



REGENT SUKOHARJO  
PROVINCE OF CENTRAL JAVA  
SUKOHARJO REGENCY REGULATIONS  
NUMBER 93 OF 2022

ABOUT  
GUIDELINES FOR ESTABLISHING MANAGERS OF ROLLING FUND ACTIVITIES  
COMMUNITY FOR EX NATIONAL EMPOWERMENT PROGRAM  
RURAL INDEPENDENT COMMUNITIES ARE BECOMING  
JOINT VILLAGE OWNED BUSINESS ENTERPRISES

BY THE GRACE OF GOD ALMIGHTY  
REGENT SUKOHARJO,

Considering: a. that to ensure legal certainty, protection of assets belonging to the community and sustainability with the aim of alleviating poverty from the management of community revolving funds, the former National Program for the Empowerment of Independent Rural Communities

it is necessary to form a Village-Owned Enterprise Together with a Village Financial Institution;

- b. that in order to provide guidance and assistance to the formation and management of Joint Village-Owned Enterprises, guidelines for the formation and management of community revolving funds from the former National Program for the Empowerment of Independent Rural Communities into Joint Village-Owned Enterprises with Village Financial Institutions are required;
- c. that in accordance with the provisions of Article 22 of the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 15 of 2021 concerning Procedures for Establishing Community Revolving Fund Activity Managers Ex-National Program for the Empowerment of Independent Rural Communities to Become Joint Village-Owned Enterprises, the Regional Government provides guidance and assistance in the formation managing community revolving fund activities, former National Program for the Empowerment of Independent Rural Communities to become Joint Village-Owned Enterprises;

- d. that based on the considerations as intended in letters a, b, and c, it is necessary to stipulate a Regent's Regulation concerning Guidelines for Establishing Managers of Community Revolving Fund Activities Ex National Program for Empowering Independent Rural Communities to Become Joint Village-Owned Enterprises;

Bearing in mind: 1. Law Number 13 of 1950 concerning the Establishment of Regency Regions within the Province of Central Java (State Gazette of the Republic of Indonesia of 1950 Number 42) as amended by Law Number 9 of 1965 concerning the Establishment of the Batang II Level Region with amend Law no. 13 of 1950 concerning the Establishment of Regency Regions within the Province of Central Java (State Gazette of 1965 Number 52, Supplement to State Gazette Number 2757);

2. Law Number 6 of 2014 concerning Villages (State Gazette of the Republic of Indonesia of 2014 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 5495) as amended by Law Number 11 of 2020 concerning Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

3. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law Number 11 of 2020 concerning Job Creation (State Gazette of the Republic Indonesia Year 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

4. Government Regulation Number 43 of 2014 concerning Implementing Regulations of Law Number 6 of 2014 concerning Villages (State Gazette of the Republic of Indonesia of 2014 Number 123, Supplement to State Gazette of the Republic of Indonesia Number 5539) as amended several times, most recently by Government Regulation Number 11 of the Year 2021 concerning Village-Owned Enterprises (State Gazette of the Republic of Indonesia 2021 Number 21, Supplement to State Gazette of the Republic of Indonesia Number 6623);

5. Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises (State Gazette of the Republic of Indonesia of 2021 Number 21, Supplement to State Gazette of the Republic of Indonesia Number 6623);

6. Minister of Home Affairs Regulation Number 96 of 2017 concerning Procedures for Village Cooperation in the Field of Village Government (State Gazette of the Republic of Indonesia of 2017 Number 1444);
7. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 3 of 2021 concerning Registration, Data Collection and Ranking, Guidance and Development and Procurement of Goods and/or Services for Village-Owned Enterprises/ Joint Village-Owned Enterprises (State Gazette of the Republic of Indonesia 2021 Number 252);
8. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 15 of 2021 concerning Procedures for Establishing Community Revolving Fund Activity Managers Ex-National Program for Empowering Independent Rural Communities to Become Joint Village-Owned Enterprises (State Gazette of the Republic of Indonesia of 2021 Number 1224);

DECIDE:

To stipulate: REGULATION OF THE REGENT CONCERNING GUIDELINES FOR THE FORMATION OF MANAGERS OF COMMUNITY REVOLVING FUND ACTIVITIES FOR THE EX NATIONAL PROGRAM EMPOWERMENT OF INDEPENDENT RURAL COMMUNITIES TO BECOME JOINT VILLAGE OWNED BUSINESS ENTRIES.

PIG

GENERAL REQUIREMENTS

article 1

In this Regent's Regulation what is meant by:

1. The region is Sukoharjo Regency.
2. Regional Government is the Regent as the organizing element of the Regional Government which leads the implementation of government affairs which fall under the authority of the autonomous region.
3. The Regent is the Regent of Sukoharjo.
4. A village is a legal community unit that has territorial boundaries and is authorized to regulate and manage government affairs, community interests based on community initiatives, origin rights and/or traditional rights. local

which is recognized and respected in the government system of the Unitary State of the Republic of Indonesia.

5. Village Government is the administration of government affairs and the interests of local communities in the government system of the Unitary State of the Republic of Indonesia.

6. Village Government is the Village Head assisted by Village officials as an element of Village Government administration.
7. Village Consultative Body, hereinafter abbreviated to BPD, is an institution that carries out government functions whose members are representatives of the Village population based on regional representation and determined democratically.
8. The Village Head is a Village Government official who has the authority, duties and obligations to organize the Village household and carry out the duties of the Government and Regional Government.
9. Village Revenue and Expenditure Budget, hereinafter referred to as Village APB, is the annual financial plan of the Village Government.
10. Village Regulations are statutory regulations stipulated by the Village Head after being discussed and agreed upon with the BPD.
11. Joint Village Head Regulations are regulations stipulated by two or more Village Heads and are regulatory in nature.
12. Inter-Village Deliberation, hereinafter abbreviated as MAD, is a joint deliberation between a Village and other Villages attended by each BPD, Village Government and elements of the community which is held with the agreement of each Village in the context of inter-Village cooperation.
13. Inter-Village Cooperation Agency for the National Independent Rural Community Empowerment Program, hereinafter referred to as BKAD PNPM MPd, is an institution formed on the basis of an agreement between villages in one sub-district and/or between sub-districts with the aim of protecting and preserving the results of the program which consists of institutional management unit, infrastructure activities, results of activities in the education sector, results of activities in the health sector, and circulation of funds.
14. Joint Village-Owned Enterprises, hereinafter referred to as BUM Desa Bersama, are legal entities established by 2 (two) or more Villages to manage the revolving fund business of the former National Program for the Empowerment of Independent Rural Communities for maximizing the welfare of the Village community.
15. The National Program for Empowerment of Independent Rural Communities, hereinafter referred to as PNPM-MPd, is a program to accelerate poverty reduction in an integrated and sustainable manner based on participatory development.

16. Ex-PNPM-MPd community revolving funds, hereinafter referred to as Ex-PNPM-MPd DBM, are all funds sourced from the Central Government and/or Regional Government through direct assistance from the PNPM-MPd community and its development or growth, which are provided to the community

for revolving loan activities according to the established mechanism.

17. The Articles of Association are the basic provisions for the management of the BUM Desa Bersama organization which is an inseparable part of the Joint Village Head Regulation regarding the establishment of BUM Desa Bersama.
18. Bylaws are rules that contain the elaboration and/or implementation of the rules of the articles of association containing at least rights and obligations, periods of service, procedures for appointing and dismissing personnel from the BUM Desa Bersama management organization.

## Section 2

This Regent's Regulation is intended as a guideline for the formation and management of Joint Village BUM.

## Article 3

- This Regent's Regulation aims to:
- a. provide legal certainty regarding the existence and sustainability of BUM Desa Bersama from the results of the Ex PNPM MPd DBM;
  - b. facilitate the formation and management of BUM Desa Together;
  - c. provide a reference in the development and supervision of Joint Village BUM for Regional Government;
  - d. realizing professional, innovative and sustainable management and development of BUM Desa Bersama; And
  - e. realizing BUM Desa Bersama which is able to optimize revolving fund assets in a transparent, accountable and productive manner.

## CHAPTER II

### SCOPE

## Article 4

The scope of this Regent's Regulation includes:

- a. aims and objectives of BUM Desa Bersama;
- b. the principle of Joint Village BUM;
- c. establishment of Joint Village BUM; d. Joint Village BUM Articles of Association and Bylaws;

- e. organizations and employees of BUM Desa Bersama;
- f. work program;
- g. ownership of capital, assets and BUM Village loans  
Together;
- h. community revolving funds;
- i. procurement of goods and services;
- j. asset recording;
- k. cooperation; l.  
basic provisions for distribution and utilization of results  
business;
- m. operational;
- n. administration, reporting and accountability of BUM Desa Bersama;
  
- o. losses, cessation of business activities and closure of the BUM Desa  
Bersama business unit; And
- p. Joint Village BUM data collection.

### CHAPTER III

#### THE AIM AND OBJECTIVES OF BUM VILLAGE TOGETHER

##### Article 5

- (1) BUM Desa Bersama is a government program in the context of increasing business productivity in the economic sector and/or public services, legal protection of community jointly owned assets and sustainability of poverty alleviation goals in the Village.
  
- (2) BUM Desa Bersama has the aim of:
  - a. accelerate poverty reduction through a village community empowerment approach;
  - b. strengthening community participation in the development and empowerment of Village communities through transparent and transparent MAD decision-making processes and BUM Desa Bersama governance accountable;
  - c. carrying out economic business activities through the management of ex-PNPM community revolving funds MPd; And
  - d. increasing business activities, expanding employment opportunities and increasing people's income.

### CHAPTER IV

#### PRINCIPLES OF TOGETHER VILLAGE BUM

##### Article 6

Joint Village BUM management is carried out based on principle:

- a. community shared ownership;
- b. participatory and democratic;

- c. simple, partial, and protective;
- d. openness and independence;
- e. social solidarity, kinship and mutual cooperation  
cooperation;
- f. controlled and balanced; And
- g. sustainable.

CHAPTER V  
FORMATION OF JOINT VILLAGE BUM

Article 7

- (1) Joint Village BUM is established by 2 (two) or more Villages based on MAD and its establishment is determined by a Joint Village Head Regulation.
- (2) BUM Desa Bersama as referred to in paragraph (1) is called a Village financial institution.
- (3) BUM Desa Bersama is formed based on economic business activities.
- (4) The formation of a Joint Village BUM is carried out by Villages with other Villages directly without considering whether or not there is a Village BUM in each Village.
- (5) Joint Village Head Regulations as intended in paragraph (1) contain at least:
  - a. formation and ratification of the Articles of Association and Joint Village BUM Bylaws; And
  - b. determining the amount of Village capital participation and/or Village community capital participation in the context of establishing a Joint Village BUM.
- (6) The format of the Joint Village Head Regulation regarding the Establishment of a Joint Village-Owned Business Entity and ratification of the Articles of Association as referred to in paragraph (5) letter a is listed in Appendix I which is an inseparable part of this Regent's Regulation.
- (7) The format of the Joint Village Head Regulation regarding Household Budgets as referred to in paragraph (5) letter a is listed in Appendix II which is an inseparable part of this Regent's Regulation.

Article 8

BUM Desa Bersama obtains legal entity status when an electronic registration certificate is issued from the minister who handles government affairs in the field of law and human rights.

## Article 9

- (1) To obtain legal entity status as intended in Article 8, the Village Government registers BUM Desa Bersama with the minister who administers government affairs in the Village sector, development of disadvantaged areas, and transmigration through the Village information system.
- (2) The results of the BUM Desa Bersama registration as referred to in paragraph (1) are integrated with the legal entity administration system at the ministry that carries out government affairs in the field of law and human rights.
- (3) The results of the BUM Desa Bersama registration as referred to in paragraph (2) are the basis for the minister administering government affairs in the field of law and human rights to issue a certificate of registration of the BUM Desa Bersama legal entity.

## CHAPTER VI

## STATUTES AND BYLAWS

## BUM VILLAGE TOGETHER

## Article 10

- (1) Articles of Association of Joint Village BUM And  
the changes are discussed and stipulated in the MAD.
- (2) The Articles of Association of BUM Desa Bersama as referred to in paragraph (1) at least contain:
  - a. name and place of domicile;
  - b. aims and objectives of establishment;
  - c. type of business;
  - d. the BUM Desa Bersama organization;
  - e. capital, assets and loans;
  - f. community revolving funds;
  - g. procurement of goods and services;
  - h. asset recording;
  - i. cooperation;
  - j. basic provisions for distribution and utilization of results  
business;
  - k. operational;
  - l. administration, reporting and accountability;

- m. losses of BUM Desa Bersama;
  - n. closure of BUM Desa Bersama; And
  - o. penalty.
- (3) Changes to the Articles of Association of BUM Desa Bersama as referred to in paragraph (1) are notified through the Village information system which is integrated with the legal entity administration system of the ministry which carries out government affairs in the field of law and human rights.

#### Article 11

- (1) The name of the Joint Village BUM as intended in Article 10 paragraph (2) letter a must meet the following provisions:
- a. not the same as or not resembling the name of:
    - 1. existing BUM Desa Bersama;
    - 2. government institutions, and
    - 3. international institutions.
  - b. starting with the phrase BUM Desa Bersama;
  - c. does not conflict with public order and/or decency;
  - d. in accordance with or reflects the aims and objectives, as well as the Joint Village BUM Enterprise;
  - e. consists of a series of letters that form words;  
And
  - f. does not contain foreign languages.
- (2) The name as intended in paragraph (1) is registered through the Village information system before the MAD which discusses the establishment of BUM Desa Bersama.

#### Article 12

- (1) Joint BUM Village Bylaws and/or amendments thereto are discussed and agreed upon in a joint meeting between advisors, operational implementers and supervisors.
- (2) The Joint Village BUM Household Budget as intended in paragraph (1) contains at least:
- a. procedures for making MAD decisions and internal BUM Village meetings with LKD;
  - b. advisor's daily work procedures;
  - c. mechanism for stopping working hours of operational implementers;

- d. rights and obligations of daily executors of advisors and BUM Desa Bersama employees;
- e. procedures for recruiting and dismissing daily executors of advisors and employees of BUM Desa Bersama; f. system and amount of salary for BUM Desa employees Together;
- g. loan write-off;
- h. work management; And
- i. detailed explanation of the BUM Village Articles of Association Together.

CHAPTER VII

BUM VILLAGE ORGANIZATIONS AND EMPLOYEES TOGETHER

Part One

Joint Village BUM Organization

Article 13

The BUM Desa Bersama organization is separate from the Village Government.

Article 14

The BUM Desa Bersama organizational apparatus consists of:

- a. MAD;
- b. advisor;
- c. operational executor; And
- d. supervisor.

Paragraph 1

MAD

Article 15

- (1) MAD as intended in article 14 letter a is the highest authority holder in BUM Desa Bersama.
- (2) MAD can be initiated by operational implementers, advisor, and/or supervisor.

Article 16

Requirements for procedures and place for holding MAD  
Annual and special MAD are regulated in the Joint Village BUM Articles of Association.

## Article 17

MAD authorized:

- a. determine the establishment of the Joint Village BUM;
- b. determine the Articles of Association of BUM Desa Bersama and its amendments;
- c. discuss and decide on the number, organization, rights and obligations, as well as the authority of the party receiving the power of attorney for advisory functions;
- d. discuss and agree on arrangements and rotation  
Joint Village BUM advisor;
- e. appoint and permanently dismiss operational implementers of BUM Desa Bersama; f. appoint supervisors;
- g. appoint the secretary and treasurer of BUM Desa Together;
- h. give approval for capital participation by BUM Desa Bersama;
- i. give approval to the work program plan and cost budget plan submitted by the operational implementer after being reviewed by supervisors and advisors;
- j. give approval for a BUM Desa Bersama loan with a certain amount as stipulated in the Articles of Association of BUM Desa Bersama;
- k. give approval for cooperation between BUM Desa Bersama with the value, amount of investment, and/or certain forms of cooperation with other parties as stipulated in the Articles of Association of BUM Desa Bersama;
- l. determine the distribution of the net profit of BUM Desa Together;
- m. determine the purpose of using BUM Desa's net profit Together;
- n. decide on the assignment of the Village to BUM Desa Bersama to carry out certain activities;
- o. decided to close the BUM Desa business unit Together;
- p. determine priorities for the use of distribution of BUM Desa Bersama business results and/or BUM Desa Bersama business units handed over to the Village;
- q. receive the BUM Desa Bersama annual report and declare the release of the responsibilities of advisors, operational implementers and supervisors;
- r. discuss and decide on covering BUM Desa Bersama's losses with BUM Desa Bersama's assets;
- s. discuss deciding on the form of accountability that must be carried out by advisors, operational implementers, and/or supervisors in the event of losses to BUM Desa Bersama caused by intentional or negligent elements;
- t. decide to resolve losses through legal proceedings in the event that advisors, operational implementers, and/or supervisors do not show good faith in carrying out their responsibilities;

- u. decide to terminate all operational activities of BUM Desa Bersama due to certain circumstances;
- v. appoint a settler in order to settle all obligations and distribute assets or wealth resulting from the termination of BUM Desa Bersama business activities;
- w. provide accountability for the settlement of all obligations and distribution of assets or wealth resulting from the termination of BUM Desa Bersama business activities; And
- x. order supervisors or appoint independent auditors to carry out investigative audits in the event that there are indications of errors and/or negligence in the management of BUM Desa Bersama.

#### Article 18

- (1) MAD participants as intended in Article 15 are attended by:
  - a. Village Heads from all Villages in one sub-district where the former PNPM-MPd is located;
  - b. chairman of BPD from all villages in one sub-district where the former PNPM-MPd is located;
  - c. Ex PNPM-MPd DBM activity manager;
  - d. sub-district elements; And
  - e. community representatives in one sub-district where the former PNPM-MPd is located.
- (2) In the event that the location of the former PNPM-MPd sub-district contains a sub-district, MAD involves the sub-district head, sub-district social institutions and representatives of the sub-district community.
- (3) In implementing MAD, elements that are related to the substance of the discussion can be invited.
- (4) Elements invited as referred to in paragraph (3) does not have voting rights.
- (5) Community representatives as intended in paragraph (1) letter e consist of:
  - a. representatives of women's savings and loan groups and/or productive economic business groups;
  - b. representatives of poor/vulnerable recipient households benefit; And
  - c. representatives of community leaders.
- (6) Community representatives as referred to in paragraph (1) letter e are selected in the Village Deliberation of each Village with consideration of gender justice.
- (7) MAD can be implemented if the number of attendees is 2/3 (two thirds) of the number of invitees who have voting rights.
- (8) Decision making in MAD is carried out by the Village Head, BPD, and community representatives as Village and/or sub-district representatives who have the right to voice.

- (9) MAD decisions are taken based on deliberation to reach consensus.
- (10) In the event that the MAD decision does not reach consensus, the decision can be made by majority vote.
- (11) Voting decision-making mechanism  
The most taken is 50% (fifty percent) plus 1 (one) of the participants present.
- (12) The place for holding MAD is determined by the party initiating the holding of MAD.
- (13) Further provisions regarding MAD decision making are regulated in the BUM Desa Bersama Bylaws.

#### Article 19

MAD consists of:

- a. annual MAD; And
- b. MAD special.

#### Article 20

- (1) Annual MAD as intended in Article 19  
letter a discusses at least:
  - a. operational executor conveys:
    - 1. the end-of-fiscal year accountability report that has been prepared by the financial manager is made known to the director to obtain MAD approval;
    - 2. work program plan and income and expenditure budget plan for the current year to obtain approval and ratification by MAD which will become the work program and income and expenditure budget of BUM Desa Bersama.
  - b. determining the distribution and use of previous year's business results, in the event that BUM Desa Bersama has a positive profit balance; And
  - c. supervisors submit evaluations of the performance of operational implementers.
- (2) Annual MAD as intended in Article 19  
letter a shall be held no later than 3 (three) months after closing the book.

#### Article 21

Annual MAD as intended in Article 19  
letter a at least determines the responsibility of the operational implementer.

#### Article 22

- (1) Special MAD as intended in Article 19  
letter b can be held at any time in circumstances that require a decision and  
The authority lies with MAD.
- (2) A special MAD may be held at the request of the advisor and/or operational executor.

(3) Special MAD has the same authority as the annual MAD.

#### Paragraph 2

#### Advisor

#### Article 23

- (1) The advisor as intended in Article 14 letter b is held concurrently by the Village Head in one sub-district.
- (2) The advisor membership structure consists of:
  - a. chairman;
  - b. secretary; And
  - c. member.
- (3) The Village Head as intended in paragraph (1) may authorize other parties to carry out advisory functions.
- (4) The number of members, organization, rights and obligations and authority of other parties to carry out the advisory function as intended in paragraph (3) shall be determined by considering professionalism or expertise, effectiveness and efficiency in accordance with the development, capabilities and needs of BUM Desa Bersama.
- (5) In carrying out daily advisory duties, ex-BKAD PNPM MPd personnel, hereinafter referred to as daily advisor executors, can be assisted.
- (6) The daily executive membership of the advisor as referred to in paragraph (5) is an odd number and consists of on:
  - a. Chairman concurrently member;
  - b. secretary cum member; And
  - c. member.
- (7) The number of members, organization, rights and obligations and authority of other parties as referred to in paragraph (4) are discussed and decided in the MAD and stated in the Bylaws of the Joint Village BUM.
- (8) The daily executor of the advisor carries out coordination meetings of the BUM Desa Bersama institution at least 1 (one) time in 1 (one) month.

