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**REGENT SUKOHARJO
PROVINCE OF CENTRAL JAVA**

**SUKOHARJO REGENCY REGULATIONS
NUMBER 7 OF 2020**

ABOUT

PROCEDURES FOR DISTRIBUTION OF VILLAGE FUNDS

BY THE GRACE OF ALMIGHTY GOD

REGENT SUKOHARJO,

Considering: a. that with the enactment of Minister of Finance Regulation Number: 205/PMK.07/2019 concerning Village Fund Management, Sukoharjo Regent Regulation Number 18 of 2017 concerning Procedures for Distribution and Management of Village Funds as amended several times, most recently by Sukoharjo Regent Regulation Number 45 of 2019 regarding the Third Amendment to Sukoharjo Regent Regulation Number 18 of 2017 concerning Procedures for Distribution and Management of Village Funds, needs to be replaced;

b. that based on the considerations as intended in letter a, it is necessary to stipulate a Regent's Regulation concerning Procedures for Distribution of Village Funds;

Remember :

- 1. Law Number 13 of 1950 concerning the Establishment of Regency Regions within the Province of Central Java;**
- 2. Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Government (State Gazette of the Republic of Indonesia of 2004 Number 126, Supplement to the State Gazette of the Republic of Indonesia Number 4438);**
- 3. Law Number 12 of 2011 concerning the Formation of Legislative Regulations (State Gazette of the Republic of Indonesia of 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234) as amended by Law Number 15 of 2019 concerning Amendments to the Law Number 12 of 2011 concerning the Formation of Legislation (State Gazette of the Republic of Indonesia of 2019 Number 183, Supplement to the State Gazette of the Republic of Indonesia Number 6396);**

- 4. 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);**
- 5. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law Number 9 of 2015 concerning the Second Amendment to the Law. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to State Gazette of the Republic of Indonesia Number 5679);**
- 6. 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 2019 concerning the Second Amendment to 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 2019 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6321);**
- 7. Government Regulation Number 60 of 2014 concerning Village Funds Sourced from the State Revenue and Expenditure Budget (State Gazette of the Republic of Indonesia of 2014 Number 168, Supplement to the State Gazette of the Republic of Indonesia Number 5558) as amended several times, most recently by Government Regulation Number 8 of 2016 concerning the Second Amendment to Government Regulation Number 60 of 2014 concerning Village Funds Sourced from the State Revenue and Expenditure Budget (State Gazette of the Republic of Indonesia of 2016 Number 57, Supplement to the State Gazette of the Republic of Indonesia Number 5864);**
- 8. Government Regulation Number 12 of 2019 concerning Regional Financial Management (State Gazette of the Republic of Indonesia of 2019 Number 42, Supplement to State Gazette of the Republic of Indonesia Number 6322); 9.**
- Presidential Regulation Number 87 of 2014 concerning Implementing Regulations of Law Number 12 of 2011 concerning the Formation of Legislation (State Gazette of the Republic of Indonesia of 2014 Number 199);**

10. Regulation of the Minister of Home Affairs Number 80 of 2015 concerning the Establishment of Regional Legal Products (State Gazette of the Republic of Indonesia of 2015 Number 2036) as amended by Regulation of the Minister of Home Affairs Number 120 of 2018 concerning Amendments to Regulation of the Minister of Home Affairs Number 80 of 2015 concerning Formation Regional Legal Products (State Gazette of the Republic of Indonesia 2019 Number 157);
11. Minister of Home Affairs Regulation Number 20 of 2018 concerning Village Financial Management (State Gazette of the Republic of Indonesia of 2018 Number 611);
12. Financial Regulation Number 205/PMK.07/2019 concerning Village Fund Management (State Gazette of the Republic of Indonesia of 2019 Number 1700);
13. Sukoharjo Regency Regional Regulation Number 1 of 2010 concerning Principles of Regional Financial Management of Sukoharjo Regency (Sukoharjo Regency Regional Gazette of 2010 Number 1, Supplement to Sukoharjo Regency Regional Gazette Number 172);
14. 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);

