

DETERMINANTS OF VILLAGE FUND MANAGEMENT

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Abstract

This study aims to analyze the impact of accountability, transparency, and community participation on village fund management in Bantul Regency, Yogyakarta Special Region. This research is motivated by Bantul's unique governance context, where despite receiving the smallest total village fund allocation in the province, Bantul manages a sizable budget spread across 75 villages, creating tighter fiscal constraints and narrower margins of error. Using a quantitative survey-based approach with purposive sampling techniques, primary data were collected using structured questionnaires distributed to village officials and community members. The results of multiple linear regression indicate that accountability does not have a significant influence on village fund management. This condition suggests that accountability mechanisms in the field still tend to be positioned as administrative formalities rather than substantive governance tools. In contrast, transparency and community participation both have a significant positive influence on village fund management. These findings highlight the relevance of Governance Theory, which suggests that village officials, acting as managers, optimize public resource management when supported by open information disclosure and active community engagement. Practically, this study underscores the need for local governments to shift from symbolic administrative compliance to active digital transparency and inclusive participatory decision-making.

Keywords: Accountability, Transparency, Community Participation, Village Fund Management

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1. Introduction

The enactment of Law No. 6 of 2014 has opened broader authority for village governments to carry out government affairs simultaneously (Law No. 6 of 2014) . One form of state support for this independence is realized through the distribution of village funds sourced from the State Budget (Adolpino

Nainggolan et al., 2023) . The existence of these funds is expected to be a strategic instrument in strengthening the quality of development, increasing community empowerment, and encouraging village economic growth (Maria et al., 2025) . Along with the large budget managed, village governments are required to implement good governance so that the use of funds can provide more optimal benefits for the community (Murapi et al., 2025) . However, the large allocation of village funds at the national level has historically been overshadowed by the risk of financial mismanagement and fraud (Baru et al., 2022) . Reports from the Supreme Audit Agency (BPK), the Financial and Development Supervisory Agency (BPKP), and the Regional Inspectorate frequently highlight administrative non-compliance , budget inaccuracies, and even loopholes for corruption at the grassroots level (Indriani & Komala, 2024) . Empirically, improvements in village fund governance are triggered by the phenomenon of budget misuse resulting from weak internal control systems and low compliance with financial regulatory procedures (Kusumo et al., 2022) . Based on these empirical conditions, the application of good governance principles , particularly accountability , transparency, and public participation , is an absolute necessity and not merely a regulatory formality to minimize potential state losses (Sopiyan & Sari, 2026) .

In the implementation of village governance oriented towards good governance, accountability occupies a very fundamental position (Safitri & Respati, 2025) . The accountability of the village government is demonstrated in its willingness to be responsible for every decision it makes, the programs it runs, and the way it manages its budget, which is not only accountable to the community it serves but also to the supervisory authority (Ayem & Rahmawati, 2024) . With the existence of a structured accountability mechanism, the management of village funds can be carried out in an organized manner , with full transparency, while remaining aligned with development goals (Rahmawati et al., n.d.) . Research by Ate et al. (2023) shows that accountability positively influences how village funds are managed. This finding suggests that as accountability practices become more thorough and implemented by the village government, the quality of village fund management will also improve.

In addition to accountability, transparency also plays a crucial role in ensuring that village funds are managed effectively and to high standards (Saragih et al., 2024) . Transparency provides citizens with access to information covering every stage of village budget management, from planning and

implementation to reporting and monitoring of fund use (Sya'diaha et al., 2022) . This easy and open access to information can strengthen public oversight while reducing the opportunity for financial misuse at the village level (Susanti et al., 2025) . Empirically, a study by Nuraini et al. (2023) confirmed that transparency has a positive impact on village fund management. The results of the study indicate that openness in sharing information can strengthen financial management in village governance.

The effectiveness of village governance depends not only on accountability and transparency but is also greatly influenced by community participation (Baihaqi et al., 2023) . This participation refers to citizen involvement in policy-making and decision-making processes, both directly and through representative mechanisms , which serve as channels for gathering public input and providing constructive direction (Mardiasmo, 2018) . Active community involvement has the potential to increase program effectiveness because communities have a better understanding of the needs in their area. In line with this, research by Putri, ARL (2022) shows that stronger community involvement tends to coincide with more effective use of village fund budgets because residents become more actively involved, thus tending to improve the management of these funds.

