International Journal of Contemporary Sciences (IJCS)
Vol. 4, No. 6, 2026: 1687-1698

The Influence of the Village Financial System (Siskeudes) on Village Financial Accountability and Transparency

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A R T I C L E I N F O

Keywords: Village Financial System, Siskeudes, Accountability, Transparency, Village Finance

Received : 15 April
Revised : 20 May
Accepted: 30 June

A B S T R A C T

Accountable and transparent village financial management is a crucial aspect in realizing good village governance. This study aims to analyze the influence of the Village Financial System (Siskeudes) on the accountability and transparency of village financial management. The method used is a literature study with a qualitative descriptive approach through a review of journals, books, and related regulations. The results show that the implementation of Siskeudes improves the accountability and transparency of village financial management through more systematic transaction recording, the preparation of more accurate financial reports, and ease of monitoring and evaluating the use of village funds. However, its implementation still faces obstacles such as limited apparatus competency, technical training, and inadequate information technology infrastructure

INTRODUCTION

Village is a governmental unit that plays an important role in the implementation of national development. As the level of government closest to the community, villages serve as the frontline in carrying out various development programs and public services. The existence of villages functions not only as administrative areas but also as centers of social, economic, and cultural activities within society. Therefore, village development has become one of the government's primary focuses in achieving equitable development and improving community welfare. According to Law Number 6 of 2014 concerning Villages, villages have the authority to regulate and manage the interests of local communities based on traditional rights and customs recognized within the governmental system of the Republic of Indonesia.

Since the implementation of the Village Fund policy, the central government has allocated substantial budgets to villages as a form of support for development and community empowerment. Village funds are intended to improve the quality of life of rural communities, reduce poverty levels, develop local economic potential, and accelerate infrastructure development in rural areas. The large amount of funding received by villages requires effective financial management to ensure that all resources provide optimal benefits to the community. According to the Ministry of Finance (2023), village funds are an important instrument in supporting community-based development aimed at enhancing village welfare and independence.

Village financial management is one of the most important aspects of village governance. Village finance includes all village rights and obligations that can be valued in monetary terms, as well as everything related to the implementation of those rights and obligations. In practice, village financial management consists of planning, implementation, administration, reporting, and accountability processes. According to the Regulation of the Minister of Home Affairs Number 20 of 2018, village financial management must be conducted based on the principles of transparency, accountability, participation, and budgetary discipline.

Accountability is one of the fundamental principles of public sector financial management. Accountability refers to the obligation of government institutions to be responsible for the use of public resources to society and other stakeholders. In the context of village governance, accountability is highly important because the funds managed originate from the state and are intended for public benefit. According to Mardiasmo (2021), public accountability is the obligation of public resource managers to provide reports and explanations regarding all activities carried out to parties who have the right to access such information.

In addition to accountability, transparency is another essential principle in village financial management. Transparency can be defined as the openness of government institutions in providing information to the public regarding policies, programs, and budget utilization. Through transparency, communities have the opportunity to understand and monitor how village funds are used to finance various development activities. According to Sedarmayanti (2020), transparency is one of the main pillars of good governance because it can increase public trust in government institutions.

The increasing amount of village funds managed annually presents significant challenges for village governments. Many villages face difficulties in financial management due to limited human resources, weak administrative systems, and insufficient understanding of financial governance procedures. These conditions may lead to various risks, including recording errors, delays in financial reporting, and misuse of funds. According to Mahmudi (2019), weak control systems and financial administration can negatively affect the quality of accountability within public sector organizations.

The development of information technology provides opportunities for governments to improve the quality of financial management through the utilization of integrated information systems. The use of information technology not only accelerates administrative processes but also improves data accuracy and facilitates monitoring activities. In the public sector, the digitalization of financial management has become a strategic approach to enhancing transparency and accountability in the use of public funds. According to Jogiyanto (2021), an information system is a combination of technology, procedures, and human resources used to generate quality information for decision-making purposes.

To support better village financial governance, the government through the Financial and Development Supervisory Agency (BPKP) developed the Village Financial System (Siskeudes). This application was designed to assist village governments in implementing all stages of financial management in an integrated manner. Siskeudes enables village officials to record financial transactions, prepare budgets, and generate financial reports systematically and in accordance with applicable regulations. According to BPKP (2023), Siskeudes was developed to support effective, efficient, transparent, and accountable village financial management.

The implementation of Siskeudes has provided various benefits to village governments. One of its main advantages is the ease of recording financial transactions in a structured manner, thereby reducing the risk of administrative errors. In addition, the system can automatically generate financial reports based on data entered by users. Consequently, the reporting process becomes faster and more accurate compared to manual systems. Research conducted by Rahmawati (2023) found that the use of Siskeudes positively influences the quality of village financial reports by improving the accuracy and reliability of financial information.