DECIDE :

To stipulate: **REGENT'S REGULATION CONCERNING PROCEDURES FOR DISTRIBUTION OF VILLAGE FUNDS.**

CHAPTER I

GENERAL REQUIREMENTS

article 1

- In this Regent's Regulation what is meant by:
1. Region is Sukoharjo Regency.
 2. The Regent is the Regent of Sukoharjo.
 3. Regional Government is the Regent as the organizing element of the Regional Government which leads the implementation of government affairs which are the authority of the autonomous region.
 4. Regional Apparatus is the supporting element of the Regent and the Regional People's Representative Council in the implementation of Government Affairs which fall under the authority of the Region.
 5. Regional Financial Agency, hereinafter abbreviated to BKD, is the Regional Financial Agency of Sukoharjo Regency.

- 6. The Community and Village Empowerment Service, hereinafter referred to as the PMD Service, is the Community and Village Empowerment Service of Sukoharjo Regency.**

- 7. A village is a legal community unit that has territorial boundaries that has the authority to regulate and manage government affairs, the interests of the local community, based on community initiative, original/origin rights, and/ or traditional rights that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia.**

- 8. Village Funds are funds sourced from the State Revenue and Expenditure Budget which are intended for villages which are transferred through the Regency Regional Revenue and Expenditure Budget and are used to finance government administration, implementation of development, community development and community empowerment.**

- 9. 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.**

- 10. The State Treasury Services Office, hereinafter abbreviated as KPPN, is a vertical agency of the Directorate General of the Treasury which obtains authority from the State General Treasurer to carry out some of the functions of the State General Treasurer's Power.**

- 11. Village Revenue and Expenditure Budget, hereinafter referred to as Village APB, is the annual financial plan of the village government.**

- 12. The State General Treasury Account, hereinafter abbreviated to RKUN, is an account where state money is stored which is determined by the Minister as State General Treasurer to accommodate all state revenues and pay all state expenditure at the central bank.**

- 13. Regional General Cash Account, hereinafter abbreviated as RKUD, is an account where regional money is stored which is determined by the Regent to accommodate all regional revenues and pay all regional expenses at the designated bank.**

- 14. Village Cash Account, hereinafter abbreviated as RKD, is an account where village government money is stored which holds all village revenues and is used to pay all village expenses at the designated bank.**

BAB II
DISTRIBUTION

Part One
Stages

Section 2

- (1) Village Funds are distributed from RKUN to RKD via RKUD.**
- (2) Distribution of Village Funds as referred to in paragraph (1) is carried out through deductions from Village Funds in each Regency Region and distribution of funds resulting from Village Fund deductions to the RKD.**
- (3) Deductions from Village Funds in each district and distribution of funds resulting from Village Fund deductions to the RKD as intended in paragraph (2) are carried out based on a letter of authority for transfer of Village Funds from the Regent.**
- (4) Distribution of Village Funds as intended in paragraph (1) is carried out in 3 (three) stages, with the following provisions:**
 - a. phase I is no sooner than January and no later than June at 40% (forty percent);**
 - b. phase II at the earliest in March and at the latest in the fourth week of August at 40% (forty percent); And**
 - c. phase III will be 20% (twenty percent) at the earliest in July.**
- (5) The distribution of Village Funds as referred to in paragraph (1) for Unitary Villages is carried out in 2 (two) stages, with the following provisions:**
 - a. phase I is no sooner than January and no later than June at 60% (sixty percent); And**
 - b. phase II at the earliest in July at 40% (forty percent).**
- (6) Independent Village as referred to in paragraph (5) is a Village status resulting from an assessment carried out annually and determined by the Ministry of Villages, Development of Disadvantaged Regions and Transmigration in the Developing Village Index.**