Although the importance of these three principles has been widely studied, previous literature still shows inconsistent results (Br Bancin et al., 2024) Most studies do find positive effects. However, Rohman et al. (2023) present contrasting findings, their study showing that accountability does not influence how village funds are managed. In addition to these inconsistent results, previous research generally places accountability and transparency as variables that are tested partially or in combination with other internal factors.

To contextualize this framework, Bantul Regency in the Special Region of Yogyakarta was chosen as the research location. Based on the 2025 Village Fund allocation data for the Special Region of Yogyakarta Province, Bantul Regency received a fiscal allocation of IDR 121.41 billion, which was distributed to 75 villages (*DANA Desa Kabupaten Bantul 2025* , n.d.) . Interestingly, when compared to other regencies in the DIY region such as Gunungkidul Regency (IDR 167.03 billion), Sleman Regency (IDR 130.48 billion), and Kulon Progo Regency (IDR 124.19 billion), the village fund allocation for Bantul Regency is the smallest at the provincial level (*Complete List of Village Fund Details for 2025* , n.d.) . Operating under these tighter fiscal constraints, village governments in

Bantul face greater management challenges, as the margin of error in their budget utilization is much narrower. Visually, efforts towards transparency in Bantul are already evident through public APBDes information banners displayed in village offices. However, effective governance goes beyond simply displaying planned allocations. Therefore, Bantul Regency is an ideal empirical location to evaluate how allocated funds are actually implemented, reported, and accounted for, demonstrating whether formal transparency, accountability, and public participation mechanisms truly ensure optimal budget management.

This study offers scientific novelty and methodological value that distinguishes it from previous literature through the use of two distinct groups of respondents: village officials (as managers) and the local community (as the primary stakeholder). Previous research on village governance has generally been dominated by the Agency Theory perspective, which assumes suspicion and conflicts of interest. On the other hand, by using Management Theory, this study views village officials as inherently motivated to act virtuously and responsibly in managing village funds for the common good. The use of these two groups of respondents is not to look for loopholes in fraud, but rather to provide a comprehensive evaluation of the extent to which the collective behavior, integrity, and commitment to service carried out by village officials are aligned and their impact is directly felt by the community. Ultimately, this study positions itself as a critical extension of Management Theory applied in the realm of public sector accounting. This research's scientific contribution lies in empirical evidence that the effectiveness of village fund management can be optimally achieved when the macro governance structure (accountability, transparency, and participation) is supported by a mental attitude of village officials that prioritizes the public interest over personal interests. Practically, the results obtained from this research in Bantul Regency are expected to be a strategic reference for policy makers and supervisory institutions in designing a trust-based system for the development of village officials (trust-based governance), increasing village management capacity, and strengthening participatory synergy between village governments and communities in optimizing the use of village funds.

Stewardship Theory

Stewardship theory according to Donaldson, Lex; Davis (1991) explains the conditions when managers or administrators are driven to achieve overall organizational goals. This theory is based on psychological and sociological

perspectives, viewing organizational implementers in general tend to behave in a manner that aligns with these principles. In this view, a manager demonstrates strong organizational loyalty, because their focus is more inclined to advance institutional goals rather than solely pursuing individual gain. In this context, stewardship theory differs from the idea of management responsibility in managing, maintaining, and utilizing all assets that have been secured by the owner responsibly. This relationship positions the owner as principal and the manager as manager, with the primary focus on protecting organizational assets for the long-term benefit of the owner, rather than the individual interests of the manager (Nuraini; et al., 2023) . From this theoretical perspective, village officials do not view public funds as a tool for personal gain. Instead, strong organizational loyalty, moral responsibility, and a collective mindset motivate them to responsibly safeguard, manage, and utilize village assets, such as village funds, for the long-term well-being of the community (Diansari et al., 2023) .