#### Article 24

The advisor as referred to in 14 letter b has the authority to:

- a. together with operational implementers and supervisors, discuss and agree on the Joint Village BUM Bylaws and/or amendments thereto;
- b. together with the supervisor, review the draft work program plan submitted by the operational implementer to be submitted to MAD;

- c. determine the permanent dismissal of operational implementers in accordance with MAD's decision;
- d. in certain circumstances, temporarily dismiss the operational implementer and take over the operational implementation of BUM Desa Bersama;
- e. together with operational implementers and supervisors, prepare and submit financial analysis, activity plans and needs in the context of planning additional capital for the Village and/or Village community to be submitted to MAD;
- f. reviewing the implementation report on the management of the Joint Village BUM Enterprise by the operational implementer and the supervision report by the supervisor before submitting it to MAD in the annual report;
- g. determine the acceptance or ratification of the BUM Desa Bersama annual report based on the MAD decision;
- h. together with the supervisor, give approval for a BUM Desa Bersama loan in a certain amount as stipulated in the Articles of Association of BUM Desa Bersama; And
- i. together with the supervisor, give approval for the collaboration between BUM Desa Bersama with the value, amount of investment, and/or certain forms of cooperation with other parties as stipulated in the Articles of Association of BUM Desa Bersama.

#### Article 25

The advisor as referred to in Article 14 letter b is tasked with:

- a. provide input and advice to operational implementers in implementing the management of BUM Desa Bersama;
- b. reviewing work program plans and determining the Joint Village BUM work program based on MAD decisions;
- c. together with the supervisor, review the semester report on the implementation of the Joint Village BUM business management;
- d. together with the supervisor, review the annual report on the implementation of BUM Desa Bersama business management to be submitted to MAD;
- e. provide suggestions and opinions regarding issues deemed important for the management of BUM Desa Bersama in accordance with the Articles of Association and Bylaws and/or MAD decisions; And
- f. request an explanation from the operational implementer regarding the management of BUM Desa Bersama in accordance with the Articles of Association and Bylaws and/or MAD decisions.

Article 26

Advisor as intended in Article 14 letter b entitled:

- a. authorize another party to carry out advisory functions; And
- b. earn income consisting of:
  1. incentives; And
  2. other legitimate income in accordance with the capabilities of BUM Desa Bersama.

Paragraph 3

Operational Executor

Article 27

- (1) The operational implementer as intended in Article 14 letter c is appointed by MAD.
- (2) MAD selects operational executors as intended in paragraph (1) from names proposed by the Village Head, BPD and community elements.
- (3) The operational implementation as intended in paragraph (1) is carried out by the Director of BUM Desa Bersama.
- (4) The operational implementer as referred to in paragraph (3) is an individual who must meet the requirements of expertise, integrity, leadership, experience, honesty, good behavior, and have high dedication to advancing and developing BUM Desa Bersama.
- (5) The Director is assisted by several managers from the former PNPM-MPd according to their workload and funding capabilities.
- (6) The administration manager can be held by the secretary of the DBM Ex PNPM-MPd activity management unit, acting in organizing correspondence, documents and reporting to the Village Government, setting mechanisms and work schedules, publishing revolving fund activities, ensuring services and access to information to the community .
- (7) The financial manager can be held by the treasurer of the Ex PNPM-MPd DBM activity management unit, acting as cashier and bookkeeping administration manager.
- (8) The verification manager can be held by the head of the verification team for the Ex PNPM-MPd DBM activity management unit, responsible for ensuring that loan applications comply with the established procedures and criteria.
- (9) The funding manager can be held by the head of the funding team of the DBM Ex PNPM MPd activity management unit, responsible for determining the feasibility of a loan application.

- (10) The manager of loan restructuring and problem handling can be held by the former PNPMPd empowerment section, analyzing collectibility reports or other problems and conducting approaches and coaching, taking persuasive steps, as well as legal steps for the beneficiary group to work together to find the best solution.

#### Article 28

- (1) Individuals as referred to in Article 27 paragraph (4) must fulfill the following requirements:
- a. Regional residents;
  - b. physically and mentally healthy (not currently suffering from an illness that could hinder his/her duties as director);
  - c. have dedication and provide full time to carry out duties as director;
  - d. Minimum diploma 3 (three) or equal;
  - e. able to carry out legal actions;
  - f. never declared bankruptcy;
  - g. never been found guilty and caused a business to be declared bankrupt;
  - h. never been punished for committing an offense criminal;
  - i. have adequate expertise and knowledge regarding business in the economic sector and/or public services;
  - j. have leadership and cooperation skills; and K. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations.
- (2) The Head of the Ex PNPMPd DBM Activity Management Unit who meets the requirements as in paragraph (1) is appointed as director based on MAD's decision.

#### Article 29

Director has authority:

- a. together with advisors and supervisors, discuss and agree on the Joint Village BUM Bylaws and/or amendments thereto;
- b. make decisions regarding the operationalization of the BUM Desa Bersama business in accordance with the BUM Desa Bersama policy lines stated in the Articles of Association and Bylaws and MAD decisions;

- c. coordinating the implementation of the Joint Village BUM business internally within the organization and with other parties;
- d. regulates provisions regarding BUM Desa Bersama employment including determining salaries, allowances and other benefits for BUM Desa Bersama employees;
- e. appoint and dismiss BUM Desa Bersama employees other than the secretary and treasurer based on legislation regarding employment regulations;
- f. make a BUM Desa Bersama loan after obtaining MAD or advisor approval in accordance with the provisions in the Articles of Association of BUM Desa Bersama;
- g. collaborate with other parties to develop the Joint Village BUM Business after obtaining MAD or advisor approval in accordance with the provisions in the Joint Village BUM Village Articles of Association;
- h. carry out the distribution of the amount of net profit of BUM Desa Bersama as determined by MAD;
- i. carry out the objectives of using BUM Desa Bersama's net profit as determined by MAD;
- j. carry out certain activities assigned by MAD;
- k. act as resolver in the event that MAD does not appoint a resolver;  
And
- l. organize, administer, manage, carry out all actions and/or other actions for the benefit of managing BUM Desa Bersama regarding all matters and all events, with restrictions as regulated in the Articles of Association, MAD decisions, and/or in accordance with the provisions of statutory regulations, as well as representing BUM Desa Bersama inside and outside the court.

### Article 30

The Director has the following

- duties:
- a. carry out all actions related to the management of BUM Desa Bersama for the benefit of BUM Desa Bersama in accordance with the aims and objectives of BUM Desa Bersama and represent BUM Desa Bersama inside and/or outside the court regarding all matters and all events, with restrictions as regulated in the Articles of Association Joint Village BUM, MAD decisions and/or statutory provisions;
  - b. prepare and implement the Joint Village BUM work program plan;
  - c. prepare a semi-annual report on the implementation of the management of the Joint Village BUM Enterprise to be submitted to advisors and supervisors;
  - d. prepare an annual report on the implementation of Joint Village BUM Enterprise management to be submitted to MAD after being reviewed by advisors and supervisors;

- e. at the advisor's request, explain BUM Desa Bersama management issues to the advisor;
- f. explain the problems of managing BUM Desa Bersama to MAD;
- g. determine approval of the group loan amount;  
And;
- h. together with advisors and supervisors, prepare and submit financial analysis, activity plans and needs in the context of planning additional capital for the Village and/or Village community to be submitted to MAD.

### Article 31

The director has the right:

- a. represent BUM Desa Bersama inside and outside the court on all matters and in all events;
- b. appoint and dismiss employees other than the secretary and treasurer;
- c. earn income consisting of:
  - 1. salary;
  - 2. allowance;
  - 3. annual award money; And
  - 4. after-duty community service;

### Article 32

- (1) The director resigns because:
  - a. die;
  - b. own request; And
  - c. dismissed.
- (2) The Director is dismissed as referred to in paragraph (1) letter c because:
  - a. end of term of office;
  - b. unable to carry out his duties continuously or permanently absent for 6 (six) consecutive months;
  - c. violates the provisions of the Articles of Association, Bylaws and/or statutory regulations;
  - d. involved in actions that are detrimental to BUM Desa Together;
  - e. carry out actions that violate the ethics and/or propriety that should be respected as director of BUM Desa Bersama; And
  - f. involved in a criminal case with a court decision that has permanent legal force.

### Article 33

Directors hold office for 5 (five) years and can be reappointed for a maximum of 2 (two) terms of office on the basis that they are deemed capable of carrying out their duties well during their term of office, cadre formation, and avoiding conflicts of interest.

### Article 34

Directors whose term of office ends can continue their service in the BUM Desa Bersama staffing structure, taking into account the need for work effectiveness, competency suitability, follow-up to evaluation results, and also considering age according to employee age limits.

### Article 35

- (1) In the event that the director continues his service as in Article 34, the advisor together with the supervisor discusses the restructuring and promotion of BUM Desa Bersama employees.
- (2) The advisor assigns the supervisor to carry out an assessment of the substance which is the subject of discussion, including:
  - a. changes in rules/institutional arrangements;
  - b. conducting studies and reviews regarding institutional effectiveness and structuring;
  - c. conduct interviews regarding conditions, abilities and capacities in order to carry out duties and obligations; And
  - d. transfer of duties, namely mutation and/or transfer of positions to increase the productivity of BUM Desa Bersama employees to jobs that suit their competencies.
- (3) The supervisor reports the results of the assignment and submits recommendations regarding the main substance of the discussion based on the performance assessment.
- (4) The advisor through an institutional meeting discusses, agrees and determines whether or not the restructuring of BUM Desa Bersama employees is approved.
- (5) If the results of the discussion regarding the restructuring of BUM Desa Bersama employees are approved by the meeting participants, the advisor will issue a Decree on the organizational restructuring of BUM Desa Bersama employees.
- (6) The advisor submits the results of the organizational restructuring to the MAD forum for determination.

Paragraph 4  
Supervisor

Article 36

- (1) Supervisors are appointed from individuals proposed by the Village Head, BPD and/or community elements in MAD.
- (2) Individuals as referred to in paragraph (1) must fulfill the following requirements:
  - a. regional residents
  - b. physically and mentally healthy;
  - c. have dedication to carry out the task as supervisor;
  - d. Minimum high school education or equivalent;
  - e. never declared bankruptcy;
  - f. never been found guilty and caused a business to be declared bankrupt;
  - g. never been punished for committing an offense criminal;
  - h. have experience and special knowledge and expertise related to the field of adequate supervision regarding administration, finance and business; And
  - i. have leadership and work skills  
The same.
- (3) Individuals who meet the requirements as intended in paragraph (2) are selected as supervisors and determined in the MAD.
- (4) supervisor of the Ex PNPM-MPd DBM activity management unit who fulfills the requirements as in paragraph (2) is appointed as supervisor based on MAD's decision.

Article 37

Supervisors hold office for 5 (five) years and can be reappointed for a maximum of 2 (two) terms of office on the basis that they are deemed capable of carrying out their duties well during their term of office, cadre formation, and avoiding conflicts of interest.

Article 38

- (1) The supervisor stops because:
  - a. die;
  - b. own request; And
  - c. dismissed.
- (2) The supervisor is dismissed as intended in paragraph (1) letter c because:
  - a. end of term of office;

- b. unable to carry out his duties continuously or permanently absent for 6 (six) consecutive months;
- c. violates the provisions of the Articles of Association, Bylaws and/or statutory regulations;
- d. involved in actions that are detrimental to BUM Desa Together;
- e. carry out actions that violate ethics and/or propriety; And
- f. involved in a criminal case with a court decision that has permanent legal force.

### Article 39

Supervisors are authorized to:

- a. together with the advisor, reviewing the draft work program plan submitted by the operational implementer to be submitted to MAD;
- b. together with advisors and operational implementers, discuss and agree on the Articles of Association and Bylaws of the Joint Village BUM and/or amendments thereto;
- c. together with the advisor, give approval for a BUM Desa Bersama loan in a certain amount as stipulated in the Articles of Association of BUM Desa Bersama;
- d. together with the advisor, give approval for the collaboration between BUM Desa Bersama with the value, amount of investment, and/or certain forms of cooperation with other parties as stipulated in the Articles of Association of BUM Desa Bersama;
- e. together with advisors, prepare and submit financial analysis, activity plans and needs in the context of planning additional capital for the Village and/or Village community to MAD;
- f. on the orders of MAD, carry out and report investigative audits in the event that there are indications of errors and/or negligence in the management of BUM Desa Bersama which could potentially harm BUM Desa Bersama;
- g. carry out inspections of all transactions carried out by BUM Desa Bersama, both internal, group and bank transactions, along with examining the evidence;
- h. report to the advisor if there is a violation of revolving fund management and the provisions stipulated in the MAD, and provide suggestions for resolution; And
- i. provide an assessment of the performance of operational implementers.

## Article 40

Supervisor in charge:

- a. supervising management policies and the running of BUM Desa Bersama by operational implementers, including supervising the implementation of work programs, in accordance with the Articles of Association, MAD decisions, and/or statutory provisions;
- b. submit reports on the results of annual inspections or supervision to MAD;
- c. reviewing the semi-annual report on the implementation of BUM Desa Bersama business management from operational implementers to submit to the advisor;
- d. together with the advisor, reviewing the proposed work program plan from the operational implementer to be submitted to MAD;
- e. together with the advisor, review the annual report on the implementation of BUM Desa Bersama business management by the operational implementer before submitting it to MAD;
- f. provide an explanation or description of the results supervision in MAD; And
- g. provide input/recommendations to MAD.

## Article 41

Supervisors are entitled to receive income consisting of:

- a. incentive; And
- b. other legitimate income according to ability  
Joint Village BUM.

## The second part

## Joint Village BUM employees

## Article 42

- (1) BUM Desa Bersama employees consist of:
  - a. manager; And
  - b. staff.
- (2) Manager as intended in paragraph (1) letter a can be assisted by several staff from the former PNPM-MPd according to the workload and funding capacity.
- (3) BUM Desa Bersama employees are employees whose appointment, dismissal, rights and obligations are based on a work agreement in accordance with the provisions of legislation employment in the field of regulations.

Article 43

- (1) BUM Desa Bersama employees receive a fair and decent income in accordance with their workload, responsibilities and performance.
- (2) Income of BUM Desa Bersama employees as follows referred to in paragraph (1) includes:
  - a. wages; and/or
  - b. Annual allowances and awards are in accordance with the financial capabilities of BUM Desa Bersama.

Part Three

Income

Article 44

The amount of the Advisor's daily Executive income as intended in article 26 letter b, directors as intended in article 31 letter c, supervisors as intended in article 41 and BUM employees

Joint Villages as referred to in article 43 paragraph 2 are regulated in the AD and ART

CHAPTER VIII

WORK PROGRAM

Article 45

- (1) The operational implementer prepares the Joint Village BUM work program before the next financial year.
- (2) The BUM Desa Bersama work program plan is submitted to advisors and supervisors for review.
- (3) The results of the review of the BUM Desa Bersama work program plan as intended in paragraph (2) are decided in the MAD as the BUM Desa Bersama work program.
- (4) In the event that the operational implementer does not prepare a BUM Desa Bersama work program as in paragraph (1), the previous year's BUM Desa Bersama work program applies.

Article 46

The BUM Desa Bersama work program as intended in Article 44 paragraph (1) contains at least:

- a. business targets, business strategies, policies and work programs/ activities of BUM Desa Bersama;
- b. Joint Village BUM budget detailed for each activity work program budget; And
- c. other matters that require a MAD decision.

## CHAPTER IX

OWNERSHIP OF CAPITAL, ASSETS AND BUM VILLAGE LOANS  
TOGETHER

## Part One

## Ownership

## Article 47

- (1) Partial capital ownership of BUM Desa Bersama jointly owned by the Villages.
- (2) The amount of capital ownership of BUM Desa Bersama as referred to in paragraph (1) is stated in the Articles of Association of BUM Desa Bersama.

## The second part

## Capital

## Article 48

- (1) Joint Village BUM capital consists of:
  - a. joint capital participation with villages;
  - b. Village community capital participation;
  - c. part of the operating profit specified in the MAD to increase capital; And
  - d. other legitimate sources of funds.
- (2) The initial capital of BUM Desa Bersama can come from:
  - a. joint capital participation with Villages: and b. Village community capital participation.
- (3) The joint capital participation of the Villages as referred to in paragraph (1) letter a is sourced from the Village APB of each Village as determined by Village Regulation.
- (4) The capital participation of the Village community as referred to in paragraph (1) letter b comes from the entire assets of the Ex-PNPM-MPd DBM whose ownership status is joint ownership of the Village community in 1 (one) ex-PNPM MPd sub-district.

## Article 49

- (1) Joint capital participation in Villages and/or Village community capital participation can be carried out to:
  - a. initial capital for establishing BUM Desa Bersama; and/or

b. additional capital for BUM Desa Bersama.

- (2) The joint capital participation of the Villages as referred to in paragraph (1) is in the form of money.
- (3) Village community capital participation as referred to in paragraph (1) is in the form of money, goods, land and/or buildings.
- (4) Joint capital participation of Villages and/or Village community capital participation as referred to in paragraph (2) and paragraph (3) is discussed and decided in the MAD.

#### Article 50

The joint capital participation of the Villages and/or the capital participation of the Village community to increase the capital of the Joint Village BUM as intended in Article 48 paragraph (1) is used to develop the rolling business activities of the Joint Village BUM.

#### Article 51

- (1) Joint capital participation in Villages and/or Village community capital participation as intended in Article 48 paragraph (1) is distributed directly to BUM Desa Bersama no later than 3 (three) months from the MAD decision.
- (2) Direct distribution of capital participation to BUM Desa Bersama as intended in paragraph (1) in the form of money placed in the BUM Desa Bersama account.
- (3) Direct distribution of capital participation to BUM Desa Bersama as intended in paragraph (1) in the form of goods, land and/or buildings recorded in the financial report of BUM Desa Bersama.

#### Article 52

- (1) In the event that there is a need for additional capital for BUM Desa Bersama, the operational implementer submits a plan for activity needs to the advisor and supervisor.
- (2) Plan to increase the capital of BUM Desa Bersama as intended in paragraph (1) is submitted to MAD after a financial review is carried out by the advisor and supervisor of BUM Desa Bersama.
- (3) The plan to increase the capital of BUM Desa Bersama as referred to in paragraph (2) is discussed and decided in the MAD.
- (4) The additional capital of BUM Desa Bersama as referred to in paragraph (3) is stipulated in the Joint Village Head Regulation regarding the Articles of Association of BUM Desa Bersama.

## Part Three

## Asset

## Article 53

- (1) BUM Desa Bersama assets are sourced from:
  - a. equity capital;
  - b. non-binding assistance including grants;
  - c. company results;
  - d. loan; and/or
  - e. other legitimate sources of funds.
- (2) The development and existence of BUM Desa Bersama assets is reported periodically every month in the financial report.
- (3) BUM Desa Bersama manages BUM Desa Bersama assets based on sound business principles in an orderly and accountable manner.

## Article 54

- (1) Non-binding assistance including grants as intended in Article 53 paragraph (1) letter b can come from the Central Government, Regional Government, and/or other parties.
- (2) Other parties as intended in paragraph (1) consist of:
  - a. natural person;
  - b. private parties;
  - c. College; And
  - d. institutions that provide assistance.
- (3) Non-binding assistance including grants as intended in paragraph (1) becomes assets of BUM Desa Bersama.
- (4) Central Government and Regional Government assistance as referred to in paragraph (1) is distributed directly to BUM Desa Bersama and implemented in accordance with the provisions of statutory regulations.
- (5) Assistance from other parties as intended in paragraph (1) is distributed directly to BUM Desa Bersama and is carried out at any time in accordance with the mutual agreement of both parties.

## Part Four

## Loan

## Article 55

- (1) BUM Desa Bersama can make loans by fulfilling the principles of transparency, accountability, efficiency and effectiveness, as well as prudence in accordance with statutory provisions.
- (2) Joint Village BUM loans can be made to financial institutions, with the following conditions:
  - a. loans are used for business development of BUM Desa Bersama;
  - b. the period of obligation to repay the loan principal, interest and other costs within a period not exceeding the remaining term of office of the director;
  - c. have at least healthy financial reports 2 (two) consecutive years;
  - d. does not result in changes in the proportion of capital ownership; And
  - e. Village assets managed, borrowed, rented and benefited from by BUM Desa Bersama cannot be used as collateral or collateral.