The second part

Condition

Article 3

- (1) The distribution of Village Funds as intended in Article 2 paragraph (1) is carried out after the Head of KPPN as KPA for Village Fund Distribution receives the distribution requirements documents from the Regent.**

(2) In order to submit the distribution requirements documents as intended in paragraph (1) the Village Head submits the distribution requirements documents to the Regent Cq. Head of BKD through Head of PMD Service with Camat, with provisions/attached: is known

a. stage I in the form of:

- 1. Village regulations regarding Village APB;**
- 2. plan for using Village Funds;**
- 3. photocopy of RKD at the designated bank;**
- 4. photocopy of KTP of the Village Head and Village Treasurer;**
- 5. photocopy of Taxpayer Identification Number (NPWP) Village Treasurer; And**
- 6. Integrity Pact Statement of absolute responsibility for the use of Phase I Village Funds.**

b. stage II consists of:

- 1. plan for using Village Funds;**
- 2. report on the realization of Village Fund absorption and achievements in the previous fiscal year;**
- 3. the report on the realization of absorption and output achievements of Phase I Village Funds shows that the average realization of absorption is at least 50% (fifty percent) and the average output achievement shows at least 35% (thirty five percent); And**
- 4. Integrity Pact Statement Letter of absolute responsibility for the use of Phase II Village Funds.**

c. stage III consists of:

- 1. plan for using Village Funds;**
- 2. the report on the realization of Village Fund absorption and output achievements up to stage II shows that the average realization of absorption is at least 90% (ninety percent) and the average output achievement shows at least 75% (seventy five percent);**
- 3. convergence report on stunting prevention at village level for the previous fiscal year; And**
- 4. Integrity Pact Statement of absolute responsibility for the use of Phase III Village Funds.**

(3) In order to submit the distribution requirements documents as intended in paragraph (1) for independent Villages, the Village Head submits the distribution requirements documents to the Regent Cq. Head of BKD through the Head of PMD Service with the knowledge of the Subdistrict Head, with the following provisions/attached: a. stage I

consists of:

- 1. Village regulations regarding the Village APB.**
- 2. plan for using Village Funds;**

3. photocopy of RKD at the designated bank;
 4. photocopy of KTP of the Village Head and Village Treasurer;
 5. photocopy of Taxpayer Identification Number (NPWP) Village Treasurer; And
 6. Integrity Pact Statement of absolute responsibility for the use of Phase I Village Funds.
- b. stage II consists of:
1. plan for using Village Funds;
 2. report on the realization of Village Fund absorption and achievements in the previous fiscal year;
 3. the report on the realization of absorption and output achievements of Phase I Village Funds shows that the average realization of absorption is at least 50% (fifty percent) and the average output achievement shows at least 35% (thirty five percent)
 4. convergence report on stunting prevention at village level for the previous fiscal year; And
 5. Integrity Pact Statement of absolute responsibility for the use of Phase II Village Funds.
- (4) Output access as referred to in paragraph (2) letter b number 3 and letter c number 2 and paragraph (3) letter b number 3 is calculated based on the average percentage of output achieved from all activities.
- (5) The preparation of reports on the realization of absorption and output achievements as intended in paragraph (2) and paragraph (3) is carried out in accordance with reference tables for data on fields, activities, nature of activities, description of output, volume of output, method of procurement and output.
- (6) Documents required for distribution as intended in paragraph (2) and paragraph (3) are submitted in the form of physical documents (*hardcopy*) and electronic documents (*softcopy*).
- (7) Documents for distribution requirements as intended in paragraph (2) and paragraph (3) are submitted with a covering letter signed by
The Regent or official appointed by the Head of KPPN as KPA for Village Fund Distribution is equipped with:
- a. Regent's Regulation on Procedures for Distribution and Determination of Details of Village Funds for Each Village; And
 - b. Power of attorney for transfer of Village Funds.
- (8) The Regent verifies and submits documents regarding distribution requirements for villages that are eligible for distribution to the Head of KPPN as KPA for Village Fund Distribution every week.
- (9) Details of Village Funds received by the Village each year budgeted in the Village APB.