Accountability for Village Fund Management

Accountability refers to the village government's ability to communicate and disclose the entire village fund management process to residents and other relevant parties. From a stewardship theory perspective, village officials are viewed as individuals whose role is to prioritize community interests over personal interests. The better accountability is implemented in reporting and activity implementation, the less likely misuse of funds is. This view aligns with the findings of Ate et al. (2023) . who noted that clear accountability can improve the quality of village governance. Furthermore, Murapi et al. (2025) This also demonstrates that accountability is a crucial element influencing the successful management of village funds. On the other hand, several studies on local governance have shown that excessively high accountability demands often result in only symbolic compliance based on administrative documents, ultimately failing to prevent substantial misuse of funds on the ground if not accompanied by internal ethical values from managers. This inconsistency has sparked a specific research gap regarding how accountability driven by a genuine commitment to service, rather than simply imposed by formal regulations, can be a key driver in optimizing village fund management.

Theoretically, this dynamic explains how accountability systematically improves the quality of village fund management through two main mechanisms. The first mechanism operates through preventive control, where the existence of clear accountability standards automatically minimizes

information asymmetry, thereby narrowing the scope for opportunistic actions by village officials. The second mechanism operates through performance optimization, where accountability obligations force every rupiah spent to be rationally justified and directly linked to village development priorities. This process directly increases the efficiency and effectiveness of public fund use, thus making village financial management more focused. Based on these theoretical arguments and mechanisms, the first hypothesis is formulated as follows:

H1: Accountability has a positive influence on village fund management.

Transparency in Village Fund Management

Transparency describes the extent to which village authorities operate openly when sharing and communicating information about village fund management to the public. Referring to the stewardship theory formulated by Donaldson, Lex; Davis. (1991), individuals serving in managerial roles (stewards) are encouraged to align their efforts with broader institutional goals. Specifically, in village governance, officials can be seen as stewards dedicated and loyal to the well-being of the community. This means that village fund management must be carried out with transparency and accountability, not for personal gain. In line with this view, research by Putri & Maryono (2022) revealed a unidirectional relationship between information transparency and the level of success in managing village finances. This finding is reinforced by Fajri et al. (2021), who emphasized that public information disclosure is a critical determinant of successful financial policy implementation at the village level. However, empirical debate regarding the effectiveness of transparency continues in the public accounting literature. Other empirical findings suggest that transparency without adequate public financial literacy can actually lead to a flood of information or misinterpretation, fuel public cynicism, and in some cases, even cause administrative delays due to officials' fear of making decisions. This situation creates a research gap to examine transparency not only as a passive budget visualization, but as an active communication channel capable of bridging the trust gap between village governments and residents.

Theoretically, this dynamic explains how transparency systematically improves the quality of village fund management through mechanisms that build public trust and a sense of psychological ownership. When village governments manage their budgets openly, this creates information transparency that fosters a sense of psychological security among the community

while strengthening public trust in the legitimacy of the village government. Open data access also provides an opportunity for citizens to independently verify that budget allocations are truly directed at pressing socio-economic needs. The mutual trust built through these mechanisms has been shown to minimize horizontal conflict, accelerate the implementation of development programs, and prevent budget collusion among village elites, ultimately leading to optimal village fund governance. Based on these theoretical arguments and mechanisms, the second hypothesis is formulated as follows:

H2: Transparency has a positive influence on village fund management.