## Article 56

- (1) Loans as intended in Article 55 paragraph (2) which are worth more than or equal to IDR 200,000,000.00 (two hundred million rupiah) are made after obtaining MAD approval.
- (2) Joint Village BUM loans as referred to in Article 55 paragraph (2) with a value of less than IDR 200,000,000.00 (two hundred million rupiah) are made after obtaining approval from advisors and supervisors.

## Article 57

The loan plan is submitted by the operational implementer to obtain approval from advisors and supervisors or MAD in accordance with their authority as regulated in the Articles of Association of BUM Desa Bersama.

## CHAPTER X

## COMMUNITY ROLLING FUNDS

## Part One

## Revolving Fund Target

## Article 58

- (1) The target beneficiaries of revolving funds are residents of the sub-district where BUM Desa Bersama is located to obtain loans distributed through women's savings and loan groups and productive economic business groups.
- (2) Revolving fund activity beneficiaries are prioritized from poor households who have the ability and willingness to work or strive productively to provide added value and income to poor households.

## The second part

## Group Type

## Article 59

- (1) The number of members of women's savings and loan groups and productive economic business groups who apply for BUM Desa Bersama loans is at least 5 (five) people.
- (2) Types of business for women's savings and loan groups and productive economic business groups consist of:
  - a. savings and loan groups (KSP) are groups whose members have savings and loan management activities with priority for groups with poor household members;
  - b. a joint venture group (KUBE) is groups that have joint businesses that are managed jointly by group members, with priority for groups that have poor household members; And
  - c. miscellaneous business groups (KAU) are groups whose members are poor households who have businesses managed individually by members.

Part Three  
Loan Amount

Article 60

The loan amount for group members is agreed in the MAD.

Part Four  
Revolving Activity Loan Services

Article 61

- (1) The amount of loan services is agreed in the MAD with consider market interest.
- (2) The amount of loan services applied is services still.
- (3) All loan services are paid to BUM Desa Together.
- (4) Loan services as referred to in paragraph (3) are used for the operations of the Joint Village BUM as agreed in the MAD.

Part Five  
Loan Term

Article 62

- (1) The longest loan term is 36 (three twenty-six) months for the monthly installment period.
- (2) The installment period is adjusted for each sub-district taking into account the risk of traffic jams, a maximum of 4 (four) months.

Part Six  
Loan Forgiveness

Article 63

- (1) Loan write-off can be done against borrower who dies.
- (2) Loan write-off as in paragraph (1) regulated in the Articles of Association and Bylaws of the Joint Village BUM.

## PROCUREMENT OF GOODS AND SERVICES

## Article 64

- (1) Procurement of goods and/or services at BUM Desa Bersama is carried out by taking into account the principles of transparency, accountability, efficiency and professionalism.
- (2) Procurement of goods and/or services as referred to in paragraph (1) must be included in the Joint Village BUM income and expenditure budget plan agreed by MAD.
- (3) The procurement of goods and/or services at BUM Desa Bersama is published through media that can be reached by the Village community.

## Article 65

- (1) Procedures for procuring goods and/or services are adjusted to the needs of users of goods and/or services and are carried out in accordance with the principles, policies and ethical practices of the business world.
- (2) Procedures for procuring goods and/or services are carried out through self-management while still paying attention to quality, price and accountable objectives.
- (3) In the event that the procurement of goods and/or services through self-management as intended in paragraph (2) cannot be carried out, then through the goods/services provider.

## Article 66

- (1) Procurement of goods and/or services for BUM Desa Bersama with a value of up to IDR 50,000,000.00 (fifty million rupiah) is carried out by direct purchase by the operational implementer.
- (2) Procurement of goods and/or services for BUM Desa Bersama with a value above IDR 50,000,000.00 (fifty million rupiah) up to IDR 200,000,000.00 (two hundred million rupiah) is carried out by direct appointment through a request for bids.
- (3) Procurement of goods and/or services for BUM Desa Bersama as referred to in paragraph (2) must be approved by advisors and supervisors.
- (4) Procurement of goods and/or services for BUM Desa Bersama with a value above IDR 200,000,000.00 (two hundred million rupiah) is carried out through providers by auction.

## Article 67

Procurement of goods and/or services through goods/service providers as intended in Article 66 paragraph (4) in accordance with statutory provisions.

## CHAPTER XII

## ASSET RECORDING

## Part One

## General

## Article 68

- (1) Recording of BUM Desa Bersama assets based on price acquisition.
- (2) The inventory of BUM Desa Bersama assets is recorded in the BUM Desa Bersama's books using the straight line method.
- (3) The value of goods that have more than 1 (one) benefit years are calculated and recorded as BUM assets  
Joint Village

## The second part

## Asset Type

## Article 69

- (1) The types of BUM Desa Bersama assets consist of:
  - a. current assets; And
  - b. non-current assets.
- (2) Current assets as intended in paragraph (1) letter a are assets whose function and/or use is only for a short period of time or have a useful life of less than 1 (one) year consisting of:
  - a. cash;
  - b. securities; And
  - c. receivables.
- (3) Non-current assets as intended in paragraph (1) letter b are assets whose function and/or use lasts more than 1 (one) year, consisting of:
  - a. land;
  - b. building;
  - c. office inventory; And
  - d. vehicle.

Part Three  
Removal

Article 70

- (1) Asset write-off is the act of deleting goods belonging to BUM Desa Bersama from the inventory book by issuing a decision from the authorized official to release property managers, property users and/or property user authorities from administrative and physical responsibility for the goods under their control.
- (2) The authorized official as intended in paragraph (1) is the director of BUM Desa Bersama.
- (3) The abolition of BUM Desa Bersama assets as intended in paragraph (1) must first be made into an official report and determined by the director's decision after obtaining approval in the MAD.
- (4) Provisions regarding the write-off of BUM Desa Bersama assets are further regulated in the Bylaws of BUM Desa Bersama.

CHAPTER XIII

COOPERATION

Article 71

- (1) BUM Desa Bersama in carrying out business in the economic sector can collaborate with other parties.
- (2) The cooperation as intended in paragraph (1) consists of on:
  - a. business cooperation; And
  - b. non-business cooperation.
- (3) Cooperation as referred to in paragraph (1) must be mutually beneficial and protect the interests of the Village community and the collaborating parties.

Article 72

- (1) Business cooperation with an investment value of more than or equal to IDR 200,000,000.00 (two hundred million rupiah) is carried out after being agreed in the MAD.
- (2) Business cooperation with an investment value of less than IDR 200,000,000.00 (two hundred million rupiah) is carried out after obtaining approval from advisors and supervisors.

## Article 73

- (1) Other parties as intended in Article 71 paragraph (1) include at least the Central Government, Regional Government, Village Government, business world or cooperatives, non-governmental institutions, educational institutions and social and cultural institutions, which are owned by Indonesian citizens or legal entities, and BUM Desa/BUM Desa together with others.
- (2) BUM Desa Bersama can collaborate with other parties as intended in Article 71 paragraph (1) in the field of financial and non-business services.

## Article 74

- (1) BUM Desa Bersama can collaborate business with BUM Desa together across sub-districts.
- (2) Business cooperation as intended in Article 71 paragraph (2) letter a is carried out with the following provisions:
  - a. obtain approval from MAD;
  - b. carried out between sub-districts in 1 (one) region after there is a cooperation agreement between BUM Desa Bersama;
  - c. BUM Desa Bersama borrowers have a level good loan health;
  - d. BUM Desa Bersama lenders no longer have poor households as targets to be served or on the waiting list; And
  - e. BUM Desa Together with the lender has higher *idle money* funds .

## Article 75

- (1) Non-business cooperation as referred to in Article 72 paragraph (2) letter b is carried out in the form of at least:
  - a. transfer of technology, science, arts and culture; And
  - b. increasing human resource capacity.
- (2) Non-business cooperation is carried out after obtaining approval from advisors and supervisors.

## CHAPTER XIV

## MAIN PROVISIONS FOR DISTRIBUTION AND USE

## COMPANY RESULTS

## Article 76

The business results of BUM Desa Bersama consist of:

- a. gross business results, and
- b. net operating results.

## Article 77

Gross business results as intended in Article 76 letter a represents income obtained from the results of business activities minus operational costs incurred in 1 (one) financial year.

## Article 78

- (1) Net business results as intended in Article 76 letter b represents gross business results after deducting risk reserves.
- (2) Net business results as intended in paragraph (1) consist of: a. retained business results; and b. shared business results.
- (3) The amount of each business result as intended in paragraph (2) is determined in an inter-Village deliberation and stated in the articles of association.
- (4) The minimum amount of retained business results is 65% (sixty five percent).
- (5) The maximum amount of business results distributed is 35% (thirty five percent).
- (6) The business results retained as referred to in paragraph (2) letter a are used to increase funds or increase the capital of BUM Desa Bersama and/or capital for the establishment of business units or other businesses aimed at increasing capacity and services for poor households and/or the economy. Village.
- (7) The business results distributed as in paragraph (2) letter b consist of at least:
  - a. part of the collective property of the Village and Subdistrict community; And
  - b. Village section.

## Article 79

- (1) The share of joint ownership of Village and Subdistrict communities as intended in Article 78 paragraph (7) letter a is at least 80% (eighty percent).
- (2) The shared property of the Village and Subdistrict community as referred to in paragraph (1) is used for: a. social activities and assistance to poor households at a minimum of 70% (seventy percent); And
  - b. increasing the capacity of women's savings and loan groups/ productive economic businesses, training communities and public benefit groups by a maximum of 30% (thirty percent).
- (3) The amount of use of the shared property of the Village and Subdistrict community as referred to in paragraph (1) is decided in the MAD.

- (4) The use of parts of the common property of the Village and Subdistrict community as referred to in paragraph (1) can be managed by:
- a. Joint Village BUM; or
  - b. Village Government as other Village income.
- (5) The use of parts of the collective property of the Village and Subdistrict communities which are managed by the Village Government as intended in paragraph (4) letter b must be managed with the following provisions:
- a. used specifically for social activities and assistance to poor households, and capacity building for women's savings and loan groups/productive economic enterprises, community training and general benefit groups; And
  - b. decided via MAD.

#### Article 80

- (1) Village Section as intended in Article 78 paragraph (7) letter b is a maximum of 20% (twenty percent).
- (2) The Village portion as referred to in paragraph (1) is used for Original Village Income intended for areas with Village status.
- (3) The Village share as referred to in paragraph (1) is given to the Village with the provisions of the percentage of capital participation of each Village and access to group loans for each Village.

#### CHAPTER XV

#### OPERATIONAL

#### Article 81

- (1) Expenditures for operational costs as intended in Article 77 are in the form of a joint BUM Village income and expenditure budget plan.
- (2) Income and expenditure budget plan as intended in paragraph (1) is prepared based on the real needs of BUM Desa Bersama or the minimum service standard for BUM Desa Bersama is a maximum of 65% (sixty five percent) of income.
- (3) Operational costs as referred to in paragraph (1) consist of:
  - a. expenditure on salaries and allowances for operational implementers;
  - b. administrative and general expenditure;
  - c. transport spending;
  - d. institutional operational expenditure;
  - e. timely payment incentives; f. inventory shrinkage;

- g. tax and bank administration; And
  - h. annual award money.
- (4) The Joint Village BUM income and expenditure budget plan is prepared by the operational implementer together with the supervisor, advisor and/or daily advisor implementer and then consulted with the Regional Apparatus in charge of community and Village empowerment affairs.
  - (5) The results of the consultation on the BUM Desa Bersama income and expenditure budget plan as referred to in paragraph (4) are discussed at the sub-district level and agreed upon in the MAD.
  - (6) The Joint Village BUM income and expenditure budget plan as referred to in paragraph (4) after being agreed in the MAD is reported to the Regent through the Regional Apparatus in charge of community and Village empowerment affairs no later than 1 (one) month.

## CHAPTER XVI

ADMINISTRATION, REPORTING AND  
ACCOUNTABILITY  
BUM VILLAGE TOGETHER

## Part One

## Activity and Financial Administration

## Article 82

- (1) Joint Village BUM management must be supported by orderly, transparent and accountable administration of activities.
- (2) The administration as referred to in paragraph (1) is used as material for conducting analysis to form the basis for decision making on the management of BUM Desa Bersama which includes:
  - a. management register
  - book; b. meeting minutes
  - book; c. letter agenda
  - book; d. activity plan book;
  - e. activity report book;
  - f. financial administration book; And
  - g. goods inventory book.

## Article 83

- (1) The financial administration of BUM Desa Bersama is used to record all financial transactions that result in a decrease or increase in the assets of BUM Desa Bersama.
- (2) The financial administration of BUM Desa Bersama as referred to in paragraph (1) consists of:
  - a. daily cash book;
  - b. Bank account book;
  - c. inventory book; And
  - d. other books according to the needs of BUM Desa Bersama.

The second part  
Reporting

## Article 84

- (1) The operational implementer must prepare and compile a report containing the implementation of the Joint Village BUM work program plan, in the form of:
  - a. semester report; And
  - b. annual report.
- (2) The semester report as intended in paragraph (1) letter a shall be submitted to the advisor at least containing:
  - a. balance sheet and half-year profit and loss report along with explanations; And
  - b. details of problems that arise during 1 (one) semester that affect BUM Desa Bersama activities.
- (3) The annual report as intended in paragraph (1) letter b is submitted to MAD after being reviewed by advisors and supervisors, containing at least:
  - a. balance sheet and consolidated profit and loss statement of business units for one financial year along with explanations; b. reports regarding the condition and operation of BUM Desa Bersama and the results that have been achieved;
  - c. main activities of BUM Desa Bersama and changes activities during the financial year;
  - d. details of problems that arose during the financial year that affected the activities of BUM Desa Bersama; And
  - e. report on the duties and performance of advisors, supervisors and operational implementers for 1 (one) year.
- (4) Apart from periodic reports, operational implementers may provide special reports to supervisors and/or MAD at any time.

- (5) The revolving fund report consists of at least:
  - a. loan progress report;
  - b. loan collectibility report;
  - c. group progress reports;
  - d. problem loan report;
  - e. microfinance balance sheet ;
  - f. income statement;
  - g. inventory reports; h.
  - cash flow statement;
  - i. statement of changes in capital;
  - j. revolving fund health report; And
  - k. checking account.
- (6) The BUM Desa Bersama financial report is prepared every month in an orderly, transparent and accountable manner by the operational implementer and is checked by the supervisor.
- (7) Financial reports as intended in paragraph (4) reported to the public through information media.
- (8) Financial reports as intended in paragraph (4) reported to the Regent through the Community and Village Empowerment Service every month no later than the 10th (tenth) of the following month.

### Part Three

#### Accountability

#### Article 85

- (1) The accountability report prepared by the operational implementer is submitted to the Village community in 1 (one) sub-district through MAD at least 1 (one) time in 1 (one) year.
- (2) The accountability report includes a performance report for 1 (one) year concerning business performance, consisting of:
  - a. business activities;
  - b. success indicators;
  - c. business profit distribution plan; and D.
  - business development plan.
- (3) Accountability reports to the community for 1 (one) year are made in the form of:
  - a. electronic media;
  - b. banners;
  - c. info graphics; And
  - d. other information media.

## CHAPTER XVII

LOSS, TERMINATION OF BUSINESS ACTIVITIES AND  
CLOSURE OF THE BUM VILLAGE JOINT BUSINESS UNIT

## Part One

## Loss

## Article 86

- (1) If a loss occurs at BUM Desa Bersama, an inspection/audit will be carried out by the supervisor.
- (2) The inspection/audit as intended in paragraph (1) can be carried out by appointing and requesting the assistance of an independent auditor.
- (3) If there are indications of errors and/or negligence in the management of BUM Desa Bersama, an investigative audit can be carried out at the behest of MAD.

## Article 87

- (1) In the event that the results of the inspection/audit as intended in article 85 paragraph (3) find losses to BUM Desa Bersama, advisors, operational implementers, and/or supervisors are personally fully responsible for losses to BUM Desa Bersama.
- (2) Advisors, operational implementers and/or supervisors cannot be responsible for losses as intended in paragraph (1) if they can prove:
  - a. the loss was not due to intention, negligence and/or error;
  - b. has carried out its authority and duties in good faith and prudence for the benefit of and in accordance with the aims and objectives of BUM Desa Bersama based on MAD decisions;
  - c. does not have a direct or indirect conflict of interest regarding actions that result in losses; And
  - d. has taken action to prevent the occurrence or continuation of such losses.
- (3) In the event that the loss to BUM Desa Bersama is caused by intentional elements or negligence of advisors, operational implementers and/or supervisors, MAD discuss deciding on the form of accountability that must be carried out by advisors, operational implementers, and/or supervisors based on kinship and a spirit of mutual cooperation.

- (4) In the event that the advisor, operational implementer, and/or supervisor does not show good faith in carrying out the responsibilities as intended in paragraph (3), MAD decides to settle the losses through legal proceedings.

#### Article 88

- (1) Losses from BUM Desa Bersama which result from pure business failure and are not caused by intention, negligence and/or errors of advisors, operational implementers and supervisors are recognized as expenses of BUM Desa Bersama.
- (2) In the event that BUM Desa Bersama cannot cover losses due to business failure with the assets and wealth it owns, then it is discussed, decided and stated in the MAD.
- (3) Based on the MAD results as referred to in paragraph (2) policy options can be taken:
- a. if BUM Desa Bersama does not have creditors, the assets of BUM Desa Bersama are returned to the capital investors and the business activities of BUM Desa Bersama are terminated;
  - b. submit a bankruptcy petition to the court  
commerce;
  - c. restructuring the finances of BUM Desa Bersama;
  - d. closing part of the BUM Desa Bersama business, as well as reorganizing the BUM Desa Bersama; And
  - e. other appropriate policies based on the spirit kinship and mutual cooperation.
- (4) In the event that BUM Desa Bersama suffers a loss, it can be declared bankrupt based on a court decision.

#### The second part

#### Termination of Business Activities

#### Article 89

- (1) Termination of Joint Village BUM business activities is the termination of all Joint Village BUM operational activities including all Joint Village BUM businesses owned due to certain circumstances decided through the MAD and stipulated in the Joint Village Head Regulation.
- (2) Certain circumstances as intended in paragraph (1) includes:
- a. experience continuous losses that cannot be achieved saved;
  - b. declared bankrupt; And
  - c. other valid reasons.

- (3) Termination of BUM Desa Bersama business activities as intended in paragraph (1) is based on the results of the investment analysis of the BUM Desa Bersama business, health assessment and performance evaluation results of BUM Desa Bersama.
- (4) Termination of BUM Desa Bersama business activities as intended in paragraph (1) is carried out through the closure of the BUM Desa Bersama business.

### Part Three

#### Closure of Business Units

##### Article 90

- (1) BUM Desa Bersama can close business units as follows:
  - a. there is a decrease in performance or failure;
  - b. there are indications that the BUM Desa Bersama business unit causes losses to the Village community;
  - c. deviations occur or management is not in accordance with the Articles of Association and Bylaws of the BUM Desa Bersama business unit;
  - d. other reasons agreed in the MAD; and/or
  - e. other reasons based on court decisions and/or in accordance with statutory provisions.
- (2) Provisions regarding the closure of the BUM Desa business unit Together are in accordance with the provisions of the statutory regulations concerning Joint BUM Villages.
- (3) At the time of closure of the BUM Desa Bersama business unit as referred to in paragraph (1), Village assets managed, rented, borrowed and benefited from by BUM Desa Bersama cannot be used as collateral, compensation, fulfillment of obligations or other achievements. which is the legal responsibility of the BUM Desa Bersama business unit.

#### CHAPTER XVIII

#### JOINT BUM VILLAGE DATA COLLECTION

##### Part One

##### Data collection

##### Article 91

- (1) Data collection on Joint Village BUMs is carried out by the Ministry which carries out government affairs in the fields of Villages, Development of Disadvantaged Regions and Transmigration based on the Joint Village BUM Registration data in the Village information system.

(2) Data collection as intended in paragraph (1) includes at least:

- a. institutional aspects; b. management aspects;
- c. aspects of Joint Village BUM Enterprises and/or units Joint Village BUM business;
- d. aspects of cooperation or partnership;
- e. asset and capital aspects;
- f. administrative aspects, financial reports, and accountability; And
- g. aspects of profits and benefits for the Village and villagers.

(3) The results of the data collection as intended in paragraph (2) become the basis for evaluating, coaching and developing BUM Desa Bersama.

(4) BUM Desa Bersama participates in data collection as intended in paragraph (1) through the Village information system.

#### The second part

#### Data Update

#### Article 92

Updating BUM Desa Bersama data is carried out if there are:

- a. notification of changes to the Articles of Association;
- b. reporting of termination of business activities; or c. operational reporting of business activities.