Part Three**Thawing****Article 4**

- (1) The Regent issues a power of attorney for book transfer Village Funds from RKUN to RKD for all villages;**
- (2) The Head of the PMD Service conducts research on the distribution requirements document files as intended in Article 2 paragraph (2) and paragraph (3) as follows:**
 - a. check the completeness of the attached distribution requirements documents;**
 - b. in the event that the documents do not meet the requirements/ are incomplete, the Head of the PMD Service orders the Village Fund recipient to complete and/or correct them;
And**
 - c. After the distribution requirements documents have been examined and declared to meet the requirements and are complete, the Head of the PMD Service sends the application file to the Head of the BKD which has been stamped "Has been examined by the Head of the PMD Service".**
- (3) The Head of the PMD Service makes an introductory letter to the Head of the BKD including a list of Villages that are eligible for distribution.**
- (4) The Head of BKD orders the Head of the Treasury Division as the BUD Authority to make an introductory letter to the Head of KPPN based on the list of Villages that are eligible for distribution.**
- (5) The Head of KPPN distributes Village Funds to Villages that are worthy of distribution.**
- (6) Based on the distribution of Village Funds from RKUN to RKD, the Village Head submits a confirmation sheet of receipt of Village Fund distribution in RKD to the Head of KPPN and the Regent.**
- (7) Village Fund recipients are fully responsible, both formally and materially, for the use of the funds they receive in accordance with statutory regulations.**

CHAPTER III**INSTRUCTIONS FOR USE****Article 5**

- (1) The use of Village Funds is prioritized to finance development and community empowerment aimed at improving the welfare of village communities, improving the quality of human life and overcoming poverty and is outlined in the Village government's work plan.**
- (2) The use of Village Funds as referred to in paragraph (1) refers to the Regent's Regulation concerning Priority Use of Village Funds.**

Article 6

- (1) Implementation of activities financed from the Village Fund is guided by the technical guidelines established by the Regent regarding activities financed from the Village Fund.
- (2) The implementation of activities financed from the Village Fund is prioritized to be carried out in a self-managed manner using local resources/raw materials, and efforts are made to absorb more labor from the local Village community.

Article 7

- (1) Village Funds can be used to finance activities that are not included in the priority use of Village Funds as intended in Article 5 paragraph (2) after obtaining the Regent's approval.
- (2) In giving approval as intended in paragraph (1), the Regent ensures that the allocation of Village Funds for priority activities has been fulfilled and/or community development and empowerment activities have been fulfilled.
- (3) The Regent's approval as intended in paragraph (1) is given during the evaluation of the draft Village Regulation regarding the Village APB.

Article 8

- (1) The Village Head is responsible for the use of Funds Village.
- (2) The Government and Regional Governments can provide assistance in the use of Village Funds.
- (3) The assistance procedures as intended in paragraph (2) are carried out in accordance with the guidelines established by the relevant technical ministry.

CHAPTER IV

MONITORING AND EVALUATION

Article 9

The Regent carries out monitoring and evaluation of:

- a. remaining Village Funds in RKD; and/or
- b. Village Fund output achievements.

Article 10

When based on monitoring and evaluation of waste Village Funds in the RKD as intended in Article 9 letter a have remaining Village Funds in the RKD, then the Regent:

- a. request an explanation from the Village Head regarding the remaining Village Funds in the RKD; and/or

- b. ask the regional functional supervisory apparatus to carry out an inspection.