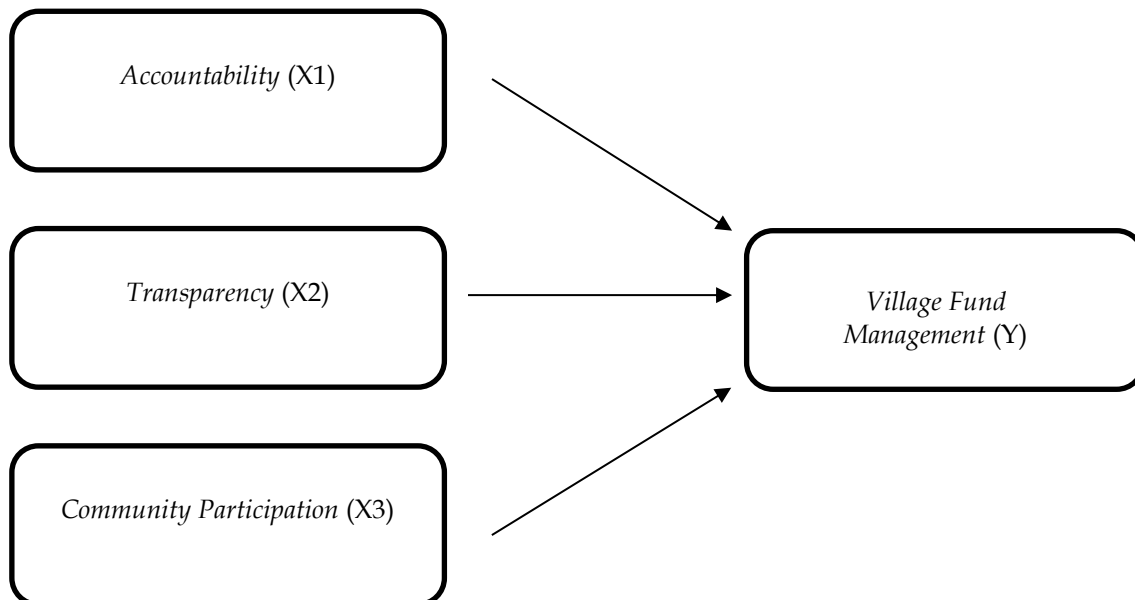
Community Participation in Village Fund Management

Community participation refers to how villagers participate throughout the development process, from planning to implementation and monitoring, helping to ensure development efforts more effectively achieve their intended goals. Stewardship theory frames communities as principals who place their trust in the village government, which in turn serves as responsible stewards for managing village resources in a manner that serves the common good and promotes prosperity. When community members are actively involved in village affairs, this participation serves as a form of social oversight, helping to ensure that village policies, programs, and fund distribution remain responsive to the residents' true needs. As community involvement deepens, residents tend to feel a stronger sense of ownership over budget decisions and become more vigilant in monitoring how funds are spent, which in turn reduces the likelihood of misuse and supports sound village financial management. Research conducted by Putri & Maryono (2022) supports this perspective, demonstrating a positive relationship between community engagement and village fund management. Furthermore, findings by Fajri et al. (2021) found that public participation plays a crucial role in strengthening accountability and improving overall village-level financial governance. The effectiveness of community participation still faces various empirical challenges in the rural governance literature. On the other hand, several critical studies argue that community participation is often trapped in elite control, where village forums are dominated by important figures close to power, while vulnerable groups are marginalized, thus rendering community participation ineffective in initiating budgeting. This phenomenon creates a specific research gap to examine whether community participation can overcome the dominance of elite control and serve as an objective oversight instrument to ensure good village financial governance.

Theoretically, this dynamic explains how systematic community participation improves the effectiveness of village fund management through social control mechanisms and responsiveness based on residents' real needs. When community involvement is deep, residents tend to feel a stronger sense of responsibility for budget decisions and become more vigilant in consolidating how funds are spent. This active community involvement acts as a decentralized, informal audit system at the grassroots level. Through direct social oversight on the ground, the risk of budget inflation or haphazard implementation of infrastructure projects can be drastically reduced due to social sanctions from the community. Furthermore, active participation can bridge the information gap between what residents truly need and what the village bureaucracy plans. This collaborative synergy ensures that every Village Fund allocation is managed responsively to maximize beneficiary groups and promote equitable village welfare. Based on these theoretical arguments and mechanisms, the third hypothesis is formulated as follows:

H3: Community participation has a positive influence on village fund management.

Figure 1. Research Model



2. Research methods

This study employed a quantitative method with a survey approach. Primary data were obtained through questionnaires, which were then completed directly by respondents. The study population included all village officials and residents involved in village fund governance in Bantul Regency. The sample was selected using a purposive sampling method, which determines respondents based on specific criteria tailored to the research objectives. The use of purposive sampling was based on the premise that this study required respondents with direct knowledge, experience, and active involvement in the village fund management cycle—characteristics that cannot be obtained through simple random selection.