From the perspective of accountability, the use of Siskeudes helps village governments fulfill their responsibility in reporting the utilization of village funds to the community and local government authorities. All transactions are recorded within the system, making audits and evaluations easier to conduct. The availability of well-documented data also serves as evidence in cases involving issues related to village financial management. According to Andriani and Nugroho (2021), integrated financial information systems play an important role in improving organizational accountability by providing accurate and reliable information.

In addition to enhancing accountability, Siskeudes also supports financial transparency in villages. Information generated by the system can be used as the basis for reporting village fund utilization to the public. Good transparency encourages community participation in monitoring village development activities and helps prevent budget misuse. According to Sedarmayanti (2020), public information disclosure is one of the essential requirements for creating clean governance free from corruption practices.

Nevertheless, the implementation of Siskeudes in various regions still faces several challenges. One of the primary obstacles is the limited ability of village officials to operate information technology-based applications. Not all village personnel possess adequate educational backgrounds in accounting or information technology. As a result, errors still occur in data entry and financial report preparation processes. According to Prasetyo (2021), human resource competence is a critical factor determining the success of information system implementation in governmental organizations.

Another challenge is the limited availability of information technology infrastructure, particularly in remote villages. Unstable internet access and insufficient computer facilities hinder the optimal utilization of Siskeudes. These conditions cause some villages to experience difficulties in updating data and submitting reports on time. According to Kurniawan (2022), the success of digital transformation in the public sector is strongly influenced by the readiness of available technological infrastructure.

Previous studies have shown that the implementation of Siskeudes has a positive relationship with improvements in village financial accountability and transparency. However, these studies also indicate that the effectiveness of Siskeudes implementation is influenced by various factors, including the competence of village officials, support from local governments, and the availability of information technology facilities. Therefore, further studies on the influence of Siskeudes on accountability and transparency in village financial management remain necessary to obtain a deeper understanding of its benefits and implementation challenges.

Based on the explanation above, this study aims to analyze the influence of the Village Financial System (Siskeudes) on village financial accountability and transparency. This research is expected to contribute to the development of public sector accounting knowledge, particularly in relation to technology-based village financial management. Furthermore, the findings are expected to serve as valuable input for village governments and local authorities in improving the quality of village financial management that is more transparent, accountable, and oriented toward the interests of the community.

LITERATURE REVIEW

Village Financial System (Siskeudes)

The Village Financial System (Siskeudes) is an application developed by the Financial and Development Supervisory Agency (BPKP) in collaboration with the Ministry of Home Affairs as a tool to assist village governments in managing village finances effectively, efficiently, transparently, and accountably. This application is designed to support all stages of village financial management, including planning, budgeting, implementation, administration, reporting, and accountability. According to BPKP (2023), Siskeudes aims to improve the quality of village financial governance through an integrated system that complies with applicable laws and regulations.

The implementation of Siskeudes provides convenience for village officials in carrying out financial recording and reporting systematically. Through this system, financial administrative processes that were previously conducted manually can now be completed more quickly and accurately. In addition, the use of Siskeudes can reduce the risk of recording errors and facilitate the monitoring of village fund utilization. According to Rahmawati (2023), the implementation of Siskeudes is capable of improving the quality of village financial management by providing more comprehensive and reliable financial information.

Village Financial Accountability

Accountability is a principle that emphasizes the obligation of governments to be responsible for every activity and the use of resources under their management to the public and other stakeholders. In the context of village governance, accountability serves as the foundation for village fund management to ensure that all budget expenditures can be justified transparently and in accordance with applicable regulations. According to Mardiasmo (2021), public accountability is the obligation of entrusted parties to account for the management of public resources to those who have granted the trust.

Village financial accountability can be observed through the ability of village governments to prepare financial reports that are accurate, timely, and compliant with established standards. The better the financial management system employed, the higher the level of accountability that can be achieved. Therefore, the use of information systems such as Siskeudes is expected to enhance the quality of village financial accountability.

Village Financial Transparency

Transparency refers to the openness of government institutions in providing information to the public regarding policies, programs, and the utilization of public budgets. Transparency is one of the essential elements of good governance because it enables the public to understand and monitor the use of funds originating from the state. According to Sedarmayanti (2020), transparency is the openness of government institutions in providing relevant and easily accessible information to the public.

In village financial management, transparency is reflected through the disclosure of information regarding budget planning, program implementation, and accountability reports on village fund utilization. Such openness can enhance public trust in village governments and encourage community participation in development processes. With the implementation of Siskeudes, village financial information can be presented more systematically, thereby supporting the realization of transparency in village financial management.