#### Article 93

(1) Notification of changes to the BUM Village Articles of Association Together as intended in Article 92 letter a includes:

- a. name and place of domicile;
- b. aims and objectives of formation;
- c. type of business;
- d. the BUM Desa Bersama organization;
- e. capital, assets and loans; f. community revolving funds;
- g. procurement of goods and services;
- h. cooperation;
- i. basic provisions for distribution and utilization of results business;
- j. operational;

- k. administration, reporting and accountability;
  - l. losses, business termination and closure of the BUM Desa Bersama business unit; And
  - m. Dissolution of BUM Desa Bersama.
- (2) Changes to the Joint Village BUM Articles of Association as referred to in paragraph (1) are contained in Village Regulations or Joint Village Head Regulations.

#### Article 94

In terms of name changes and/or changes to the Articles of Association of BUM Desa Bersama, it is guided by the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration regarding Registration, Data Collection and Ranking, Guidance and Development, and Procurement of Goods and/or Services of Joint Village-Owned Enterprises.

#### Article 95

- (1) In the event that changes to the name and place of domicile as intended in Article 93 paragraph (1) letters a and b are submitted to the minister through the Village information system which is integrated with the legal entity administration system of the ministry which carries out government affairs in the field of law and human rights .
- (2) The Ministry that carries out government affairs in the field of law and human rights issues changes to the registration certificate for the BUM Desa Bersama legal entity.
- (3) The form of changes to the legal entity registration certificate as intended in paragraph (2) is in accordance with the provisions of statutory regulations.

#### Article 96

- (1) Amendments to the Articles of Association as referred to in Article 93 paragraph (1) letters c to h, are submitted to the minister who administers government affairs in the fields of Villages, Development of Disadvantaged Regions and Transmigration through the Village information system which is integrated with the ministry's legal entity administration system which carries out government affairs in the field of law and human rights.
- (2) The Ministry that carries out government affairs in the field of law and human rights issues a letter of acceptance of notification of changes to the Articles of Association of BUM Desa Bersama.
- (3) The form of the notification receipt letter as intended in paragraph (2) is in accordance with the provisions of statutory regulations.

## Article 97

- (1) Reporting on the termination of joint BUM Village business activities as intended in Article 92 letter b is reported to the minister who administers government affairs in the fields of Villages, Development of Disadvantaged Regions and Transmigration through the Village information system.
- (2) The report on the termination of business activities as intended in paragraph (1) is carried out by the Village Head.
- (3) Report on termination of business activities as follows referred to in paragraph (2) contains:
  - a. settlement of all obligations; And
  - b. distribution of assets or wealth resulting from the termination of BUM Desa Bersama business activities to capital investors.

## Article 98

- (1) Operational reporting of BUM Desa Bersama business activities as referred to in Article 92 letter c is reported to the minister who administers government affairs in the village sector, development of disadvantaged areas and transmigration through the Village information system.
- (2) Operational business activities of BUM Desa Bersama as referred to in paragraph (1) are carried out through:
  - a. new capital participation;
  - b. structuring the BUM Desa Bersama organization;
  - c. formation of new businesses; And
  - d. other actions in accordance with the provisions of laws and regulations.
- (3) The operations of BUM Desa Bersama as referred to in paragraph (1) are determined by Village Regulations or Joint Village Head Regulations regarding the operation of BUM Desa Bersama which includes changes to the Articles of Association.

## CHAPTER XIX

## GUIDANCE AND SUPERVISION

## Part One

## Coaching

## Article 99

- (1) The Regent carries out guidance on the development of management and human resources managing BUM Desa Bersama.

- (2) Carrying out the guidance as intended in paragraph (1) is technically carried out by the Community and Village Empowerment Service, Regional and District Inspectorates.
- (3) The development team as intended in paragraph (2) is formed by a Regional Secretary Decree.
- (4) Guidance for Joint Village BUMs is carried out through mentoring activities which include:
  - a. socialization of policies and establishment of BUM Desa Together;
  - b. carry out monitoring of management and institutional development of BUM Desa Bersama;
  - c. providing grants, capital strengthening assistance and/or business capital participation for BUM Desa Bersama;
  - d. facilitating accelerated capital development and business collaboration with third parties;
  - e. improving the quality of management and strengthening the BUM Desa Bersama organization;
  - f. strengthening the management of joint BUM Village businesses and joint BUM Village business units;
  - g. strengthening asset and capital management;
  - h. improving the quality of administrative management, reporting and accountability; And
  - i. strengthening the management of business results and benefits Villages and Village communities.
- (5) The sub-district as intended in paragraph (2) carries out guidance on the implementation of the Joint Village BUM in the sub-district area.
- (6) Guidance on the implementation of Joint Village BUM in the District as intended in paragraph (4) is carried out by the District Head assisted by the Head of the Village Community Empowerment Section.

#### The second part

#### Supervision

#### Article 100

- (1) Supervision of Joint Village BUMs is carried out so that business activities are directed in accordance with the principles and objectives of the establishment by carrying out monitoring, assessment and evaluation to determine the development of Village BUMs Together by using the BUM Desa Bersama development classification assessment instrument.
- (2) Monitoring, assessment and evaluation as intended in paragraph (1) can be carried out by forming a Joint Village BUM Supervisory and/or assistance team.

- (3) The Supervisory Team as intended in paragraph (2) is chaired by the Regional Secretary as coordinator with the secretary from the Head of the Community and Village Empowerment Service with members from the relevant Regional Apparatus as determined by the Regional Secretary's Decree.
- (4) Carry out coaching and strengthening of Joint Village BUM businesses by relevant Regional Apparatus on a regular basis. regarding the
- (5) The sub-district head implements <sup>supervision</sup> implementation of Joint Village BUM in each sub-district.

## CHAPTER XX

## TRANSITIONAL PROVISIONS

## Article 101

- (1) The Ex-PNPM MPd DBM Manager must make the transition to BUM Desa Bersama in accordance with the provisions of the laws and regulations.
- (2) At the time the Ex-PNPM MPd Revolving Fund Management has not been transitioned to BUM Desa Bersama, the management is guided by the ex-PNPM MPd Revolving Fund Management governance regulations no later than 2 (two) months after this Regent's Regulation is promulgated.
- (3) Formation of the Ex-PNPM MPd DBM to become a Village BUM Together, those who are already legal entities are obliged to disband in accordance with the provisions of the laws and regulations

## CHAPTER XXI

## CLOSING

## Article 102

When this Regent's Regulation comes into force:

- a. Sukoharjo Regent Regulation Number 5 of 2010 concerning the National Program for Rural Independent Community Empowerment (PNPM MD) Preservation of Sukoharjo Regency (Sukoharjo Regency Regional Gazette of 2010 Number 5); And
- b. Sukoharjo Regent's Regulation Number 7 of 2014 concerning General Guidelines for Implementing the National Program for Empowerment of Independent Rural Community Conservation in Sukoharjo Regency (Regional Gazette of Sukoharjo Regency of 2014 Number 14);

revoked and declared invalid.

Article 103

This Regent's Regulation comes into force on the date of promulgation.

So that everyone is aware, this Regulation is ordered to be promulgated by placing it in the Regional Gazette of Sukoharjo Regency.

Set in Sukoharjo  
on December 30, 2022  
REGENT SUKOHARJO,  
signed.

ETIK SURYANI

Promulgated in Sukoharjo  
on December 30, 2022

REGIONAL SECRETARY  
SUKOHARJO DISTRICT,

signed.

WIDODO

REGIONAL NEWS SUKOHARJO DISTRICT  
YEAR 2022 NUMBER 93

The copy corresponds to the original  
HEAD OF LEGAL SECTION,

signed.

TEGUH PRAMONO, SH, MH  
Level I Supervisor  
NIP. 19710429 199803 1 003

APPENDIX I  
SUKOHARJO REGENCY REGULATIONS  
NUMBER 93 OF 2022  
ABOUT  
GUIDELINES                      FORMATION  
VILLAGE OWNED BUSINESS ENTERPRISES  
WITH FINANCIAL INSTITUTIONS  
VILLAGE

FORMAT OF JOINT VILLAGE HEAD REGULATIONS REGARDING FORMATION  
AND APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE VILLAGE OWNED BUSINESS ENTITY  
WITH VILLAGE FINANCIAL INSTITUTIONS



VILLAGE HEAD ... (Village Name),  
VILLAGE HEAD... (Village Name), AND  
VILLAGE HEAD... (Village Name)  
SUBDISTRICT .....  
SUKOHARJO DISTRICT

JOINT REGULATIONS WITH THE VILLAGE HEAD

NUMBER ... YEAR ...  
NUMBER ... YEAR ...  
NUMBER ... YEAR .. etc.

ABOUT  
ESTABLISHMENT OF A JOINT VILLAGE OWNED BUSINESS ENTITY  
VILLAGE FINANCIAL INSTITUTION ...(NAME OF BUM VILLAGE BERSAMA)...

BY THE GRACE OF GOD ALMIGHTY

VILLAGE HEAD ... (Village Name),  
VILLAGE HEAD ..., (Village Name), AND  
VILLAGE HEAD ..., (Village Name) etc

Considering: a. that in order to increase business productivity  
in the field of economics and/or community empowerment, legal protection  
of assets belonging to the community and sustainability of poverty  
reduction goals in  
Villages need to form Joint Village-Owned Enterprises  
Village Financial Institutions;

- b. that in the context of formation and management  
Former National Program Community Revolving Fund  
Empowerment of Independent Rural Communities to become  
Village-Owned Enterprises Together with Financial Institutions  
Villages require cooperation between villages;
- c. that based on the provisions of Article 73 paragraph (1)  
Government Regulation Number 11 of 2021 concerning Village-  
Owned Enterprises that manage fund activities  
rolling out the community of the former national empowerment program  
Rural independent communities must be formed  
Joint Village-Owned Enterprises no later than 2 (two) years from  
the Government Regulation  
invited;
- d. that based on the considerations as intended in letters a, b and c,  
it is necessary  
establish Joint Village Head Regulations regarding  
Establishment of Joint Village Owned Enterprises  
Village Financial Institutions;

- Bearing in mind: 1. Law Number 13 of 1950 concerning  
Formation of inner Regency Areas  
Environment of Central Java Province (State Gazette  
Republic of Indonesia Year 1950 Number 42) as  
has been amended by Law Number 9 of the Year  
1965 concerning the Establishment of the Batang Level II Region  
by amending Law no. 13 of 1950  
concerning the Formation of Internal Regency Regions  
Environment of Central Java Province (State Gazette  
1965 Number 52, Supplement to the State Gazette  
Number 2757);
2. Law Number 6 of 2014 concerning Villages  
(State Gazette of the Republic of Indonesia 2014  
Number 7, Supplement to the State Gazette of the Republic  
Indonesia Number 5495) as amended  
with Law Number 11 of 2020 concerning  
Job Creation (State Gazette of the Republic of Indonesia Year  
2020 Number 245, Supplement to the State Gazette of the Republic  
Indonesia Number 6573);

3. Government Regulation Number 43 of 2014 concerning Implementing Regulations of Law Number 6 of the Year 2014 concerning Villages (State Gazette of the Republic of Indonesia 2014 Number 123, Supplement to the State Gazette Republic of Indonesia Number 5539) as stated changed several times most recently by the Regulations Government Number 11 of 2021 concerning Business Entities Village Owned (State Gazette of the Republic of Indonesia Year 2021 Number 21, Supplement to the State Gazette of the Republic Indonesia Number 6623);
4. Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises (State Gazette of the Republic Indonesia 2021 Number 21, Additional Gazette Republic of Indonesia Number 6623);
5. Minister of Home Affairs Regulation Number 96 of 2017 regarding Procedures for Village Cooperation in the Field Village Government (State Gazette of the Republic of Indonesia 2017 Number 1444);
6. Regulation of the Minister of Villages, Regional Development Left behind, and Transmigration Number 3 of 2021 regarding Registration, Data Collection and Ranking, Coaching and Development and Procurement of Goods and/or Village-Owned Enterprise/Business Entity Services Jointly Owned Village (State Gazette of the Republic of Indonesia 2021 Number 252);
7. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 15 of 2021 concerning Procedures How to Establish a Revolving Fund Activity Manager Former National Empowerment Program Community Rural Independent Communities Become Business Entities Jointly Owned Village (State Gazette of the Republic of Indonesia Year 2021 Number 1224);

8. Sukoharjo Regency Regional Regulation Number 5 of the Year 2016 concerning the Formation of Village Legal Products (Sukoharjo Regency Regional Gazette 2016 Number Number 5, Supplement to Regency Regional Gazette Sukoharjo Number 230);
9. Sukoharjo Regent Regulation Number 45 of 2018 concerning List of Village Authorities Based on Original Rights Village-Scale Local Authority and Proposals in Sukoharjo Regency (Regency Regional News Sukoharjo Year 2018 Number 45);
10. Sukoharjo Regent Regulation Number 9 of 2019 regarding Village Financial Management Guidelines (Berita Sukoharjo Regency Region 2019 Number 9);

DECIDE:

To stipulate: JOINT REGULATIONS WITH THE VILLAGE HEAD... (Village Name),

VILLAGE HEAD... (Village Name), DST AND VILLAGE HEAD...

(Name of Village) CONCERNING FORMATION OF BUSINESS ENTITIES OWNED BY THE VILLAGE TOGETHER WITH THE VILLAGE FINANCIAL INSTITUTION.

PIG  
GENERAL REQUIREMENTS

article 1

In this Village Regulation what is meant by:

1. A village is a village... a village... etc. and a village...

District ..... Sukoharjo Regency.

2. Village Government is the administration of affairs

government and societal interests

local government system of the Unitary State of the Republic of Indonesia.

3. The Village Government is the Village Head assisted

Village officials as organizing elements

Village government.

4. The next Village Consultative Body abbreviated as BPD is the implementing agency the function of the government whose members constitute representatives of the Village residents based on representation territory and determined democratically.
5. The Village Head is the Head of the Village Government directly elected by the people through elections Village head.
6. Village Revenue and Expenditure Budget hereinafter referred to as APBDesa, is the plan Village Government annual finances.
7. Village Regulations are statutory regulations invitation stipulated by the Village Head after discussed and agreed with the BPD.
8. Joint Village Head Regulations are regulations determined by the Village Head of 2 (two) Villages or more that are discussed and agreed upon together in Inter-Village Deliberations within the framework of work the same between villages.
9. Inter-Village Deliberation, hereinafter abbreviated MAD is a joint deliberation between villages with other villages attended by each BPD, Village Government, and community elements held by mutual agreement Villages in the context of cooperation between Villages.
10. Village-Owned Enterprises Together with Institutions Village Finance, hereinafter referred to as Village BUM Together LKD is an established legal entity by 2 (two) villages or more to manage the business revolving funds from the former National Empowerment Program Rural Independent Communities for the size of greatly improve the welfare of society Village.
11. BUM Desa Joint LKD business is an activity managing ex-program community revolving funds National Independent Community Empowerment Rural.

12. The BUM Village Joint LKD Business Unit is
  - economic activities and/or public services
  - legal entity that carries out the functions and objectives of BUM Desa Together with Financial Institutions Village.
13. National Community Empowerment Program Rural Mandiri, hereinafter referred to as PNPM MPd is a program to speed things up integrated poverty alleviation and sustainable development-based participatory.
14. Former PNPM-MPd community revolving fund hereinafter abbreviated as DBM Ex PNPM-MPd is all funds sourced from the Central Government and/or Regional Government through assistance directly from the PNPM-MPd and/or PPK community as well as its development or growth, which given to the community for activities revolving loan according to the existing mechanism set.
15. Ex PNPM MPd DBM Manager is the entirety institutions in decision making and Implementation of activities includes cooperation bodies between PNPM MPd Villages,
16. Articles of Association, hereinafter abbreviated as AD is a series of governing provisions BUM Desa Joint LKD operations contain the most a little name, place of residence, purpose and objectives, capital, business activities, time period establishment of BUM Desa Together with LKD, organization management and procedures for use and profit sharing in order to create orderliness, effectiveness and business objectives of BUM Desa Together with LKD.

17. Bylaws, hereinafter abbreviated

ART is a rule that contains an explanation and/or implementation of AD rules containing the most a few rights and obligations, terms of service, procedures appointment and dismissal of personnel

BUM Village management organization together with Institutions Village Finance.

CHAPTER II

FORMATION AND APPROVAL OF THE BUDGET  
BASIS OF BUM VILLAGE WITH LKD

Part One

Establishment of BUM Desa Together with LKD

Section 2

The formation of BUM Desa together with LKD was carried out with a transfer from the Ex. DBM activity manager PNPM-MPd namely:

- a. Assets acquisition;
- b. Institutional transfer;
- c. Transfer of personnel; And
- d. Transfer of business activities.

Article 3

- (1) The entire assets of the Ex PNPM-MPd DBM become collectively owned by the Village community in 1 (one) Ex PNPM-MPd sub-district.
- (2) The assets as referred to in paragraph (1) are transferred as capital participation to the Village community BUM Village Together with LKD.

## Article 4

BUM Desa together with LKD in order to manage business, utilizing assets, developing investments and productivity, providing services for the greatest welfare of the Village community, Village ...(*village name*)..., Village ...(*village name*)..., etc. and Village ...(*name of village*)... established BUM Desa Bersama LKD ...(*Name of Joint Village BUM*)... .

## Article 5

- (1) Ex PNPM-MPd DBM Activity Manager, assets and business activities are transferred to the management of BUM Desa Bersama LKD ...(*Name of BUM Desa Bersama*)
- (2) When structuring the activity management organization Former PNPM-MPd DBM becomes Joint Village BUM LKD, all Ex PNPM DBM management personnel MPd must be designated as an employee and placed in the BUM Desa organizational structure Together with LKD with consideration suitability of organizational needs and governance practices manage well.

The second part  
AD Ratification

## Article 6

Ratify AD BUM Village Together with LKD ...  
as stated in the attachment to the Regulations  
Together with the Village Head who is part of it  
is an integral part of this Joint Village Head Regulation.

CLOSING

Article 7

This Joint Regulation of Village Heads comes into force on the date of promulgation.

So that everyone knows, ordered promulgation of this Joint Village Head Regulation with its placement in Village News... (Village Name), Village News... (Village Name), etc. and Village News... (Village Name).

Set in ... on the date of ...

VILLAGE HEAD...

VILLAGE HEAD...

VILLAGE HEAD...

signature  
NAME

signature  
NAME

signature  
NAME

Promulgated in ... on  
the date of ...  
VILLAGE SECRETARY  
...

Promulgated in ... on  
the date of ...  
VILLAGE SECRETARY  
...

Promulgated in ... on  
the date of ...  
VILLAGE SECRETARY  
...

signature  
NAME

signature  
NAME

signature  
NAME

VILLAGE NEWS... (Village Name) YEAR... NUMBER...  
VILLAGE NEWS... (Village Name) YEAR... NUMBER...  
VILLAGE NEWS... (Village Name) YEAR... NUMBER...

ATTACHMENT TO THE VILLAGE HEAD'S  
 JOINT REGULATION ... NUMBER .....  
 VILLAGE HEAD ... NUMBER .....  
 VILLAGE HEAD ... NUMBER ..... etc  
 ABOUT  
 FORMATION OF BUSINESS ENTITIES  
 JOINT VILLAGE OWNERSHIP  
 VILLAGE FINANCIAL INSTITUTIONS  
 ...(NAME OF TOGETHER VILLAGE BOOM)...

#### ARTICLES OF ASSOCIATION

BUM VILLAGE WITH LKD.... *(Name of Joint Village BUM)*

#### INTRODUCTION

By the Grace of God Almighty, based on the provisions of Article  
 73 paragraph (1) Government Regulation Number 11 of 2021 concerning Agencies  
 Village-Owned Enterprise that manages Community Revolving Fund activities  
 The former National Program for Rural Independent Empowerment must be established  
 become a Joint Village-Owned Enterprise. By strengthening this status, the role of BUM  
 Desa Bersama becomes important which aims to accelerate poverty reduction in an  
 integrated and integrated manner  
 sustainable as an effort to protect former PNPM assets  
 MPd. It is hoped that the former PNPM-MPd Community Revolving Fund will be available  
 improve the economic institutional capacity of the community and  
 as a provider of business capital. The activities come from revolving funds  
 society in the form of Productive Economic Enterprises and Savings and Loans  
 District Women's Group .....

#### PIG

#### NAME AND DOMINANCE

#### article 1

- (1) BUM Desa Bersama LKD is called BUM Desa Bersama LKD ...  
*(name of BUM Desa Bersama).*
- (2) Village-Owned Enterprises Together with LKD ... as referred to in paragraph (1) which  
 is further referred to in these Articles of Association  
 BUM Desa Bersama LKD ... *(name of BUM Desa Bersama).*
- (3) BUM Village Together with LKD ... *(name of BUM Desa Bersama)*  
 domiciled in the District... , Sukoharjo Regency.

CHAPTER II  
SYMBOL AND STAMP

Section 2

- (1) BUM Village Together with LKD ... has a symbol ..... with basic colors.....symbols.....
- (2) BUM Village Together with LKD ... has an oval-shaped stamp contains the name of BUM Desa Bersama LKD .....