The respondent criteria included village officials involved in village fund governance, including the village head (lurah), village secretary (carik), and head of financial affairs, as well as community members who had participated in village meetings and were willing to participate and complete the questionnaire. Given the limitations in the field and the strict population criteria, the final sample size that successfully returned complete questionnaires suitable for analysis ranged from 52 to 70 respondents. This final sample maintained a balanced proportion between village officials (approximately 60%) and community members (approximately 40%) to avoid elite bias and ensure that technical administrative aspects were accurately assessed from both internal and external perspectives. This approach was implemented to ensure that the selected sample had appropriate characteristics, was representative, and could support the analysis required in this study.

The research instrument was developed using a five-point Likert scale, with ratings ranging from 1 meaning "strongly disagree" to 5 meaning "strongly agree." This scale was used to explore respondents' views and responses to each of the study's focal variables. The inclusion of village officials and community members as respondents was intended to obtain a more objective and balanced perspective. Specifically for community respondents, questionnaire items related to technical aspects of administration and reporting were adjusted to include perception-based indicators, particularly regarding ease of access and transparency of information. These adjustments were made to ensure the data collected remained relevant to the respondents' capabilities while maintaining the instrument's validity.

Table 1. Operational Variables and Summary Indicators

Variables	Conceptual Definition	Indicator	Reference	Instrument Status
Accountability (X1) <i>Independent Variables</i>	The obligation of the mandate recipient (agent) to be accountable, convey, report and disclose all policies and activities that are their responsibility to the mandate giver (principal) who has the right and authority to demand such accountability.	1. Honesty and legal accountability 2. Process accountability 3. Program accountability 4. Policy accountability	(Yanto & Aqfir, 2020)	Adopted
Transparency (X2) <i>Independent Variables</i>	Freedom for the public to obtain public information directly from those who need it.	1. Informative aspects 2. Openness 3. Disclosure	(Yanto & Aqfir, 2020)	Adopted
Community Participation (X3) <i>Independent Variables</i>	Public involvement in the decision-making process, both directly and indirectly, through representative institutions that can channel their aspirations, built on the foundation of freedom of association, freedom of speech, and constructive engagement.	1. Decision-making 2. Budget reduction 3. Budget implementation	(Ayu Yasnida & Anindya Pangestika, 2024)	Adopted
Village Fund Management (Y) <i>Dependent Variable</i>	The entire structure of activities related to village funds, which are implemented in one fiscal year from January 1 to December 31,	1. Planning stage 2. Implementation stage 3. Administrative stage 4. Reporting stage 5. Accountability stages	(Yanto & Aqfir, 2020)	Adopted

Variables	Conceptual Definition	Indicator	Reference	Instrument Status
	including procedural and financial components.			

Data processing uses multiple linear regression analysis techniques, which aims to determine the influence of independent variables on the dependent variable. Multiple linear regression was chosen because this method has been proven to be mathematically robust and is very suitable for testing the direction and magnitude of the influence of several continuous independent variables simultaneously on one continuous dependent variable, which is in accordance with the characteristics of the Likert scale interval data collected in this study. This method has advantages over other non-parametric alternative analyses because it is able to produce precise regression coefficients, clarify the partial contribution of each predictor through the t-test, and evaluate the predictive power of the model simultaneously through the F-test. The model formula used in this study is as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e$$

Information:

Y : village fund management

a : constant

e : error term

b₁ and b₂ : regression coefficient of each dependent variable

X₁ : accountability

X₂ : transparency

X₃ : community participation

The measurement instrument in this study applies validity testing through the Pearson correlation method, and the internal consistency of the measurement instrument is assessed using the Cronbach's alpha value, where a threshold value greater than 0.70 indicates acceptable reliability. Furthermore,

classical assumption testing consisting of normality, multicollinearity, and heteroscedasticity testing is carried out to ensure the regression model that has been formed is worthy of understanding for statistical analysis. Normality testing is carried out using the Kolmogorov-Smirnov method to verify that the residuals of the model are normally distributed. Multicollinearity testing is carried out by examining the Variance Inflation Factor (VIF) value and tolerance value to ensure there is no severe linear correlation between the independent variables. In addition, heteroscedasticity testing is carried out using the Glejser test to ensure the existence of constant residual variance (homoscedasticity) across all observations. Hypothesis testing uses the F test to measure the extent of the influence of independent variables simultaneously on the dependent variable and the t test to identify the partial effects of each independent variable. The coefficient of determination (R^2) serves to determine the magnitude of the contribution of independent variables in explaining changes that occur in the dependent variable.

