suheryadi, B. (2019). Improvement of Effectiveness of Village Fund Policy in Indonesia. *Studies in Social Sciences*, 12(2).
- Harsya, R. M. K. (2020). Corruption Prevention In Village Fund Management. *Veteran Justice Journal*, 2(1). <https://doi.org/10.33005/vjj.v2i1.28>.
- Kartadinata, A., Ghifari, M., & Santiago, F. (2021). *Criminal Policy of Village Fund Corruption in Indonesia*. <https://doi.org/10.4108/eai.6-3-2021.2306470>.
- Magdalena, H., Santoso, H., & Septryanti, A. (2020). Web-Based Village Fund Management Monitoring System. *2020 8th International Conference on Cyber and IT Service Management, CITSM 2020*. <https://doi.org/10.1109/CITSM50537.2020.9268923>.
- Maharani, R. H., & Syahid, I. M. (2021). Guarding Village Funds as an Implementation of Anti-fraud Program to Prevent Corruption of Village Funds. *Asia Pacific Fraud Journal*, 6(1). <https://doi.org/10.21532/apfjournal.v6i1.198>.
- Makassar.tribunnews.Com. (2022, June 7). <https://makassar.tribunnews.com/2022/06/07/kpk-686-kepala-desa-di-indonesia-terlibat-korupsi-dana-desa>.
- Merdeka. (2022, April 22). [icw-kasus-korupsi-2021-terbanyak-terjadi-di-sektor-anggaran-dana-desa](https://www.merdeka.com/korupsi/2022/04/22/icw-kasus-korupsi-2021-terbanyak-terjadi-di-sektor-anggaran-dana-desa/).

- Perbawa, I. (2019). VILLAGE FUNDING POLICY FOR RURAL DEVELOPMENT AND THEIR PROBLEMS. *The 9th International Conference Rural* .
- Permana, I., Wulandari, S., & Komara, A. (2020). Developing Good Village Governance to Prevent Corruption of Village Fund. *Systematic Reviews in Pharmacy*, 11(8).
- Pratolo, S., & Simali, M. F. I. S. (2019). *The Influence Of Participation In Budget Preparation And Uncertainty Of Environment Towards Managerial Performance Of Village Government Through Organizational Commitment As Moderating Variable (Empirical Study in Bantul Regency)*. <https://doi.org/10.2991/icaf-19.2019.26>.
- Republika. (2023, January 4). *kejakgungtangani korupsiyangmerugikan negararp3309Tsepanjang2022*.
- Rohman Warsito, B., & Alia Maerani, I. (2018). The Cause Of Corruption Crime On Village Funds And Investigations Process In The Purworejo. *Jurnal Daulat Hukum*, 1(3). <https://doi.org/10.30659/jdh.v1i3.3348>.
- Siregar, H. O., & Muslihah, S. (n.d.). Implementation of good governance principles in village government context in Bantul Regency, Yogyakarta. In *Jurnal Perspektif Pembiayaan dan Pembangunan Daerah* (Vol. 6, Issue 4).
- Tarigan, S. D. C., & Sukarmi, S. (2020). Investigation Process on Criminal Actions of Corruption of Village Fund. *Law Development Journal*, 2(2). <https://doi.org/10.30659/ldj.2.2.77-84>.
- UDJIANTO, D., HAKIM, A., DOMAI, T., SURYADI, S., & HAYAT, H. (2021). Community Development and Economic Welfare through the Village Fund Policy. *Journal of Asian Finance, Economics and Business*, 8(1), 563–572. <https://doi.org/10.13106/jafeb.2021.vol8.no1.563>.
- Ulfah, I., Afala, L. O., & Rahman, F. (2020). *Corruption and Problem of Public Accountability in Village Governance*. <https://doi.org/10.4108/eai.26-11-2019.2295150>.
- Utoyo, M., Jauhariah, & Riviyusnita, R. (2020). *Criminal Law Corruption Mode of Allocation of Village Fund*. <https://doi.org/10.2991/aebmr.k.200226.033>.
- Wargadinata, E. L., & Sartika, I. (2019). THE GOOD GOVERNANCE IMPLEMENTATION AT VILLAGE LEVEL IN EAST NUSA TENGGARA PROVINCE. *Sosiohumaniora*, 21(3). <https://doi.org/10.24198/sosiohumaniora.v21i3.22120>.
- Wu, S., & Christensen, T. (2021). Corruption and Accountability in China's Rural Poverty Governance: Main Features from Village and Township Cadres. *International Journal of Public Administration*, 44(16). <https://doi.org/10.1080/01900692.2020.1765799>.
- Yudha Brata, T. (2021). THE EFFECT OF A SITUATIONAL LEADERSHIP STYLE AND THE APPLICATION OF ACCOUNTING INFORMATION SYSTEMS TO FRAUD ON VILLAGE FUND MANAGEMENT IN TANGERANG DISTRICT. *Dinasti International Journal of Digital Business Management*, 2(5). <https://doi.org/10.31933/dijdbm.v2i5.970>.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal. This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).