CHAPTER III  
AIMS AND OBJECTIVES OF FORMATION

Article 3

- (1) The purpose of establishing BUM Desa Together with LKD ..... (name of BUM Joint Village) as an effort to increase productivity business in the economic sector and/or community empowerment, legal protection for assets belonging to the community and sustainability of poverty reduction goals in the Village.
- (2) The purpose of establishing BUM Desa Together with LKD... (name of BUM Joint Village) for:
- a. accelerate poverty reduction through approaches empowerment of village communities;
  - b. strengthening community participation in development and empowerment of village communities through the adoption process MAD decisions and transparent and accountable governance of BUM Desa Together with LKD;
  - c. carrying out economic business activities through fund management rolling of the former PNPM-MPd community; And
  - d. increase group business activities, expand employment opportunities and increasing people's income.

Article 4

Management of BUM Desa Bersama LKD ... (name of BUM Desa Bersama) is family held based on Spirit And mutual cooperation with the principle:

- a. professional;
- b. participative;

- c. accountable and transparent;
- d. prioritization of local resources; And
- e. sustainable.

## CHAPTER IV

## TYPE OF BUSINESS

## Article 5

Types of BUM Village Business with LKD ... (name of BUM Desa Bersama)

as follows :

- a. community revolving fund loans for Productive Economic Enterprises and Women's Group Savings and Loans; And
- b. other financial businesses in accordance with statutory provisions.

## CHAPTER V

ORGANIZATION OF BUM DESA BERSAMA LKD ... (name of BUM Desa Bersama)

## Part One

## General

## Article 6

BUM Desa organization with LKD ... (name of Village BUM Together) consists of:

- a. MAD;
- b. advisor;
- c. operational executor; And
- d. supervisor.

## The second part

## MAD

## Article 7

(1) MAD is the highest authority holder in BUM Desa Together with LKD.

(2) MAD can be initiated by operational implementers, advisors, and/or supervisor.

## Article 8

MAD consists of:

- a. annual MAD; And
- b. MAD special.

## Article 9

- (1) MAD as intended in Article 7 is followed by:
  - a. Village Heads from all Villages in one sub-district area former PNPM-MPd location;
  - b. elements of the Village Consultative Body from all villages within one sub-district where the former PNPM-MPd is located;
  - c. Ex PNPM-MPd DBM activity manager;
  - d. Regional apparatus in charge of empowerment affairs community and village;
  - e. sub-district elements;
  - f. community representatives in one sub-district location ex PNPM-MPd; And
  - g. other invitations.
- (2) In the event that the former PNPM-MPd sub-district location contains sub-districts, MAD involves village heads, sub-district community institutions, and village community representatives.
- (3) Community representatives as intended in paragraph (1) letter f consists of:
  - a. representatives of productive economic business groups and/or groups women's savings and loan groups;
  - b. representatives of poor/vulnerable beneficiary households; And
  - c. representatives of community leaders.
- (4) Community representatives as referred to in paragraph (3), are selected in the Village deliberations of each Village with consideration of gender justice.
- (5) Decision making in MAD is carried out by the Village Head, Village Consultative Body, and community representatives as a Village and/or sub-district representative who has rights voice.
- (6) MAD decisions are taken based on deliberation for reach consensus or majority vote.
- (7) The person responsible for organizing MAD is the daily implementer advisor.
- (8) The place where the MAD is held is determined by the party initiate MAD.

## (9) Further provisions regarding decision making procedures

MAD and internal meetings are regulated in the ART.

## Article 10

MAD authorized:

- a. determine the establishment of BUM Desa Together with LKD;
- b. establish AD BUM Desa Together with LKD and its amendments;
- c. discuss and decide on the number, organization, rights and obligations, as well as the authority of the party receiving the power of attorney's functions advisory;
- d. discuss and agree on the structuring and rollover of advisors LKD;
- e. appoint and permanently dismiss executors operational of BUM Desa Together with LKD;
- f. appoint supervisors;
- g. appoint secretary and treasurer of BUM Desa Bersama LKD;
- h. give approval for capital participation by BUM Desa Together with LKD;
- i. give approval to the draft work program plan and the cost budget plan submitted by the implementer operations after review by supervisors and advisors;
- j. give approval for the BUM Desa Joint LKD loan with a certain amount as stipulated in AD BUM LKD Joint Village;
- k. give approval for cooperation between BUM Desa and LKD with the value, amount of investment, and/or certain forms of cooperation with other parties as stipulated in the AD BUM Desa Together with LKD;
- l. determine the distribution of the net profit of BUM Desa Bersama LKD;
- m. determine the purpose of using the net profit of BUM Desa Bersama LKD;
- n. decide on the assignment of Villages to BUM Desa Bersama LKD to carry out certain activities;
- o. decided to close the BUM Desa Bersama LKD business unit;

- p. determine priorities for the use of distribution of BUM Business results Village with LKD and/or Village BUM Business Unit with LKD which is handed over to the Village;
- q. receive the annual report of BUM Desa Bersama LKD and declares the release of the responsibility of the advisor, executor operational, and supervisory;
- r. discuss and decide on covering BUM Desa losses Together with LKD with BUM Village assets with LKD;
- s. discuss and decide on the form of accountability must be implemented by advisors, operational implementers, and/or supervisors in the event of a loss to BUM Desa Bersama LKD caused by intentional or negligent elements;
- t. decided to resolve the losses through legal proceedings in terms of advisors, operational implementers, and/or supervisors not showing good faith in carrying out responsibilities;
- u. decided to stop all BUM Desa operational activities Together with LKD due to certain circumstances;
- v. appoint a settler in order to settle all obligations and distribute assets or assets resulting from the termination of activities BUM Village business together with LKD;
- w. ask for and accept the resolver's accountability; And
- x. order a supervisor or appoint an independent auditor to carry out an investigative audit if there are indications errors and/or negligence in the management of BUM Desa Together with LKD.

#### Article 11

- (1) In the annual MAD as intended in Article 8 letter a:
  - a. operational executor conveys:
    - 1. End of fiscal year accountability report made by the financial manager known to the director to obtain MAD approval;
    - 2. work program plans and income budget plans and current year's expenditure to obtain approval and ratification by MAD which will become a work program and BUM Village income and expenditure budget together with LKD.

- (2) the distribution and use of annual business results is determined previously, in the case of BUM Desa Bersama LKD having positive retained earnings.
- (3) the supervisor submits an evaluation of the implementer's performance operational.
- (2) Annual MAD as intended in Article 8 letter a held no later than 3 (three) months after closing the book.

#### Article 12

MAD as referred to in Article 8 letter a at least decides the responsibility of operational implementers.

#### Article 13

- (1) Special MAD as intended in Article 8 letter b can be held at any time under the circumstances requires immediate decision authority is on MAD.
- (2) Special MADs may be held at the request of the advisor, operational executor and/or supervisor.
- (3) Special MAD has the same authority as annual MAD authority.

### Part Three

#### Advisor

#### Article 14

- (1) The advisor as referred to in Article 6 letter b is held concurrently by the Village Head.
- (2) The Village Head as intended in paragraph (1) gives power to another party to carry out functions advisory.
- (3) Other parties as intended in paragraph (2) are determined number of members, organization, rights and obligations as well as authority by considering professionalism or expertise, effectiveness and efficiency in accordance with the development, capabilities and needs of BUM Desa Bersama LKD.
- (4) Other parties as intended in paragraph (3) originate from personnel of the former PNPM-MPd inter-Village cooperation agency.

- (5) Other parties as intended in paragraph (3) for carry out advisory functions, hereinafter referred to daily executor of advisors.
- (6) The daily executor of the advisor carries out daily tasks advisory and/or holding institutional coordination meetings BUM Village Together with LKD at least 1 (one) time in 1 (one) month.
- (7) The advisor's daily executive membership structure consists of:
  - a. Chairman concurrently member,
  - b. secretary cum member, and
  - c. daily executive and member.
- (8) The provisions for the advisor's daily work procedures are regulated in ART BUM Village Together with LKD.

#### Article 15

Authorized advisor:

- a. together with operational implementers and supervisors, discuss and agree to the AD/ART of BUM Desa Together with LKD and/or amendments thereto;
- b. together with the supervisor, review the work program plan submitted by the operational implementer to be submitted to MAD;
- c. determine the permanent dismissal of operational implementers according to MAD decision;
- d. in certain circumstances temporarily suspend operational executor and takes over operational implementation BUM Village Together with LKD;
- e. together with operational implementers and supervisors, prepare and submit financial analysis, activity plans and needs in the context of planning additional Village capital and/or the Village community to submit to MAD;
- f. reviewing business management implementation reports BUM Desa Together with LKD by operational implementers and reports supervision by supervisors before submission to MAD in the annual report;
- g. determine the acceptance or ratification of the BUM annual report LKD Joint Village based on MAD decision;

- h. together with the supervisor, provide approval for BUM Desa Joint LKD loan with a certain amount as stipulated in the AD BUM Desa Bersama LKD; And
- i. together with the supervisor, provides approval for work with BUM Desa Together with LKD with value, investment amount, and/or certain forms of cooperation with other parties as stipulated in the AD BUM Desa Bersama LKD.

#### Article 16

Advisor on duty:

- a. provide input and advice to operational implementers in carrying out the management of BUM Desa together with LKD;
- b. reviewing work program plans and establishing plans BUM Desa Joint LKD work program based on decisions MAD;
- c. accommodate aspirations for business and organizational development BUM Desa Together with LKD in accordance with AD and ART;
- d. together with the supervisor, review the top semester report implementation of BUM Village business management together with LKD;
- e. together with the supervisor, review the annual report on implementation BUM Village business management together with LKD to be submitted to MAD;
- f. provide consideration in developing the business and organization of BUM Desa Together with LKD in accordance with AD and ART and/or MAD decision;
- g. provide suggestions and opinions regarding problems considered important for the appropriate management of BUM Desa Together with LKD with AD and ART and/or MAD decisions; And
- h. request an explanation from the operational implementer regarding the issue of managing BUM Desa Together with LKD in accordance with the AD and ART and/or MAD decisions.

#### Article 17

The Advisor has the right:

- a. authorizes another party to carry out functions advisory;

- b. obtain legitimate income according to ability  
BUM Village Together with LKD minimum IDR..... And  
maximum IDR .....;and
- c. other parties as intended in letter a are further regulated  
in Art.

Part Four  
Operational Executor

Article 18

- (1) Operational implementer as intended in Article 6 letter  
c appointed by MAD.
- (2) MAD selects operational executors as in paragraph (1)  
from the name proposed by the Village Head, BPD and elements  
public.
- (3) Operational implementation as in paragraph (1) is carried out by  
director of BUM Desa Bersama LKD.
- (4) The operational implementer as referred to in paragraph (3) is an individual  
an individual who must meet the requirements of expertise, integrity,  
leadership, experience, honesty, good behavior, as well  
has high dedication to advancing and  
developing BUM Desa together with LKD.
- (5) The Director is assisted by several managers who come from the former  
PNPM-MPd according to task load and capabilities  
funding.
- (6) The administrative manager can be held by the secretary of the DBM Ex  
PNPM-MPd activity management unit, acting to organize correspondence,  
documents and reporting to the Village government,  
setting work mechanisms and schedules, making publications  
revolving fund activities, ensuring services and access  
information to the public.
- (7) The financial manager can be held by the treasurer of the management unit  
Ex PNPM-MPd DBM activities, acting as cashier and  
bookkeeping administration manager.
- (8) The financial manager as stated in paragraph (7) may be assisted by several  
staff, such as billers, tellers, etc.

- (9) The verification manager can be held by the head of the unit verification team the manager of DBM Ex PNPM-MPd activities, is responsible ensure loan applications comply with procedures and established criteria.
- (10) The verification manager as referred to in paragraph (9) can be assisted in some way staff person who will carry out document verification, analysis loans, surveys, and loan eligibility.
- (11) The funding manager can be held by the head of the unit funding team the manager of DBM Ex PNPM-MPd activities, is responsible determine the feasibility of a loan application.
- (12) The funding manager as referred to in paragraph (11) can receive several assistance staff while still considering funding capabilities.
- (13) Loan restructuring and problem handling managers can held by the former PNPM-MPd empowerment section, on duty Analyze collectibility reports or loan problems and approaching and coaching, taking steps persuasive, as well as legal steps to the user group to work together to find the best solution.
- (14) Loan restructuring and problem handling manager as in paragraph (13) can submit a proposal to the director of functions MAD held regarding loan restructuring and report problems and provide recommendations.
- (15) Dismissal mechanism, term of service, executive working hours operations and requirements, rights and duties of employees are further regulated in ART.

#### Article 19

- (1) Individuals as intended in Article 18 paragraph (4) must meet the following requirements:
- a. residents of Sukoharjo Regency;
  - b. physically and mentally healthy (not suffering from any disease may hinder his duties as Director);
  - c. have dedication and devote full time to carry out duties as director;
  - d. Minimum diploma 3 (three) equivalent;
  - e. able to carry out legal actions;
  - f. never been convicted of a criminal offense;

- g. have adequate skills and knowledge regarding  
businesses in the economic sector and/or public services;
- h. have leadership and cooperation skills;
- i. is not currently holding another position and is prohibited from holding concurrent positions  
positions based on statutory regulations;
- And
- j. former head of the DBM activity management unit Ex PNPM-MPd who  
fulfill the requirements as in paragraph (1) to be designated as  
director based on MAD's decision.

#### Article 20

Director has authority:

- a. together with advisors and supervisors, discuss and agree  
ART BUM Village Together with LKD and/or its amendments;
- b. make decisions regarding the operationalization of BUM Desa businesses  
Together with LKD which is in line with the BUM Desa policy lines  
Together with the LKD stated in the AD and ART and decisions  
MAD;
- c. coordinating the implementation of BUM Desa business together with LKD  
internally within the organization and with other parties;
- d. regulates provisions regarding employment, salary determination,  
allowances and other benefits for BUM Desa Bersama employees  
LKD ;
- e. appoint and dismiss BUM Desa Bersama employees  
LKD other than secretary and treasurer based on regulations  
legislation regarding employment;
- f. take out a BUM Village loan with LKD after obtaining it  
MAD or advisor approval in accordance with the provisions in AD BUM  
LKD Joint Village;
- g. collaborate with other parties to develop  
BUM Village business together with LKD after obtaining approval  
MAD or advisor in accordance with the provisions in the Village AD BUM  
Together with LKD;
- h. carry out the distribution of the net profit of BUM Desa Bersama  
LKD as determined by MAD;
- i. carry out the aim of using the net profit of BUM Desa Bersama  
LKD as determined by MAD;

- j. carry out certain activities assigned by MAD;
- k. act as resolver in the event that MAD does not appoint resolver; And
- l. organize, administer, manage, carry out all actions and/or other actions for the purposes of managing BUM Village Together with LKD regarding everything and all events, with restrictions as regulated in the AD, decision MAD, and/or in accordance with statutory provisions invitations, as well as representing BUM Desa Together with LKD inside and out outside court.

### Article 21

The Director has duties:

- a. carry out all actions related to management BUM Desa Bersama LKD for the benefit of BUM Desa Bersama LKD and in accordance with the aims and objectives of BUM Desa Bersama LKD and representing BUM Desa Together with LKD in and/or at outside the court regarding all matters and all incidents, with restrictions as regulated in the AD BUM Desa Bersama LKD, MAD decisions and/or statutory provisions invitation;
- b. prepare and implement the BUM Desa work program plan Together with LKD;
- c. prepare a semi-annual report on the implementation of BUM Desa business management with LKD to be submitted to advisors and supervisor;
- d. prepare an annual report on the implementation of BUM business management Joint Village LKD to be submitted to MAD after review by advisors and supervisors;
- e. at the request of the advisor, explain management issues BUM Desa Bersama LKD to advisors;
- f. explains the problem of managing BUM Desa Together with LKD to MAD;
- g. determine approval of the group loan amount; And

- h. together with advisors and supervisors, compile and submit financial analysis, activity plans and needs in the context of planning additional Village capital and/or the Village community to submit to MAD.

#### Article 22

The director has the right:

- a. representing BUM Desa Bersama LKD inside and outside the court about everything and in all events;
- b. earn income consisting of:
  1. salary;
  2. allowance;
  3. annual award money; And
  4. after-duty community service;
- c. the director's salary as referred to in letter b number (1) is the highest Rp. 6,000,000.00 (six million rupiah) is paid every month accordingly financial capacity of BUM Desa Together with LKD;
- d. allowances as referred to in letter b number (2) are regulated further further in ART;
- e. annual award money as referred to in letter b number (3) further regulated in the ART;
- f. after-duty community service services as intended letter b number (4) is further regulated in ART

#### Article 23

- (1) The director resigns because:
  - a. die;
  - b. own request; And
  - c. dismissed
- (2) The Director is dismissed as intended in paragraph (1) letter c because:
  - a. end of term of office;
  - b. unable to carry out their duties continuously or permanent absence for 6 consecutive months;
  - c. violates the provisions of AD, ART and/or regulations legislation;

- d. involved in actions that are detrimental to BUM Desa Bersama LKD and/or Village;
- e. carry out actions that violate ethics and/or propriety who should be respected as director of BUM Desa Together with LKD; And
- f. involved in a criminal case with a court decision has permanent legal force.

(3) The dismissal mechanism is further regulated in ART.

#### Article 24

The Director holds office for 5 (five) years and can be appointed return for a maximum of 2 (two) terms of office with consideration assessed as capable of carrying out duties well over time position, cadre formation, and avoiding conflicts of interest.

#### Article 25

Directors whose term of office ends can continue their service in the BUM Desa Bersama LKD staffing structure, taking into account the need for work effectiveness, competency suitability, follow-up on evaluation results, and also considering age according to employee age limits.

#### Article 26

- (1) In the event that the director continues his service as stated in Article 25, then the advisor and the supervisor discuss about restructuring and promotion of BUM Desa employees together with LKD.
- (2) The advisor assigns the supervisor to carry out assessment of the substance that is the subject of discussion among others:
  - a. changes in rules/institutional arrangements;
  - b. conducting studies and reviews regarding institutional effectiveness and structuring;
  - c. conduct interviews regarding conditions and abilities as well capacity in order to carry out tasks and obligation; And

- d. transfer of duties, namely mutation and/or transfer of position for increasing the productivity of BUM Desa employees together with LKD to work in accordance with their competencies.
- (3) The supervisor reports the results of the assignment and delivers it recommendations regarding the main substance of the discussion based on performance assessment.
- (4) Advisors through institutional meetings discuss, agree, and determine whether or not the restructuring will be approved BUM Village employees with LKD.
- (5) If the results of discussions regarding the restructuring of BUM employees The LKD Joint Village was approved by the meeting participants, then the advisor issue a decision letter on organizational restructuring of employees BUM Village Together with LKD.
- (6) The advisor conveys the results of the organizational restructuring to MAD forum to set.

## Part Five

### Supervisor

#### Article 27

- (1) Supervisors are appointed from individuals proposed by Village Head, BPD, and/or community elements in MAD.
- (2) The individual as intended in paragraph (1) must Qualifying requirements include:
- a. residents of Sukoharjo Regency;
  - b. physically and mentally healthy (not suffering from any disease may hinder duties as supervisor);
  - c. have dedication to carry out their duties as a supervisor;
  - d. Minimum high school education or equal;
  - e. never been convicted of a criminal offense;
  - f. have experience, knowledge and special skills related to adequate supervision regarding administration, finance and business; And
  - g. Have leadership and collaboration skills.
- (3) Individuals who meet the requirements in paragraph (2) and is selected as a supervisor specified in the MAD.

- (4) Former supervisor of the DBM activity management unit, Ex PNPM-MPd meets the requirements as in paragraph (2) is designated as supervisor based on MAD decision.

#### Article 28

Supervisors hold office for 5 (five) years and can be reappointed for a maximum of 2 (two) terms of office on the basis that they are deemed capable of carrying out their duties well during their term of office, cadre formation, and avoiding conflicts of interest.

#### Article 29

- (1) The supervisor stops because:
- g. die;
  - h. own request; And
  - i. dismissed.
- (2) The supervisor is dismissed as intended in paragraph (1) letter c because:
- a. end of term of office;
  - b. unable to carry out his duties continuously or permanently absent for 6 (six) consecutive months;
  - c. violates the provisions of the AD, ART and/or regulations laws;
  - d. involved in actions that are detrimental to BUM Desa Bersama LKD and/or Village;
  - e. carry out actions that violate the ethics and/or propriety that should be respected as director of BUM Desa Bersama LKD; And
  - f. involved in a criminal case with a court decision has permanent legal force.
- (3) The dismissal mechanism is further regulated in ART.