3. Results and Discussion

This study uses descriptive statistical analysis to provide an initial description of the characteristics of each studied variable. These characteristics include the number of respondents, minimum value, maximum value, mean value, and standard deviation. The mean value serves to indicate the central tendency or representativeness of the research data distribution. Meanwhile, the standard deviation describes the degree of data dispersion, namely the extent to which the observed values deviate from the mean.

Validity and Reliability Test

Validity testing was conducted to determine the accuracy of the questionnaire items. An item was considered valid if the Pearson Correlation value (calculated r) was higher than the critical value (table r) of 0.273 (for $N = 52$ at a 5% significance level). Simultaneously, a reliability test was conducted using Cronbach's Alpha to evaluate internal consistency. A variable was considered reliable if the Cronbach's Alpha value exceeded 0.60. The combined results of the validity and reliability tests are presented in Table 2.

Table 1. Validity and Reliability Tests

Variables	Goods	Corrected Item-Total Correlation	Cronbach's alpha	Status
Accountability (X1)	Questions 1 – 8	0.595 – 0.693	0.788	Valid & Trusted
Transparency(X2)	Questions 1 - 11	0.621 – 0.841	0.912	Valid & Trusted
Community Participation (X3)	Questions 1-9	0.460 – 0.822	0.891	Valid & Trusted
Village Fund Management (Y)	Questions 1 - 15	0.516 – 0.840	0.922	Valid & Trusted

Source: Research data, 2026

As shown in Table 2, the Corrected Item-Total Correlation values for all items in all variables are greater than the T-table threshold of 0.273, indicating that all measurement items are valid. Furthermore, the Cronbach's Alpha values for all variables range from 0.788 to 0.922, far exceeding the reliability standard of 0.60. Therefore, all instruments used in this study are declared valid and reliable for further statistical analysis.

Table 2. Descriptive statistics

Variables	N	Min	Maximum	Means	Standard Deviation
Village Fund Management (Y)	52	28	40	34.98	2,960
Accountability(X1)	52	37	55	48.87	4,419
Transparency(X2)	52	26	45	37.40	4,344
Community Participation (X3)	52	55	75	65.23	5,652

Source: Research data, 2026

Based on Table 3, the Village Fund Management variable data shows a minimum score of 28 and a maximum score of 40, with an average score of 34.98. The standard deviation for Village Fund Management was recorded at 2.960.

Table 3. Normality Test

<i>Kolmogorov-Smirnov test</i>	<i>Unstandardized Residues</i>	
N		52
Normal Parameters ^{a,b}	Means	0E-7
	Standard Deviation	4.28728264
	Absolute	.113
The most extreme difference	Positive	0.090
	Negative	-.113

<i>Kolmogorov-Smirnov test</i>	<i>Unstandardized Residues</i>	
Kolmogorov-smirnov z		0.817
Asymptomatic. Significance (2 tails)		0.517

Source: Research Data, 2026

Based on Table 4, the significance value is 0.517. This figure exceeds the 0.05 significance level, so it can be said that the model residuals have met the requirements for normality.

Table 4. Multicollinearity test

Variables	Collinearity Statistics	
	<i>Tolerance</i>	<i>VIF</i>
Accountability(X1)	0.475	2.104
Transparency(X2)	0.561	1,781
Community Participation (X3)	0.646	1,547

Source: Research Data, 2026

Based on Table 5, all variables obtained tolerance values exceeding the lowest limit of 0.10, while the recorded VIF values did not exceed 10. These results indicate that the relationship between the independent variables does not exhibit symptoms of multicollinearity. Therefore, it can be said that the regression model used has passed the multicollinearity assumption test.