Article 11

- (1) In the event that the Village Head misuses Village Funds and is designated as a suspect, the Minister of Finance may terminate the distribution of Village Funds for the current budget and/or previous budget year.
- (2) The Minister of Finance submits a letter requesting an explanation of the legal status of the Village Head as intended in paragraph (1) to the head of the relevant law enforcement agency.
- (3) In the event that based on an explanatory letter from the head of the law enforcement agency as referred to in paragraph (2), the legal status of the Village Head is determined to be a suspect, the Minister of Finance will terminate the distribution of Village Funds for the current budget year and/or the following budget year.
- (4) The termination of the distribution of Village Funds as referred to in paragraph (3) is determined by a Decree of the Minister of Finance signed by the Director General of Financial Balance on behalf of the Minister of Finance.
- (5) In the event that the suspect status as intended in paragraph (3) is determined after the Village Funds for the current fiscal year have been completely distributed, the termination of distribution as intended in paragraph (3) will begin to be implemented in the distribution of Village Funds in phase I of the following fiscal year.

Article 12

- (1) The Minister of Finance can redistribute Village Funds whose distribution has been stopped as intended in Article 11 paragraph (3) after receiving: a. Revocation and/or restoration of the suspect's legal status; or
- b. Court decisions that have permanent legal force,
- against the Village Head who misuses the management of Village Funds as intended in Article 11.
- (2) In the event that the revocation and/or restoration of the suspect's legal status or a court decision as referred to in paragraph (1) has been determined, the Minister of Finance shall send a letter requesting an explanation to the head of the law enforcement agency or judicial institution.

BAB V**MISCELLANEOUS PROVISIONS****Article 13**

Provisions regarding:

- a. Format of report on realization of Village Fund absorption and output achievements as intended in Article 3 paragraph (2) and paragraph (3);**
- b. The stunting convergence report format as intended in Article 3 paragraph (2) letter c number 3 and paragraph (3) letter b number 4;**
- c. Format of confirmation sheet for receipt of Village Fund distribution in RKD as intended in Article 4 paragraph (6);**

listed in the Attachment which is an inseparable part of this Regent's Regulation.

BAB VI**TRANSITIONAL PROVISIONS****Article 14**

- (1) The Village Head reconciles the cumulative data on the remaining Village Funds for the 2015 Fiscal Year to the 2018 Fiscal Year in the RKD with the Regent no later than the end of June 2020.**
- (2) In terms of reconciling cumulative data on remaining Village Funds as intended in paragraph (1), the Regent delegates this to the PMD Service.**
- (3) The Village Head deposits the cumulative remaining Village Funds for Fiscal Year 2015 to Fiscal Year 2018 in the RKD as intended in paragraph (1) to the RKUD no later than the end of July 2020.**

BAB VII**CLOSING****Article 15**

At the time this Regent's Regulation came into force, Sukoharjo Regent's Regulation Number 18 of 2017 concerning Procedures for Distribution and Management of Village Funds (Sukoharjo Regency Regional Gazette of 2017 Number 18) as amended several times, most recently with Sukoharjo Regent's Regulation Number 45 of 2019 concerning Third Amendment Based on Sukoharjo Regent Regulation Number 18 of 2017 concerning Procedures for Distribution and Management of Village Funds (Sukoharjo Regency Regional Gazette 2019 Number 45), is revoked and declared invalid.

Article 16

Provisions regarding stunting prevention convergence reports as intended in Article 3 paragraph (2) letter c number 3 and paragraph (3) letter b number 3 come into force on January 1, 2021.

Article 17

Provisions regarding the distribution of Village Funds for Villages with Independent Village status as referred to in Article 3 paragraph (3) come into effect on January 1 2021.

Article 18

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

So that everyone knows, this Regent's Regulation is ordered to be promulgated with its placement in Sukoharjo Regency Regional News.

Set in Sukoharjo
on February 17, 2020
REGENT SUKOHARJO,

ttd

WARDOYO WIJAYA

Promulgated in Sukoharjo
on February 17, 2020

REGIONAL SECRETARY
SUKOHARJO DISTRICT,

ttd

AGUS SANTOSA

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