#### Article 30

Supervisors are authorized to:

- a. together with the advisor, review the draft program plan work submitted by the operational implementer to be submitted to MAD;
- b. together with advisors and operational implementers, discuss and agree on the AD/ART of BUM Desa Bersama LKD and/or amendments thereto;

- c. together with advisors, provide approval of  
BUM Desa Joint LKD loan with a certain amount  
as stipulated in the AD BUM Desa Bersama LKD;
- d. together with the advisor, provides approval for the work  
with BUM Desa Together with LKD with value, investment amount,  
and/or certain forms of cooperation with other parties  
as stipulated in the AD BUM Desa Bersama LKD;
- e. together with advisors, compile and deliver analysis  
finances, activity plans and needs in order  
planning for additional Village and/or Village community capital to MAD;
- f. at the behest of the MAD, carry out and report audits  
investigative if there are indications of error and/or  
negligence in the management of BUM Desa Together with LKD  
could potentially harm BUM Desa Bersama LKD; And
- g. carry out inspections of all transactions carried out  
by BUM Desa Together with LKD both internal transactions, groups,  
or to the bank along with examination of the evidence;
- h. report to the advisor if management violations occur  
revolving funds and provisions stipulated in the MAD, as well  
provide suggestions for solutions; And
- i. provide an assessment of the performance of operational implementers.

### Article 31

Supervisor in charge:

- a. supervising management policies and the running of BUM Desa Bersama  
LKD by the implementer  
operations including supervision of program implementation  
work, in accordance with AD, MAD decisions, and/or regulatory provisions  
legislation;
- b. submit reports on the results of inspections or supervision  
annually to MAD;
- c. reviewing the semester implementation report  
managing the BUM Desa business together with LKD from the implementer  
operations to be submitted to advisors;
- d. together with the advisor, review the planned work program  
submitted from the operational implementer to be submitted to MAD;

- e. together with the advisor, review the report  
annual implementation of BUM Village business management together with LKD  
by operational implementers before submission to MAD;
- f. provide an explanation or information about the results of the supervision  
in MAD;
- g. supervising the results of MAD decisions; and
- h. provide input/recommendations to MAD.

#### Article 32

Supervisors are entitled to receive income consisting of:

- c. The maximum incentive is IDR... calculated from the profit allocation  
clean; And
- d. other legitimate income according to the capabilities of BUM Desa Bersama  
LKD.

#### Part Six Appointment Procedures

#### Article 33

- (1) Appointment of directors, managers and staff of BUM Desa Bersama LKD  
must be adjusted according to the principle:
  - a. professionalism;
  - b. openness; And
  - c. prioritize local sub-district communities.
- (2) Appointment of directors, managers and staff of BUM Desa Bersama LKD  
based on the needs and financial capabilities of the Village BUM  
Together with LKD.
- (3) Appointment of directors, managers and staff of BUM Desa Bersama LKD  
as intended can be done by:
  - a. appointment; and/or
  - b. selection.
- (4) Appointment of directors, managers and staff of BUM Desa Bersama LKD  
as referred to in paragraph 3 letters a and b technically  
a code of conduct/frame of reference for activities is created.

#### Article 34

- (1) Supervisor and operational implementer of BUM Desa Together with LKD  
can be dismissed if:
  - a. die;

- b. the end of the period of devotional service;
- c. currently undergoing legal proceedings; And
- d. resign.

(2) Supervisor and operational implementer of BUM Desa Together with LKD together who are dismissed as in paragraph (1) because:

- a. violates the norms and/or rules that apply in public; And
- b. violates the provisions and regulations of BUM Desa Bersama LKD.

#### CHAPTER V

### OWNERSHIP, CAPITAL, ASSETS AND LOANS

#### Part One

#### Ownership

#### Article 35

BUM Desa Bersama LKD... ....(name of BUM Desa Bersama) as referred to in article 1 (one), the ownership status is joint property of the village community in 1 (one) sub-district... registered as a beneficiary, with a minimum age of 17 (seven twelve) years old and/or married.

#### The second part

#### Capital

#### Article 36

(1) Capital of BUM Village Together with LKD consists of:

- a. joint capital participation with villages;
- b. Village community capital participation;
- c. part of business profits determined in the Deliberation Village/MAD to increase capital; And
- d. other legitimate sources.

(2) Village community capital participation as referred to in paragraph (1) letter b comes from the entire community revolving fund assets Ex PNPM-MPd whose ownership status is ownership

together with the Village community in 1 (one) Ex-PNPM sub-district MPd.

- (3) The initial capital of BUM Desa Together with LKD is IDR .....  
 (..... rupiah), with the following details:
- a. joint capital participation of the Villages Rp..... (..... rupiah); And
  - b. Village community capital participation Rp..... (..... rupiah).

### Part Three

#### Asset

#### Article 37

- (1) The assets of BUM Desa Together with LKD are sourced from:
- a. equity capital;
  - b. non-binding assistance including grants;
  - c. business results; and
  - d. other legitimate sources.
- (2) Development and existence of BUM Desa assets together with LKD reported periodically every month in the financial reports.

#### Article 38

- (1) Non-binding assistance includes grants as intended in article 37 paragraph (1) letter b can come from the Government Central, Regional Government, and/or other parties.
- (2) Assistance as intended in paragraph (1) becomes a BUM asset LKD Joint Village.

### Part Four

#### Loan

#### Article 39

- (1) BUM Desa Together with LKD can make loans carried out in accordance with the principles of transparency, accountability, efficient and effective, and careful in accordance with the provisions legislation.
- (2) Joint LKD BUM Village loans can be made to financial institutions with the following conditions:

- a. The loan is used for developing BUM Desa businesses  
Together with LKD;
- b. the period of obligation to repay the principal of the loan,  
interest, and other costs within a period not to exceed  
remaining term of office of the Director;
- c. have healthy BUM Desa Bersama LKD financial reports  
at least 2 (two) consecutive years;
- d. does not result in changes in the proportion of capital ownership;  
And
- e. Village assets that are managed, borrowed for use, rented and benefited from  
by BUM Desa Bersama LKD, cannot be used  
guarantee or collateral.

#### Article 40

- (1) Loans as intended in article 39 have value  
more than or equal to IDR 200,000,000.00 (two hundred million  
rupiah) is carried out after obtaining MAD approval.
- (2) Loans as intended in article 39 with a value of less than Rp. 200,000,000.00 (two  
hundred million rupiah) are made  
after obtaining the approval of the advisor and supervisor.

#### CHAPTER VI

### COMMUNITY ROLLING FUNDS

#### Part One

#### Revolving Fund Target

#### Article 41

- (1) The target beneficiaries of revolving funds are communities in the region  
Subdistrict ..... to fund economic activities  
channeled through the Productive Economic Business group and  
Women's Group Savings and Loans group.
- (2) Beneficiaries of revolving fund activities are prioritized from home  
poor households who have the ability and willingness to work or strive  
productively to provide added value and income to poor households.

#### The second part

#### Group Type

Article 42

- (1) Number of members of Productive Economic Business groups and groups Women's Group Savings and Loans who apply for loans Village BUM with LKD at least 5 (five) people.
- (2) Types of business groups, Productive Economic Businesses and groups The Women's Savings and Loans Group consists of:
  1. Savings and Loans Group (KSP) is a group that its members have savings management activities and loans with priority groups that have poor household members;
  2. Joint business groups (KUBE) are groups that have a joint venture which is jointly managed by group members, with group priorities that have poor household members; And
  3. miscellaneous business groups (KAU) are groups that members are poor households who own businesses managed individually by members.

Part Three

Loan Amount

Article 43

The loan size of group members is agreed in the MAD.

Part Four

Revolving Activity Lending Services

BUM Desa Bersama LKD (Name of BUM Desa Bersama).....

Article 44

- (1) The amount of loan services is agreed in the MAD with consider market interest.
- (2) The amount of loan service applied is a fixed service.
- (3) All loan services are paid to BUM Desa Bersama LKD.
- (4) Loan services as referred to in paragraph (3) are used for the operations of BUM Desa Bersama LKD as agreed in the MAD.

Part Five

Loan Term

## Article 45

- (1) The longest loan term is 36 (thirty six) month for the monthly installment period.
- (2) The group installment period is a maximum of 4 (four) months with consider the risk of traffic jams.

## Part Six

## Loan Forgiveness

## Article 46

- (1) Loan write-offs can be made to borrowers who die.
- (2) Loan write-off as in paragraph (1) is agreed in a limited institutional meeting of BUM Desa Together with LKD ..... and reported at the time of MAD.
- (3) Limited institutional meeting of BUM Village together with LKD ..... as in paragraph (2) consists of the following elements:
  - a. chairman, secretary and daily executive advisor;
  - b. supervisor;
  - c. director;
  - d. verification manager; And
  - e. representatives from village elements.
- (4) Representatives from village elements as intended in paragraph (3) letter e consists of:
  - a. Head of the Village concerned; And
  - b. head of the group concerned.
- (5) Loan write-off as intended in paragraph (1) regulated in the ART BUM Desa Bersama LKD.

## CHAPTER VII

## PROCUREMENT OF GOODS SERVICES

## Article 47

- (1) Procedures for procurement of goods and/or services are adjusted to needs of users of goods and/or services and implemented in accordance with principles, policies and ethical practices business world.
- (2) Procedures for procurement of goods and/or services are carried out through self-managed while still paying attention to quality, price and accountable goals.
- (3) In the case of procurement of goods and/or services through self-management as intended in paragraph (2) cannot be carried out through goods/service providers.

#### Article 48

- (1) Procurement of goods and/or services for BUM Desa with LKD value up to IDR 50,000,000.00 (fifty million rupiah) carried out by direct purchase by the implementer operational.
- (2) Procurement of goods and/or services for BUM Desa Bersama LKD with a value above Rp. 50,000,000.00 (fifty million rupiah) up to Rp. 200,000,000.00 (two hundred million rupiah) is carried out by direct appointment via request for quotation.
- (3) Procurement of goods and/or services for BUM Desa together with LKD as intended in paragraph (2) must be with approval advisor and supervisor.
- (4) Procurement of goods and/or services for BUM Desa Bersama LKD with a value above Rp. 200,000,000.00 (two hundred million rupiah) is carried out through providers by auction.

#### Article 49

Procurement of goods and/or services through goods/service providers as intended in Article 48 paragraph (4) in accordance with applicable laws and regulations.

#### CHAPTER VIII

### ASSET RECORDING

#### Part One

#### General

## Article 50

- (1) Recording of BUM Desa assets together with LKD based on price acquisition.
- (2) The inventory of BUM Village assets together with LKD is recorded in BUM Desa Bersama LKD bookkeeping using the straight line method.
- (3) Procurement of BUM Village assets together with LKD with the above value.
- (4) The value of goods that are useful for more than one year calculated and recorded as an asset of BUM Desa Bersama LKD.

## The second part

## Asset Type

## Article 51

- (1) Types of BUM Desa Joint LKD assets consist of:
  - a. current assets; And
  - b. non-current assets.
- (2) Current assets as referred to in paragraph (1) letter a are assets whose function and/or use is only for a short period of time or has a useful life of less than 1 (one) year consist of:
  - a. cash;
  - b. securities; And
  - c. receivables.
- (3) Non-current assets as intended in paragraph (1) letter b are assets whose function and/or use for more than 1 (one) year consist of:
  - a. land;
  - b. building;
  - c. office inventory; And
  - d. vehicle.

## Part Three

## Removal

## Article 52

- (1) Removal is the act of deleting goods belonging to BUM Desa Bersama LKD from the inventory book by publishing decision of the authorized official to release goods manager, goods user and/or user authority goods from administrative and physical responsibility for the goods is in his control.
- (2) The authorized official as in paragraph (1) is Director of BUM Village Together with LKD.
- (3) The abolition of the assets of BUM Desa Bersama LKD as intended in paragraph (1) must first be made into an official report and determined by the Director's decision after receiving approval in MAD.
- (4) Abolition of BUM Desa assets with LKD carried out with the auction mechanism being further regulated in the Village BUM ART Together with LKD.

## CHAPTER IX

## COOPERATION

## Article 53

- (1) BUM Desa together with LKD can collaborate with other parties.
- (2) Cooperation as intended in paragraph (1) consists of:
  - a. business cooperation; And
  - b. non-business cooperation.
- (3) Cooperation as referred to in paragraph (1) must be mutually beneficial and protect the interests of the Village community and the collaborating parties.

## Article 54

- (1) Business cooperation with investment value greater than or equal with IDR 200,000,000 (two hundred million rupiah) carried out after agreed in MAD;
- (2) Business cooperation with an investment value of less than Rp. 200,000,000.00 (two hundred million rupiah) was made after obtain advisor and supervisor approval;

## Article 55

(1) Other parties as intended in Article 53 paragraph (1)

includes:

- a. Central government;
- b. local government;
- c. non-governmental organizations;
- d. educational institutions;
- e. socio-cultural institutions; And
- f. BUM Desa/Village BUM Together with other LKD.

(2) BUM Desa together with LKD can collaborate with other parties as intended in Article 53 paragraph (1) in the field of financial services.

#### Article 56

(1) BUM Desa together with LKD can carry out business collaboration with BUM Desa Bersama LKD and BUM Desa Bersama Lintas subdistrict;

(2) Business cooperation as intended in paragraph (1) is carried out with the following provisions:

- a. Obtaining approval from MAD;
- b. carried out between sub-districts within 1 (one) district area after there is a cooperation agreement between BUM Desa Bersama LKD and/or Joint Village BUM;
- c. BUM Desa Bersama LKD borrowers have a health level good loan;
- d. BUM Desa Bersama LKD lenders no longer have poor households as targets to be served or on the waiting list; And
- e. BUM Desa Together with LKD lenders have funds higher idle *money* .

#### Article 57

(1) Non-business cooperation as intended in Article 53 paragraph

(2) letter b shall be made in the form of at least:

- a. transfer of technology, science, arts and culture; And
- b. increasing human resource capacity.

- (2) Non-business cooperation is carried out after obtaining approval advisor and supervisor.

## CHAPTER X

## MAIN PROVISIONS FOR DISTRIBUTION AND UTILIZATION OF BUSINESS RESULTS

## Article 58

The business results of BUM Desa Together with LKD consist of:

- a. gross business results, and
- b. net operating results.

## Article 59

Gross business results as intended in Article 58 letter a is income obtained from the results of business activities minus operational costs within 1 (one) year book.

## Article 60

- (1) Net business results as intended in Article 58 letter b are business results as in Article 59 after deduction risk reserves.
- (2) The net business results as intended in paragraph (1) consist of
  - a. retained business results; And
  - b. shared business results.
- (3) The minimum amount of business results retained is 65% (sixty five percent).
- (4) The maximum amount of business results distributed is 35% (thirty five percent).
- (5) Retained business results as intended in paragraph (2)
 

The letter a is used for additional funds or fertilization BUM Village capital together with LKD.
- (6) Business results distributed as in paragraph (2) letter b used consists of at least:
  - a. part of the collective property of the Village and Subdistrict community; And
  - b. Village section.

## Article 61

- (1) Parts of the collective property of the Village and Subdistrict community as intended in Article 60 Paragraph (6) letter a at most low by 80% (eighty percent).
- (2) Parts of the collective property of the Village and Subdistrict communities as intended in Article 60 paragraph (1) is used for:
  - a. social activities and household assistance poverty of at least 70% (seventy percent); And
  - b. enhancement capacity group economic endeavor productive/women's savings and loans, community training and the general utilization group is a maximum of 30% (thirty percent).
- (3) The amount of use of the shared property of the Village community and The subdistrict as referred to in paragraph (1) is decided in MAD;
- (4) Use of parts of the collective property of the Village community and Subdistricts as intended in paragraph (1) can be managed by:
  - a. BUM Village Together with LKD; And
  - b. Village Government as other Village income.
- (5) Use of parts of the collective property of the Village community and Subdistricts managed by the Village as referred to in paragraph (4) letter b must be managed with the following provisions:
  - a. used specifically for social activities and assistance to poor households, and capacity building of productive economic business groups/women's savings and loans, training for communities and benefit groups general; And
  - b. decided via MAD.

#### Article 62

- (1) Village Section as intended in Article 60 Paragraph (6) letter b is a maximum of 20% (twenty percent).
- (2) The Village section as intended in paragraph (1) is used for Village Original Income intended for the region Village status.

- (3) The village share as intended in paragraph (2) is given with provisions on the percentage of group loan access each village and/or their respective capital participation village.

## CHAPTER XI

## OPERATIONAL

## Article 63

- (1) Expenditure  
operational costs as intended in Article (59) in form of RAPB BUM Village Together with LKD.
- (2) RAPB  
as intended in paragraph (1) is prepared based on real needs of BUM Desa together with LKD or Service Standards  
The highest minimum LKD is 65% (sixty five percent) from income.
- (3) Expenditure  
operational costs as intended in paragraph (1) consist of:  
a. expenditure on salaries and allowances for operational implementers;  
b. administrative and general expenditure;  
c. transport spending;  
d. institutional operational expenditure;  
e. IPTW;  
f. inventory shrinkage;  
g. tax and bank administration; And  
h. annual award money.
- (4) RAPB BUM  
LKD Joint Villages are prepared by joint operational implementers supervisor, advisor and/or daily executor of the advisor then consulted with the Regional Apparatus in charge of community and village empowerment affairs.
- (5) Consultation results  
RAPB BUM Village Together with LKD as referred to in paragraph (4) discussed at the sub-district level and agreed upon in the MAD.

- (6) RAPB BUM  
 LKD Joint Village as intended in paragraph (5) after  
 agreed in the MAD reported to the Regent via  
 Regional apparatus in charge of empowerment affairs  
 community and Village no later than 1 (one) month.
- (7) More provisions  
 Further details regarding RAPB BUM Desa Together with LKD are regulated in ART.

## CHAPTER XII

## ADMINISTRATION, REPORTING AND ACCOUNTABILITY

## Part One

## Administration of activities

## Article 64

- (1) Joint Village BUM Management with LKD must be supported  
 with the administration of activities in an orderly, transparent and  
 accountable.
- (2) Administration as referred to in paragraph 1 (one) is used as material  
 for conducting analysis to become the basis for making decisions on revolving fund  
 management which includes:
- a. management register book;
  - b. meeting minutes book;
  - c. letter agenda book;
  - d. activity plan book;
  - e. activity report book;
  - f. financial administration book; And
  - g. goods inventory book.

## The second part

## Financial administration

## Article 65

- (1) The financial administration of BUM Desa Together with LKD is used for  
 record all financial transactions carried out which result in decreases and increases  
 in BUM Village assets  
 Together with LKD.

- (2) Financial administration as intended in paragraph 1 (one) consisting of at least:
- a. daily cash book;
  - b. Bank account book;
  - c. inventory book; And
  - d. other books according to the needs of BUM Desa Bersama.

### Part Three

#### Reporting

#### Article 66

- (1) Operational implementers are required to prepare and compile reports which contains the implementation of the BUM Village work program plan Together with LKD, in the form of:
- a. monthly report;
  - b. semester report; And
  - c. annual report.
- (2) The monthly report as intended in paragraph (1) letter a is submitted to the advisor consisting of at least:
- a. loan progress report;
  - b. loan collectibility report;
  - c. group progress reports;
  - d. problem loan report; And
  - e. microfinance balance sheet;
  - f. income statement; g. inventory reports; h. cash flow statement; i. statement of changes in capital;
  - j. revolving fund health report; And
  - k. checking account.
- (3) The financial report of BUM Desa Together with LKD is prepared every month in an orderly, transparent and accountable manner by the implementer operational and checked by supervisors
- (4) The financial report as intended in paragraph (3) is reported to the public through information media.

- (5) The financial report as intended in paragraph (4) is reported to the Regent through the Regional Apparatus in charge of affairs community and village empowerment every month at the latest the 10th (tenth) of the following month.
- (6) Semester report as intended in paragraph (1) letter b submitted to the advisor must contain at least:
- a. balance sheet and half-year profit and loss report along with the explanation; And
  - b. details of problems that arise during 1 (one) semester influencing the activities of BUM Desa Together with LKD.
- (7) Annual report as intended in paragraph (1) letter c submitted to MAD after review by advisors and supervisor, at least contains:
- a. business unit consolidated balance sheet and profit and loss report for one financial year along with explanations;
  - b. reports regarding the condition and running of BUM Desa Bersama LKD and the results that have been achieved;
  - c. The main activities of BUM Desa Together with LKD changes during fiscal year;
  - d. details of problems that arose during the financial year influencing BUM Desa activities together with LKD; And
  - e. Report on the duties and performance of advisors, supervisors and implementers operational for one year.
- (8) Apart from the report as intended in paragraph (1), the executor operations can provide special reports at any time to the supervisor and/or MAD.

#### Part Four

#### Accountability

#### Article 67

- (1) Accountability reports are made by operational executors delivered to Village communities in one sub-district through MAD at least 1 (one) time in 1 (one) year.
- (2) Accountability reports include performance reports for 1 (one) year regarding business performance, namely:
- a. business performance;

- b. success indicators;
- c. business profit distribution plan: and
- d. business development plan.

(3) Accountability report to the community for 1 (one)

year is made in the form:

- a. electronic media;
- b. banners;
- c. info graphics; And
- d. other information media.