Table 5. Heteroscedasticity Test

Model		Unstandardized Coefficients	Standardized Coefficient		T	Signature
1		B	Standard Error	Beta		
	(Constant)	-.272	0.260		-1,046	.301
	Foreign Accountability	0.106	0.092	0.215	1,146	0.258
	Foreign Transparency	0.098	0.070	0.238	1,401	0.168
	LN Community Participation	-.118	0.064	-.330	-1,837	0.072

Source: Research Data, 2026

Based on Table 6, the results of the heteroscedasticity test using the Glejser Test show that the significance figure for the variable LN_X1 is 0.258, LN_X2 is 0.168, and LN_X3 is 0.072. All of these significance figures exceed the 0.05 level, so it can be stated that the regression model does not contain any indication of heteroscedasticity.

Table 6. Test of the Coefficient of Determination (R²)

Model	R	R Square	Adjusted R Squared
1	0.652	0.425	0.389

Source: Research Data, 2026

Referring to Table 7, the Adjusted R Square value of 0.389 indicates that accountability, transparency, and community participation simultaneously explain 38.9% of the variation in village fund management. This value reflects the strength of the moderate category model, which is common in public sector research due to the complexity of institutional factors. Meanwhile, the remaining 61.1% of the variation is influenced by other variables outside the model, such as the competence of officials in the Village Financial System (Siskeudes), political intervention by the Village Consultative Body (BPD), and the effectiveness of SPIP supervision. The limited explanatory power of this model opens up opportunities for further research to integrate these institutional factors as additional or moderating variables.

Table 7. F-Test

Model	Sum of Squares	df	Mean Square	F	Signature.
Regression	691,810	3	230,603	11,808	0.000 ^b
Remainder	937,420	48	19,530		
Total	1629.231	51			

Source: Research Data, 2026

Based on Table 8, the significance figure of 0.000 shows that the model applied in this study is able to explain the relationship between the independent variables and the dependent variables simultaneously.

Tabell 8 Multiple Linear Regression Test

Model	Unstandardized Coefficients		Standardized Coefficient	T	Signature
	B	Standard Error	Beta		
(Constant)	22,507	7,883		2,855	0.006
	-.033	.303	-0.017	-.109	0.914
	0.606	.187	0.474	3,243	0.002

Model	Unstandardized Coefficients		Standardized Coefficient	T	Signature
	B	Standard Error	Beta		
	.381	0.177	0.293	2,153	0.036

Source: Research Data, 2026

Referring to the results of the multiple linear regression analysis listed in Table 9, the following equation is formulated:

$$Y = 22.507 + 0.606X^2 + 0.381X^3$$

The constant value of 22.507 indicates that if Accountability, Transparency, and Community Participation are all zero, the predicted value of Village Fund Management is 22.507. The regression coefficient for transparency, at 0.606, reflects a positive relationship with village funds. This means that every one-unit increase in Transparency is associated with a 0.606 increase in village fund management, assuming all other variables remain unchanged. Similarly, the regression coefficient for Community Participation, at 0.381, also indicates a positive relationship. This implies that for every one-unit increase in community participation, village fund management is expected to increase by 0.381, with all other variables remaining constant.

The results of the hypothesis test presented in Table 9 show that the Accountability variable yields a probability value of 0.914, exceeding the alpha level of 0.05, along with a negative regression coefficient value of -0.033. These results indicate that Accountability (X1) has no effect on Village Fund Management (Y). In other words, this empirical evidence does not fully support stewardship theory, which states that village officials acting as stewards will inherently optimize accountability mechanisms due to moral alignment with the community (leaders). From the perspective of stewardship theory, a high level of accountability should be positively correlated with the quality of resource management. However, this study reveals a breakdown in this strategic relationship, driven by the specific characteristics of village governance in Bantul Regency, such as administrative formalism, village organizational culture, and gaps in the oversight system. This misalignment causes accountability to function only as a bureaucratic ritual, thus having an insignificant impact on the efficiency of village budget management. This finding is in line with research by Rohman et al. (2023) and Yanto & Aqfir. (2020), which found that accountability had no significant impact on village fund financial management. Conversely, the results

of this study differ from those reported by Ate et al. (2023) and Murapi et al. (2025) , which concluded that accountability does play a role in shaping village fund management.

The results of the hypothesis test presented in Table 9 show that the Transparency variable produces a probability value of 0.002, below the 0.05 limit, while showing a positive coefficient of 0.606. Based on these findings, it can be concluded that Transparency (X2) influences Village Fund Governance (Y). A comparison of coefficient values indicates that transparency is the most dominant factor influencing village fund governance in Bantul Regency. This finding provides strong validation for Stewardship Theory. As trusted managers, village officials strive to minimize information asymmetry by proactively disclosing financial data to the public. Transparency acts as a key bridge that transforms institutional trust into public trust. In Bantul Regency, this phenomenon is evident through the installation of physical information boards, Village Revenue and Expenditure Budget (APBDes) infographics in public areas, and the use of digital village portals accessible to residents. When the public has open access to every stage of financial management—from planning to implementation—this creates a healthy oversight ecosystem and increases public trust. The policy implications for village governments are clear: villages must shift from passive transparency (simply displaying noticeboards) to active digital transparency by leveraging local technology to ensure real-time data updates. This research finding strongly supports previous studies by Nuraini et al. (2023) and Putri & Maryono (2022) , which established that public information transparency is a critical and essential contributor to the successful implementation of public sector financial policies.

The results of the hypothesis testing presented in Table 9 indicate that Community Participation has a measurable influence on Village Fund Management. This is evidenced by a significance value of 0.036, which is below the threshold of 0.05, and a positive regression coefficient of 0.381. These results confirm that the Community Participation variable (X3) does indeed influence Village Fund Management (Y). This finding aligns with Stewardship Theory, which positions community members as principals, mandating village officials, acting as managers, to manage development for the common good. In Bantul Regency, community participation serves as a crucial external social oversight mechanism. Given that Bantul Regency has the smallest total village fund allocation in the Special Region of Yogyakarta (DIY), the scope for fiscal

inefficiency is very limited. These budget constraints indirectly serve as a catalyst for high levels of community involvement. Due to these resource constraints, residents are highly motivated to actively participate in the Village Development Planning Forum (Musrenbangdes), budget preparation, and monitoring of program implementation in the field to ensure every rupiah is spent effectively and accurately, meeting real needs at the grassroots level. Strong participation fosters a strong sense of shared ownership of village projects, reduces the risk of budget misuse, and mitigates the administrative limitations of existing formal accountability systems. These results reinforce the findings of Putri & Maryono (2022) and Fajri et al. (2021), which empirically demonstrate that active community involvement can bridge the structural gap between village administrators and the community, thereby directly improving the efficiency of village budget expenditures.

4. Conclusion

The results of this study indicate that transparency and community participation contribute significantly to the effectiveness of village fund management in Bantul Regency, while formal accountability has not shown a measurable impact. Theoretically, these findings enrich the literature on village governance and strengthen stewardship theory in the public sector, by proving that information transparency and community involvement (as stakeholders) by village officials (as managers) are the main keys to realizing good village governance. Practically, the Bantul Regency Government and the Community and Village Empowerment Office (DPMK) need to formulate regulations for an integrated digital transparency platform, while Village Governments are required to optimize inclusive community discussion forums. On the other hand, the Regional Inspectorate is advised to shift the focus of supervision from mere document formalities (administrative accountability) to substantive performance evaluation, supported by communities actively acting as independent monitors in the field.

This study has limitations due to its limited coverage in Bantul Regency, its cross-sectional design, and its reliance on respondent perception data, which is susceptible to potential bias in responses from village officials and the community. Therefore, future research is recommended to expand the scope through comparative studies across districts and use longitudinal analysis to

assess the consistency of the phenomenon over time. Furthermore, it is strongly recommended to develop the research model by integrating mediating or moderating variables and adding important new variables such as the level of competence of village officials, the strength of the internal control system, and the effectiveness of information technology utilization in village financial management.

5. Reference

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