CHAPTER XIII

DISADVANTAGES OF BUM VILLAGE WITH LKD

Article 68

- (1) If a loss occurs, BUM Desa Together with LKD is carried out inspection/audit by the supervisor.
- (2) Examination/audit as intended in paragraph (1) is possible  
This is done by appointing and requesting the assistance of an independent auditor.
- (3) settlement of losses is discussed and decided in the MAD based on the spirit of family and mutual cooperation.
- (4) losses of BUM Desa Bersama LKD caused by elements intent, negligence and/or error by the advisor, operational implementers and supervisors are the responsibility personally full.
- (5) The losses of BUM Desa Together with LKD as referred to in paragraph (4) are subject to an investigative audit. (6) in the case of advisors, operational implementers and/or supervisors did not show good faith in completing everything responsibility, then settlement of losses is achieved through legal route.

Article 69

Advisors, operational implementers and supervisors are free from all responsibility for losses if;

- a. the loss was not due to intention, negligence and/or error;

- b. has carried out its authority and duties in good faith  
and prudence for the benefit and in accordance with the intent  
and the objectives of BUM Desa Together with LKD based on MAD decisions;
- c. has no conflict of interest either directly or indirectly  
indirectly for actions that result in loss; And
- d. have taken action to prevent the emergence or  
continuing losses.

#### Article 70

- (1) Losses from BUM Desa Bersama LKD resulting from pure business failure are  
not caused by intention or negligence  
and/or errors of advisors, operational implementers and  
supervisors are recognized as a burden on BUM Desa Bersama LKD.
- (2) In the event that BUM Desa Together with LKD cannot cover  
losses due to business failure with assets and wealth  
owned, then discussed, decided and stated in the MAD.
- (3) Based on the results of the MAD as intended in paragraph (2), policy options can  
be taken:
  - a. if BUM Desa Bersama LKD has no creditors or assets  
BUM Desa Bersama LKD is returned to the capital investors  
and the business activities of BUM Desa Bersama were terminated  
LKD;
  - b. submit a request to the commercial court;
  - c. restructuring the finances of BUM Desa Together with LKD;
  - d. closing part of the BUM Desa Bersama LKD business, as well as reorganizing  
the BUM Desa Bersama LKD; And
  - e. other appropriate policies based on the spirit of family  
and mutual cooperation.

#### CHAPTER XIV

#### CLOSURE OF BUM VILLAGE WITH LKD

#### Article 71

- (1) BUM Desa together with LKD can close business units  
as follows :
  - a. there is a decrease in performance or failure;
  - b. There are indications that the BUM Desa business unit is with LKD  
causing losses to the Village community;

- c. deviations occur or management is not in accordance with the AD and ART  
BUM Desa Joint LKD business unit;
- d. other reasons agreed in the MAD; and/or
- e. other reasons based on court decisions and/or appropriate  
with the provisions of statutory regulations.

(2) Provisions regarding the closure of the BUM Desa Bersama business unit  
LKD in accordance with statutory provisions  
about BUM Village Together with LKD.

(3) At the time of closure of the BUM Desa Bersama LKD business unit as referred to in  
paragraph (1) the Village assets managed, rented, borrowed and benefited from by  
the BUM Village  
Together with LKD, it cannot be used as a guarantee, compensation,  
fulfillment of obligations or other achievements that are the responsibility  
legal responsibility of the BUM Desa Joint LKD business unit.

#### CHAPTER XV

#### PENALTY

#### Article 72

Advisors, Operational Executors, Supervisors and Village BUM Employees  
Together with LKD, sanctions can be imposed if:

- a. unable to carry out his duties properly  
continuous or permanent absence for 3 (three) consecutive months  
join in;
- b. violates the provisions of AD, ART and/or regulations  
legislation;
- c. involved in actions that are detrimental to BUM Desa  
Together with LKD;
- d. carry out actions that violate ethics and/or  
propriety; And
- e. involved in a criminal case with a court decision  
which has permanent legal force.

#### CHAPTER XVI

#### TRANSITIONAL PROVISIONS

#### Article 73

(1) In the event that there is a change to the AD, it must be decided through the MAD.

- (2) When this AD comes into effect, the Empowerment Trust Fund AD will be issued  
Community and/or other designations are revoked and declared non-existent  
applies.
- (3) Regarding the institution of the Community Empowerment Trust Fund  
which already has the status of a legal entity shall be dissolved through  
MAD.

CHAPTER XV

CLOSING

Article 74

These Articles of Association come into force from the date of stipulation.

Set in ... on the date  
of ...

VILLAGE HEAD...

VILLAGE HEAD...

VILLAGE HEAD...

signature  
NAME

signature  
NAME

signature  
NAME

Promulgated in ... on the  
date of ...  
VILLAGE SECRETARY  
...

Promulgated in ... on the  
date of ...  
VILLAGE SECRETARY  
...

Promulgated in ... on the  
date of ...  
VILLAGE SECRETARY  
...

signature  
NAME

signature  
NAME

signature  
NAME

REGENT SUKOHARJO,

signed.

ETIK SURYANI

APPENDIX II  
SUKOHARJO REGENCY REGULATIONS  
NUMBER 93 OF 2022  
ABOUT  
HOME BUDGET GUIDELINES  
OWNED BUSINESS ENTERPRISES  
VILLAGE WITH INSTITUTIONS  
VILLAGE FINANCE

FORMAT OF JOINT VILLAGE HEAD REGULATIONS REGARDING THE BUDGET  
HOUSEHOLDS VILLAGE OWNED BUSINESS ENTITIES TOGETHER WITH INSTITUTIONS  
VILLAGE FINANCE



JOINT REGULATIONS OF  
THE VILLAGE HEAD ... (Village Name),  
VILLAGE HEAD... (Village Name),  
VILLAGE HEAD... (Village Name)

NUMBER ... YEAR ...

NUMBER ... YEAR ...

NUMBER ... YEAR ...

ABOUT

HOUSEHOLD BUDGET OF JOINT VILLAGE OWNED BUSINESS ENTITIES  
VILLAGE FINANCIAL INSTITUTION .....(NAME OF BUM VILLAGE WITH LKD)

BY THE GRACE OF GOD ALMIGHTY

VILLAGE HEAD ... (Village Name),

VILLAGE HEAD ... (Village Name),

VILLAGE HEAD ... (Village Name)

Considering: a. that in order to establish and manage community revolving funds from the former National Program for the Empowerment of Rural Independent Communities into Village-owned business entities together with Village financial institutions, it is necessary to implement household budgets;



Number 96 of 2017 concerning Village Cooperation Procedures  
In the Field of Village Government (State Gazette of the Republic  
Indonesia Year 2017 Number 1444);

7. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 3 of 2021 concerning Registration, Data Collection and Ranking, Guidance and Development and Procurement of Goods and/or Services for Village-Owned Enterprises/Joint Village-Owned Enterprises (State Gazette of the Republic of Indonesia 2021 Number 252);
8. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 15 of 2021 concerning Procedures for Establishing Community Revolving Fund Activity Managers Ex-National Program for Empowering Independent Rural Communities to Become Joint Village-Owned Enterprises (State Gazette of the Republic of Indonesia of 2021 Number 1224);
9. Sukoharjo Regent Regulation Number 45 of 2018 List of Village Authorities Based on Origin Rights and Village-Scale Local Authorities in Sukoharjo Regency (Sukoharjo Regency Regional Gazette 2018 Number 45);
10. Regulation of the Regent of Sukoharjo Number 9 of 2019 concerning Guidelines for Village Financial Management (Regional Gazette of Sukoharjo Regency of 2019 Number 9);
11. Village Regulations regarding approval for the establishment of a Joint Village BUM Village... etc

DECIDE:

To stipulate: JOINT REGULATIONS WITH THE VILLAGE HEAD... (Name of Village), VILLAGE HEAD... (Village Name), AND VILLAGE HEAD... (Village Name) CONCERNING THE HOUSEHOLD BUDGET OF VILLAGE-OWNED BUSINESS ENTITIES WITH VILLAGE FINANCIAL INSTITUTIONS....( NAME OF JOINT VILLAGE BUM).

PIG  
GENERAL REQUIREMENTS

article 1

In this household budget what is meant by:

1. A village is a village... a village... etc. and a village...  
District ..... Sukoharjo Regency.
2. Village Government is the administration of government affairs and the interests of local communities in the government system of the Unitary State of the Republic of Indonesia.
3. The Village Government is the Village Head assisted by the Village Apparatus as the organizing element

Village government.

4. Village Consultative Body, hereinafter abbreviated as BPD, is an institution that carries out government functions whose members are representatives of the Village population based on regional representation and determined democratically.
  
5. The Village Head is the Head of the Village Government who is directly elected by the community through the election of the Village Head.
6. Village Revenue and Expenditure Budget, hereinafter referred to as APBDesa, is the annual financial plan of the Village Government.
7. Village Regulations are statutory regulations stipulated by the Village Head after being discussed and agreed upon with the BPD.
8. Joint Village Head Regulations are regulations stipulated by the Village Heads of 2 (two) or more Villages which are discussed and agreed upon jointly in an Inter-Village Deliberation within the framework of inter-Village cooperation.
  
9. Inter-Village Deliberation, hereinafter abbreviated to MAD, is a joint deliberation between a Village and other Villages attended by each BPD, Village Government, and elements of the community which is held with the agreement of each village in the framework of inter-Village cooperation.
  
10. The Inter-Village Cooperation Agency, hereinafter referred to as BKAD, is a cross-village institution formed voluntarily on the basis of an agreement between two or several villages in one area within one sub-district and/or between sub-districts with a specific purpose and objective.
  
11. Village-Owned Enterprises Together with Village Financial Institutions, hereinafter abbreviated as BUM Desa Bersama LKD is a legal entity established by 2 (two) or more villages to manage the revolving fund business of the former National Rural Independent Community Empowerment Program to maximize the welfare of village communities.
12. The BUM Desa Joint LKD business is an activity to manage community revolving funds from the former National Program for the Empowerment of Independent Rural Communities.
13. The BUM Desa Bersama business unit is a business entity belonging to BUM Desa Bersama which carries out economic activities and/or public services as a legal entity which carries out the functions and objectives of BUM Desa Bersama.
14. The National Program for Empowerment of Independent Rural Communities, hereinafter referred to as PNPM-MPd, is a program to accelerate poverty reduction in an integrated and sustainable manner based on participatory development.

15. Ex-PNPM-MPd community revolving funds, hereinafter abbreviated to ex-PNPM-MPd DBM, are all funds sourced from the Central Government and/or Regional Government through direct assistance from the PNPM-MPd community and its development or growth, which are provided to the community for revolving loan activities according to the mechanism that has been established, the Articles of Association are the main provisions for the management of the BUM Desa Bersama LKD organization which is an inseparable part of the Joint Village Head Regulation regarding the establishment of BUM Desa Bersama LKD.
  
16. The Articles of Association, hereinafter abbreviated to AD, are a series of provisions governing the operations of BUM Desa Bersama LKD containing at least the name, place of domicile, aims and objectives, capital, business activities, period of establishment of BUM Desa Bersama LKD, management organization and procedures for use and distribution. profits in order to create order, effectiveness and business objectives of BUM Desa Together with LKD.
  
17. Bylaws, hereinafter abbreviated to ART, are rules that contain the elaboration and/or implementation of the rules of the articles of association containing at least the rights and obligations, terms of service, procedures for appointing and dismissing personnel from the BUM Desa Bersama management organization.

## CHAPTER II

### MAD AND DECISION MAKING PROCEDURES INTERNAL MEETING OF BUM VILLAGE WITH LKD

#### Part One

#### MAD Decision Making Procedures

#### Section 2

- (1) MAD decisions are taken based on:
  - a. deliberation to reach consensus; and/or
  - b. deliberation by voting
  
- (2) Deliberation by voting as referred to in paragraph (3) letter b, the decision-making mechanism is taken by 50% (fifty percent) plus 1 (one) of the participants present.

- (3) MAD is led by an advisory element.

The second part

Village BUM Internal Meeting with LKD

Article 3

- (1) Internal meetings can be initiated by operational implementers, advisors and/or supervisors.
- (2) Internal meetings as referred to in paragraph (1) are held at least 1 (one) time in 1 (one) month.
- (3) Internal meetings are attended by at least:
- a. daily executor of advisors;
  - b. supervisor; And
  - c. operational executor.
- (4) All decision making must go through consensus deliberation within the internal BUM Desa Bersama LKD.
- (5) The results of the internal meeting of BUM Desa Bersama LKD are recorded and submitted to the BUM Desa Bersama LKD advisor.

CHAPTER III

THE ADVISOR'S DAILY IMPLEMENTING WORK PROCEDURE

Part One

Number, Composition of Management and Term of Service

Article 4

- (1) The maximum number of daily implementers of BUM Desa ..... Bersama LKD (name) is 3 (three) people.
- (2) The composition of the daily executive management of BUM LKD Joint Village advisors... is as follows:
- a. the daily implementation coordinator is held by the former chairman of BKAD ..... (name); And
  - b. Daily executive members consist of ..... (name) and ..... (name).
- (3) The daily executor of the advisor holds office for 5 (five) years and can be reappointed for a maximum of 2 (two) terms of office with the consideration that he is deemed capable of carrying out his duties well during his term of office, cadre formation, and avoiding conflicts of interest.

The second part

Authority, Duties and Rights

Article 5

The daily executive advisor has the authority to:

- a. together with operational implementers and supervisors, discuss and agree on the ART BUM Desa Bersama LKD and/or amendments thereto;
- b. together with the supervisor, review the income and expenditure budget plans submitted by operational implementers to be discussed in the MAD;
- c. provide a proposal for the permanent dismissal of the operational executive to the chief advisor to be discussed within the MAD;
- d. together with operational implementers and supervisors, prepare and submit financial analysis, activity plans and needs in the context of planning additional capital for the Village and/or Village community to the chief advisor for discussion in the MAD;
- e. reviewing the implementation report on the management of the BUM Desa Joint LKD business and the supervision report which is then submitted to the chief advisor for discussion in the MAD;
- f. together with the supervisor, provide input to the chief advisor on the annual report of BUM Desa Bersama LKD;
- g. together with the supervisor, provide input to the chief advisor in granting approval for the BUM Desa Bersama LKD loan in a certain amount as stipulated in the AD BUM Desa Bersama LKD;  
And
- h. together with the supervisor, provide input to the chief advisor in giving approval for cooperation between BUM Desa Bersama LKD with the value, amount of investment, and/or certain forms of cooperation with other parties as stipulated in the AD BUM Desa Bersama LKD.

#### Article 6

The daily executor of the advisor has the following duties:

- a. provide input and advice to operational implementers and supervisors in implementing the management of BUM Desa Together with LKD;
- b. reviewing the revenue and expenditure budget plan for BUM Desa together with LKD which will then be discussed in the MAD;
- c. accommodating aspirations for business and organizational development of BUM Desa Together with LKD in accordance with the AD;
- d. together with the supervisor, review the semester reports and annual reports on the implementation of BUM Desa Joint LKD business management to be submitted to MAD;
- e. provide consideration in developing the business and organization of BUM Desa Together with LKD in accordance with the AD and/or MAD decisions;

- f. provide suggestions and opinions regarding issues deemed important for the management of BUM Desa Bersama LKD in accordance with the AD and/or MAD decisions;
- g. request an explanation from the operational implementer regarding the management of BUM Desa Bersama LKD in accordance with the AD and/or MAD decision; h. carry out monitoring and evaluation of the implementation of community revolving fund management for BUM Desa Together with LKD; And
- i. handling problems in managing the revolving funds of the BUM Desa community together with LKD.

Article 7

The advisor's daily activities are entitled to receive income consisting of:

- a. the maximum incentive is IDR..... calculated from operational costs; and b. other legitimate income in accordance with the capabilities of BUM Desa Bersama LKD.

CHAPTER IV

OPERATIONAL EXECUTOR

part One

Allowance

Article 8

(1) Directors are entitled to receive allowances.

(2) Allowances as intended in paragraph (1)

consists of:

- a. Director's allowance is a maximum of IDR 350,000.00 (three hundred and fifty thousand rupiah) paid every month;
- b. social security insurance agency benefits health and employment paid monthly;
- c. the maximum communication allowance given each month is IDR 200,000.00 (two hundred thousand rupiah);
- d. official travel transport; And
- e. The maximum holiday allowance is once the basic salary which is given once a year.

The second part

Annual Award Money

Article 9

- (1) The Director is entitled to receive award money annual.
- (2) The annual award money as intended in paragraph (1) can be given every year if it produces a net surplus.
- (3) The amount of the annual award is given according to financial capabilities at a maximum of 2 (two) times the salary.

### Part Three

#### After-Duty Tali Asih Service

#### Article 10

- (1) The Director is entitled to receive rope service services  
Thank you for being on duty.
- (2) After-duty community service services as referred to in paragraph (1) can be provided at the end of the term of office;
- (3) The amount of the after-duty community service service is in accordance with the provisions of applicable laws and regulations and/or in accordance with the financial capacity of BUM Desa Bersama LKD.

### CHAPTER V

#### DISCONTINUATION MECHANISM, WORKING HOURS OPERATIONAL EXECUTOR

#### Part One

#### Mechanism for Dismissal of Operational Executors

#### Article 11

- (1) The director resigns because:
  - a. die;
  - b. own request; And
  - c. dismissed.
- (2) The Director is dismissed as intended in paragraph (1) letter c because:
  - a. end of term of office;
  - b. unable to carry out his duties continuously or permanently absent for 3 (three) consecutive months;
  - c. violates the provisions of AD, ART and/or statutory regulations;
  - d. involved in actions that are detrimental to BUM Village with LKD and/or Village;
  - e. carry out actions that violate the ethics and/or propriety that should be respected as director of BUM Desa Bersama LKD;  
And

f. involved in a criminal case with a court decision that has permanent legal force.

- (3) Dismissal of a director consists of:
  - a. temporary dismissal; and/or
  - b. permanent stop.

#### Article 12

- (1) The temporary dismissal of the director as intended in Article 8 paragraph (3) letter a is based on MAD's decision.
- (2) Temporary suspension as referred to in paragraph (1) if the director carries out actions that are contrary to the AD and ART, neglects his duties and is involved in a criminal case before receiving a permanent court decision.
- (3) In the event of a temporary dismissal and/or vacancy of a director, the advisor appoints an executor who can be selected from among the managers before a permanent replacement is carried out with the approval of MAD.
- (4) The advisor forms an investigation team to conduct a study of the director who is temporarily dismissed no later than 7 (seven) days from the date of dismissal.
- (5) The investigation team as in paragraph (4) consists of daily advisors and supervisors.
- (6) The team as intended in paragraph (4) makes a report on the results of the study and recommendations to the chief advisor to be discussed in the MAD.
- (7) A director who is temporarily dismissed has the right to defend himself as stated in the MAD.
- (8) No later than 30 (thirty) days after the investigation team reports the results of the study, the supervisory joint advisor shall hold a MAD to make a decision and give the dismissed director the right to defend himself.
- (9) Directors who are not proven guilty in the defense as intended in paragraph (6) are re-appointed.

The second part

Working Hours of Operational Executors and BUM Employees  
LKD Joint Village

Article 13

- (1) Working days of at least 6 (six) working days begin Monday through Saturday.
- (2) Working hours are regulated as follows:
  - a. Monday–Thursday from 08:00 WIB to 15:00 WIB; And
  - b. Friday–Saturday from 08:00 WIB to 13:00 WIB.
- (3) Working days and hours as intended in paragraph (1) are excluded for verification managers.
- (4) The verification manager's working days and hours are carried out according to the workload requirements.

CHAPTER VI

ORGANIZATION, REQUIREMENTS, RIGHTS, DUTIES, TERM  
DUTIES AND DISMISSAL OF EMPLOYEES AND STAFF  
BUM VILLAGE WITH VILLAGE FINANCIAL INSTITUTIONS  
(LKD)

Part One

Organization

Article 14

- (1) BUM Desa Together with LKD employees consist of:
  - a. manager; And
  - b. staff.
- (2) The manager as referred to in paragraph (1) letter a can be assisted by several staff from the former PNPM-MPd in accordance with the workload and funding capacity.
- (3) The manager as intended in paragraph (1) letter a includes:
  - a. administration manager;
  - b. Finance Manager;
  - c. verification manager; d.
  - funding manager; And
  - e. loan restructuring and handling manager problem.
- (4) BUM Desa Bersama LKD employees are employees whose appointment, dismissal, rights and obligations are based on a work agreement.

The second part  
Requirements, Authorities, Duties and Rights of Bum Employees  
LKD Joint Village

Paragraph 1  
Administration Manager

Article 15

- (1) The administrative manager of BUM Desa Bersama LKD as intended in Article 11 paragraph (3) letter a can be held by the secretary of the former PNPM MPd activity management unit.
- (2) The administrative manager of BUM Desa Bersama LKD as referred to in paragraph (1) is an individual who meets the following requirements:
- a. residents of Subdistrict ..... Sukoharjo Regency; b. physically and mentally healthy (not currently suffering from an illness that could hinder their duties as an administrative manager);
  - c. have dedication and provide full time to carry out duties as administrative manager;
  - d. Minimum high school or equivalent education;
  - e. never been punished for committing an offense criminal;
  - f. have adequate expertise and knowledge regarding business in the economic sector and/or public services;
  - g. have leadership and cooperation skills; and h. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations.

Article 16

- The administration manager has the authority to:
- a. together with the director to plan business activities/business units of BUM Desa together with LKD; b. together with the director, decide on the internal policies of the BUM Desa Bersama LKD organization; And
  - c. together with the director monitor the activities of BUM Desa Together with LKD.

Article 17

- The administrative manager of BUM Desa Bersama LKD has the following duties: a.
- organizing correspondence, documents and reporting;

- b. regulate the mechanism and work schedule of BUM Desa Together with LKD; c. carry out publication of revolving fund activities to the public; d. ensure services and access to information public; And
- e. carry out promotions and provide information on activities carried out by BUM Desa Bersama LKD.

#### Article 18

The administrative manager of BUM Desa Bersama LKD has the right to:

- a. earn a maximum salary of IDR 5,500,000.00 (five million five hundred thousand rupiah) and a minimum of IDR 500,000.00 (five hundred thousand rupiah) paid every month.
- b. receive benefits consisting of:
  - 1. administrative manager's allowance is a maximum of IDR 250,000.00 (two hundred and fifty thousand rupiah) paid every month;
  - 2. social security guarantee agency benefits health and employment paid monthly;
  - 3. The maximum communication allowance given every month is IDR 200,000.00 (two hundred thousand rupiah);
  - 4. official travel transport; And
  - 5. holiday allowance is a maximum of once the basic salary which is given once a year; c. annual award money;
- d. after-duty community service;
- e. managing and utilizing BUM Desa assets together with LKD;
- f. obtain legal assistance in implementing policies assigned by the director; And
- g. receive capacity building training, both in administrative management or business development of BUM Desa Together with LKD.

#### Paragraph 2

#### Finance Manager

#### Article 19

- (1) The financial manager of BUM Desa Bersama LKD as intended in Article 11 paragraph 3 letter b can be held by the treasurer of the former PNPM MPd activity management unit.
- (2) The financial manager of BUM Desa Bersama LKD as referred to in paragraph (1) is an individual who meets the following requirements:
  - a. residents of Subdistrict ..... Sukoharjo Regency;

- b. physically and mentally healthy (not currently suffering from an illness that could hinder their duties as a financial manager);
- c. have dedication and provide full time to carry out duties as a secretary;
- d. Minimum high school or equivalent education;
- e. never been punished for committing an offense criminal;
- f. have the skills and knowledge adequate regarding business in the economic sector and/or public services;
- g. have adequate skills and knowledge in the field of administration and financial management;
- h. have leadership and cooperation skills; and i. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations.

#### Article 20

The financial manager has the authority to:

- a. together with the director and administration manager to plan the finances of BUM Desa Together with LKD; b. together with the director and administrative manager to manage the finances of BUM Desa Together with LKD; And
- c. together the director and administration manager decide on financial policies managed by BUM Desa Together with LKD.

#### Article 21

The financial manager has the following duties:

- a. as cashier;
- b. managing bookkeeping administration;
- c. record all forms of financial income and expenditure of BUM Desa Bersama LKD in the cash book;
- d. prepare proof of transactions in BUM Desa Bersama LKD;
- e. prepare administration for application and collection of funds for BUM Desa activities with LKD;
- f. prepare financial reports for BUM Desa together with LKD and report them periodically to the director of BUM Desa Together with LKD;
- g. save and maintain BUM Desa cash Together with LKD; And

- h. deposit money into the bank after obtaining approval from the director.

#### Article 22

The BUM Desa financial manager together with LKD has the right

- to:
- a. earn a maximum salary of IDR 5,400,000.00 and a minimum of IDR 500,000.00 (five hundred thousand rupiah) paid every month.
  - b. receive benefits consisting of:
    1. BUM Desa Bersama LKD financial manager's allowance is a maximum of IDR 150,000.00 (one hundred and fifty thousand rupiah) paid every month;
    2. social security health and employment insurance agency benefits are paid every month;
    3. The maximum communication allowance given every month is IDR 200,000.00 (two hundred thousand rupiah);
    4. transport for group visits; 5. official travel transport; 6. holiday allowance is a maximum of once the basic salary which is given once a year; 7. annual award money;
    8. after-duty community service; 9. manage and utilize Village BUM assets together;
    10. obtain legal assistance in implementing policies assigned by the director; And
    11. receive capacity building training both in administrative management or business development of BUM Desa Together with LKD.

#### Paragraph 3

#### Verification Manager

#### Article 23

- (1) The BUM Village Joint LKD verification manager as referred to in Article 11 paragraph (3) letter c can be held by the head of the Ex PNPM-MPd activity management unit verification team.
- (2) The BUM Desa Bersama LKD verification manager as referred to in paragraph (1) is an individual who meets the following requirements:
  - a. residents of Village... Subdistrict..... Sukoharjo Regency;
  - b. physically and mentally healthy (not currently suffering from an illness that could hinder their duties as a verification manager);

- c. have dedication and provide full time to carry out duties as verification manager;
- d. Minimum high school or equivalent education;
- e. never been punished for committing an offense criminal;
- f. have adequate expertise and knowledge regarding business in the economic sector and/or public services;
- g. have special experience and expertise, both in the fields of revolving fund activities, credit analysis and financial services;
- h. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations;
- i. have sufficient insight and be neutral or not take sides in one or several villages; And
- j. does not represent the interests of certain political parties and does not side with certain groups or groups of society.

#### Article 24

The verification manager has the authority to:

- 1. carry out examination and assessment of group loan applications; And
- 2. make recommendations on proposed group loan applications to the director as a basis for decision making.

#### Article 25

The verification manager has the following duties:

- 1. check the completeness of the documents for each loan proposal submitted by the group;
- 2. carry out field observations to check the conformity of the proposed loan application with the facts in the field;
- 3. check the suitability of the proposed group loan application with the criteria and objectives of the community revolving fund; And
- 4. make recommendations and submit them to the director to obtain approval for the loan amount.

#### Article 26

The verification manager has the rights:

- a. The maximum incentive is IDR 1,850,000.00 (one million eight hundred and fifty thousand rupiah) paid every month;
- b. assistance with official travel transportation;

- c. annual award money; And
- d. The maximum holiday allowance is a one-time incentive given once a year.

Paragraph 4  
Funding Manager

Article 27

- (1) The Joint LKD BUM Village Funding Manager as referred to in Article 11 paragraph (3) letter d can be held by the head of the funding team for the Ex PNPM-MPd activity management unit.
- (2) The BUM Village Joint LKD funding manager as referred to in paragraph (1) is an individual who meets the following requirements:
  - a. residents of Village... Subdistrict..... Sukoharjo Regency;
  - b. physically and mentally healthy;
  - c. have dedication and provide full time to carry out duties as a funding manager;
  - d. Minimum high school or equivalent education;
  - e. never been punished for committing an offense criminal;
  - f. have adequate expertise and knowledge regarding business in the economic sector and/or public services;
  - g. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations;
  - h. have sufficient insight and be neutral or not take sides in one or several villages; And
  - i. does not represent the interests of certain political parties and does not side with certain groups or groups of society.

Article 28

The funding manager has the authority to determine the appropriateness of the revolving fund loan amount for the loan application of the beneficiary group.

Article 29

The funding manager has the following duties:

- a. reviewing the results of verification of loan applications for beneficiary groups;
- b. provide recommendations on the amount of revolving fund loans for loan applications from beneficiary groups; And

- c. report the results of the recommendation for the amount of the revolving fund loan for the loan application for the beneficiary group to the Director for approval.

#### Article 30

The fund manager has the right:

- a. The maximum incentive is IDR 700,000.00 (seven hundred thousand rupiah) paid every month;
- b. assistance with official travel transportation;
- c. annual award money; And
- d. The maximum holiday allowance is a one-time incentive given once a year.

#### Paragraph 5

Loan restructuring and problem handling manager

#### Article 31

- (1) The manager of loan restructuring and handling BUM Village problems with LKD as intended in Article 11 paragraph (3) letter e can held by the empowerment section of the former PNPM-MPd activity management unit.
- (2) The manager of loan restructuring and problem handling for BUM Desa Bersama LKD as referred to in paragraph (1) is an individual who meets the following requirements:
  - a. residents of Subdistrict ..... Sukoharjo Regency; b. physically and mentally healthy;
  - c. have dedication and provide full time to carry out duties as health and problem handling manager;
  - d. Minimum high school or equivalent education;
  - e. never been punished for committing an offense criminal;
  - f. have adequate expertise and knowledge regarding business in the economic sector and/or public services;
  - g. not currently occupying another position and is prohibited from holding concurrent positions based on statutory regulations;
  - h. have sufficient insight and be neutral or not take sides in one or several villages; And
  - i. does not represent the interests of certain political parties and does not side with certain groups or groups of society.

## Article 32

The loan restructuring and problem handling manager has the authority to:

- a. together with the director carried out analysis for solve the problem;
- b. together with the director to analyze the collectibility report or loan problems;
- c. together with the director, providing guidance to problematic groups;
- d. prepare problem reports to the director; e. together with the director prepare a work plan handling problems; And
- f. provide recommendations.

## Article 33

The loan restructuring and handling problem manager has the following tasks:

- a. analyze collectibility reports; b. identify loan problems;
- c. approaching and coaching problematic groups;
- d. take persuasive steps or legal steps to the user group to jointly find a solution;
- e. report problems to the director; And
- f. provide recommendations on the analysis of collectibility reports and loan problems.

## Article 34

The loan restructuring and problem handling manager has the right to:

- a. earn a maximum salary of IDR 5,400,000.00 (five million four hundred thousand rupiah) paid every month; and b. receive benefits consisting of:
  1. The manager's allowance for loan restructuring and handling BUM Desa Bersama LKD problems is a maximum of IDR 150,000.00 (one hundred and fifty thousand rupiah) paid every month;
  2. social security health and employment insurance agency benefits are paid every month; 3. communication allowance given every month is IDR 200,000.00 (two hundred thousand rupiah);
  4. transport for group visits; 5. official travel transport; 6. holiday allowance is a maximum of once the basic salary which is given once a year; 7. annual award money;
  8. after-duty community service;

9. manage and utilize BUM Desa assets together with LKD;
10. obtain legal assistance in implementing policies assigned by the director;  
And
11. receive capacity building training both in administrative management or business development of BUM Desa  
Together with LKD.

Sixth Paragraph  
Staff

Article 35

- (1) BUM Desa Bersama LKD staff as referred to in Article 11 letter b can be appointed from ex-PNPM-MPd activity management unit actors and/or individuals who meet the requirements.
- (2) BUM Desa staff with LKD as intended in paragraph (1) who meet the following requirements:
  - a. residents of Subdistrict ..... Sukoharjo Regency; b. physically and mentally healthy;
  - c. have dedication and provide time to carry out tasks;
  - d. Minimum high school or equivalent education; And
  - e. does not represent the interests of certain political parties and does not side with certain groups or groups of society.

Article 36

Staff term of service:

- a. related to staff duties at any time can be evaluated;
- b. Staff performance evaluation is carried out at the end of each year and if deemed necessary can be carried out at any time after obtaining MAD approval; And
- c. The form of sanctions from the evaluation results can be: transfer or termination of employment.

Article 37

Staff have the rights:

- a. The maximum incentive is IDR 1,750,000.00 (one million seven hundred and fifty thousand rupiah) paid every month;
- b. assistance with official travel transportation; And
- c. The maximum holiday allowance is a one-time incentive given once a year.

Part Three

Term of Service for BUM Village Employees with LKD

Article 38

- (1) The maximum age of BUM Desa Bersama LKD employees is 60 (sixty) years.
- (2) BUM Village employees with LKD at any time can be evaluated.
- (3) The evaluation as referred to in paragraph (2) of BUM Desa Bersama LKD employees and staff is carried out at the end of each year and if deemed necessary can be carried out at any time.
- (4) Transfers, sanctions and/or termination of employment of BUM Desa Bersama employees and staff after obtaining MAD approval.

Part Four

Employee Dismissal

Article 39

- (1) Employees of BUM Desa Together with LKD can be dismissed by the director if:
  - a. die;
  - b. own request; and/or
  - c. dismissed.
- (2) Dismissed as intended in paragraph (1) letter c, because:
  - a. the term of office has expired;
  - b. unable to carry out duties properly or permanently absent for 3 (three) consecutive months;
  - c. involved in actions that are detrimental to BUM Desa Bersama LKD;
  - d. carry out actions that violate the ethics and/or propriety of community norms; And
  - e. involved in a criminal case with a court decision that has permanent legal force.
- (3) Employees of BUM Desa Bersama LKD who resign as intended in paragraph (1) letter a and are dismissed as intended in paragraph (2) letter a are entitled to compensation in accordance with the financial capacity of BUM Desa Bersama LKD.

## CHAPTER VII

## LEAVE FOR OPERATIONAL IMPLEMENTERS AND EMPLOYEES

## Article 40

- (1) Operational implementers and employees receive Leave and permission rights include:
  - a. annual leave;
  - b. maternity leave; And
  - c. leave for Hajj and/or Umrah.
- (2) The permit as intended in paragraph (1) includes:
  - a. sick leave; And
  - b. normal permission.
- (3) Leave for operational executives and employees as intended in paragraph (1) with the following conditions:
  - a. annual leave of a maximum of 12 (twelve) days in 1 (one) year;
  - b. maternity and maternity leave for a maximum of 3 (three) months, given 1.5 (one and a half) months before giving birth and 1.5 (one and a half) months after giving birth; And
  - c. Hajj leave for a maximum of 40 (forty) days and/or Umrah leave for a maximum of 16 (sixteen) days.
- (4) Annual leave as referred to in paragraph (3) letter a may not be taken consecutively.
- (5) Leave for Hajj and/or Umrah as intended in paragraph (3) letter c is given after deducting the remaining annual leave.
- (6) In the event that annual leave is not used or is only partially taken, the right to the remainder of the leave is void and lost.
- (7) Applications for leave are submitted by operational executives and employees to daily advisors at least 14 (fourteen) days before leave.

## Article 41

- Sick leave as intended in Article 40 paragraph (2) letter a with the following conditions:
- a. Operational executives and employees have the right to apply for permission to leave their duties for a maximum of 6 (six) working days due to illness as proven by a doctor's certificate.
  - b. Operational implementers and sick employees still have the right to payment of honorarium and operational costs.
  - c. If operational executives and employees suffer from illness which requires rest time of more than 6 (six) days, the person concerned is still permitted to reduce the number of days of annual leave.

- d. If operational operators and employees suffer from chronic illness/ based on information from doctors and/or hospitals, they are entitled to additional special leave permits for a maximum of 3 (three) months.
- e. In the event that operational implementers and employees suffering from chronic illness apply for additional leave to leave work for more than 1 (one) month, they are only entitled to basic salary.
- f. In the event that operational implementers and employees suffer from chronic illness and are away from work for more than 3 (three) months, their employment relationship will be terminated.

#### Article 42

- (1) Ordinary permit as intended in Article 40 paragraph (2) letter b is given in emergency and urgent situations.
- (2) Ordinary permits as intended in paragraph (1) reducing annual leave entitlements.

#### CHAPTER VIII

#### LOAN REMOVAL

#### Article 43

- (1) Loan write-offs can be made to borrowers who die.
- (2) The loan write-off as in paragraph (1) is agreed upon at an internal meeting of BUM Desa Together with LKD and reported at the time of MAD.
- (3) The internal meeting of BUM Desa together with LKD as in paragraph (2) consists of the following elements:
  - a. daily executor of advisors;
  - b. supervisor;
  - c. operational executor;
  - d. verification manager; And
  - e. representatives from village elements.
- (4) Representatives from village elements as intended in paragraph (3) letter e consist of:
  - a. the Village head concerned; And
  - b. head of the group concerned.
- (5) Loan write-off as intended in paragraph (1) is provided with the following conditions:
  - a. the borrower is a beneficiary of revolving funds in the BUM Desa Bersama LKD area and the person concerned has died;
  - b. the heirs of the borrower who has died make a statement that they are unable to settle the borrower's obligations/debts;

- c. the group leader submits an application for a loan for BUM Desa Bersama LKD assets to the director of BUM Desa Bersama LKD through the relevant Village head by attaching a death certificate;
- d. no later than 14 (fourteen) days after the application letter for BUM Desa Bersama LKD assets is received by the director, verification will be carried out by the verification manager to ensure the truth and validity of the document;
- e. the verification manager reports the verification results to the director with a copy to the financial manager;
- f. the financial manager calculates the amount of the loan that will be written off and reports it to the director;
- g. The Director of BUM Desa Bersama LKD reports the results of the verification and calculation of the amount of the loan to be written off to the chief advisor through the daily executive and copies it to the supervisor;
- h. no later than 7 (seven) days after receiving the director's report, the chief advisor and daily executive will hold an internal meeting of BUM Desa Together with LKD;
- i. the results of the decisions of the internal BUM Desa Joint LKD meeting are stated in the minutes and a copy of the minutes is submitted to the group leader through the Village Head concerned; And
- j. The director ordered the financial manager to write off the books.

#### CHAPTER IX

### REMOVAL OF BUM VILLAGE ASSETS WITH LKD

#### Part One

#### Asset Removal

#### Article 44

- (1) The write-off of BUM Desa Bersama LKD assets is carried out after obtaining MAD approval and is determined by the director's decision.
- (2) Deletion of BUM Desa Bersama LKD assets as referred to in paragraph (1) is an activity to delete/eliminate BUM Desa Bersama LKD assets from the BUM Desa Bersama LKD inventory book.

- (3) The write-off of BUM Desa Bersama LKD assets as intended in paragraph (1) is carried out because:
  - a. change ownership;
  - b. extermination; or c. other reasons.
- (4) Write-off of BUM Desa Bersama LKD assets that change ownership as intended in paragraph (3) letter a, including:
  - a. transfer of BUM Desa Bersama LKD assets to other parties;
  - b. court decision that has entered into force fixed law; And
  - c. BUM Desa Bersama LKD which loses its rights as a result of the court decision as in letter b, is obliged to remove from the inventory list the assets belonging to BUM Desa Bersama LKD.
- (5) Destruction of BUM Desa Joint LKD assets as intended in paragraph (3) letter b, with the following provisions:
  - a. in the form of assets that cannot be utilized and/or have no economic value; And
  - b. a report on the extermination event is made in the MAD forum as a basis for determining the decision of the BUM Desa Bersama LKD director regarding the extermination.
- (6) Write-off of BUM Desa Bersama LKD assets due to other reasons as intended in paragraph (3) letter c, including:
  - a. is lost;
  - b. theft; And
  - c. burnt.

#### Article 45

The abolition of the assets of BUM Desa Bersama LKD as intended in Article 44 paragraph (3) must first be made into an Event Report and determined by a Director's Decree after obtaining MAD approval.

#### Article 46

With the elimination of BUM Desa Bersama LKD's assets due to the impact of government development, BUM Desa Bersama LKD is entitled to replacement money as income from BUM Desa Bersama LKD.

The second part

Transfer

Article 47

- (1) Forms of transfer of BUM Village assets with LKD include:
  - a. sale;
  - b. exchange; And
  - c. equity capital.
- (2) BUM Desa Bersama LKD assets can be sold as intended in paragraph (1) letter a, if:
  - a. BUM Desa Bersama LKD's assets have no value benefits and/or economic value; And
  - b. BUM Desa Bersama LKD assets in the form of plants.
- (3) Sale of assets as intended in paragraph (1) letter a can be done through:
  - a. direct sales and/or;
  - b. auction.
- (4) Sales as intended in paragraph (3) are accompanied by proof of sale and determined by the director's decision regarding sales;
- (5) The money from sales as referred to in paragraph (3) is included in the BUM Desa Bersama LKD cash account as BUM Desa Bersama LKD Income.

CHAPTER X

CLOSING

Article 48

The provisions in the ART are binding on all personnel of the BUM Desa Bersama LKD management organization.

Article 49

Matters that have not been regulated in the ART can be regulated in standard operating procedures.

Article 50

This Joint Village Head Regulation comes into force on the date of promulgation.

So that everyone is aware, order the promulgation of this Joint Regulation of Village Heads with its placement in the Village Gazette ... (Name of Village) and ..... (Name of Village)

Set in...

on ...

VILLAGE HEAD...

VILLAGE HEAD...

VILLAGE HEAD...

signature  
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Promulgated in...  
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VILLAGE NEWS... (Village Name) YEAR... NUMBER...

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VILLAGE NEWS... (Village Name) YEAR... NUMBER...

REGENT SUKOHARJO,

signed.

ETIK SURYANI