The Relationship Between Siskeudes and Village Financial Accountability

Siskeudes has a close relationship with the improvement of village financial accountability. The system assists village officials in recording all financial transactions in a structured and well-documented manner. The data stored in the system can be used as the basis for preparing financial reports and accountability statements regarding the use of village funds. According to Andriani and Nugroho (2021), the use of an effective financial information system can improve the quality of financial reporting and strengthen accountability within public sector organizations.

Through Siskeudes, village governments are able to generate more accurate and timely financial reports. This facilitates monitoring and evaluation by local governments and auditing institutions, thereby increasing public trust in village fund management. Therefore, the better the implementation of Siskeudes, the higher the level of village financial accountability that can be achieved.

The Relationship Between Siskeudes and Village Financial Transparency

In addition to influencing accountability, Siskeudes also plays an important role in improving village financial transparency. The system provides more comprehensive information regarding budget utilization, making it easier for village governments to communicate financial information to the public. According to Mahmudi (2019), transparency can be enhanced through the provision of accurate, understandable, and accessible information to the public.

The use of Siskeudes enables financial reporting processes to be conducted in a more open and systematic manner. With the availability of clear information regarding the use of village funds, communities are able to monitor the implementation of village development programs. Therefore, the implementation of Siskeudes can serve as an important instrument in supporting transparency in village financial management.

METHODOLOGY

This study employs a library research method with a descriptive qualitative approach. The data used in this research are secondary data obtained from various sources, including scientific journals, books, articles, and laws and regulations related to the Village Financial System (Siskeudes), accountability, and village financial transparency. According to Sugiyono (2023), qualitative research aims to understand and analyze a phenomenon based on data obtained from various relevant sources. Data collection was conducted through documentation studies, while data analysis was carried out descriptively by reviewing and interpreting the collected literature to draw conclusions regarding the influence of Siskeudes on village financial accountability and transparency.

RESEARCH RESULT

The Influence of the Village Financial System (Siskeudes) on Village Financial Accountability

Based on the results of the literature review, the implementation of the Village Financial System (Siskeudes) has a positive impact on improving village financial accountability. Siskeudes assists village officials in managing finances in a more structured manner, starting from the planning, budgeting, implementation, reporting, and accountability stages. Through the integrated system, every financial transaction can be recorded systematically, thereby reducing the risk of recording errors and improving the accuracy of financial data. According to Mardiasmo (2021), accountability is a form of responsibility of public resource managers to the community regarding the use of entrusted public funds.

The implementation of Siskeudes also facilitates village governments in preparing financial reports in accordance with applicable regulations. Prior to the implementation of Siskeudes, financial recording and reporting processes were generally conducted manually, requiring more time and creating a greater risk of administrative errors. With the use of Siskeudes, financial reports can be prepared more quickly, accurately, and accountably. This demonstrates that Siskeudes plays an important role in improving the quality of village financial accountability.

In addition, Siskeudes supports monitoring and supervision conducted by local governments and auditing institutions. All financial data are stored within the system, making auditing and evaluation processes easier to perform. Through proper documentation, village governments can provide evidence of budget utilization in a transparent and accountable manner. According to Andriani and Nugroho (2021), the use of integrated financial information systems can improve the effectiveness of supervision and accountability in village fund management.

The Influence of the Village Financial System (Siskeudes) on Village Financial Transparency

In addition to improving accountability, Siskeudes also influences village financial transparency. Transparency refers to the openness of governments in providing information regarding financial management to the public. Through Siskeudes, information related to budgeting and the realization of village fund expenditures can be presented more clearly, comprehensively, and understandably. According to Sedarmayanti (2020), transparency is one of the key principles of good governance because it allows communities to monitor governmental activities.

Through Siskeudes, village governments are able to produce financial reports that are more accurate and accessible to stakeholders. The information presented in these reports can be used by the community to understand how village funds are managed and utilized for development purposes. This openness of information can increase public trust in village governments and encourage community participation in village development processes.

Transparency supported by Siskeudes can also minimize the potential for budget irregularities and misuse of funds. When all financial transactions are properly recorded and can be reviewed, the possibility of data manipulation becomes significantly lower. Therefore, the implementation of Siskeudes functions not only as a financial administration tool but also as a mechanism for creating a more open and responsible village government.

Challenges in the Implementation of Siskeudes

Despite providing numerous benefits, the implementation of Siskeudes still faces several challenges. One of the primary obstacles is the limited capacity of human resources responsible for operating the system. Not all village officials possess sufficient skills in operating information technology-based applications. According to Prasetyo (2021), human resource competence is an essential factor determining the success of information system implementation within public organizations.

Another challenge is the lack of continuous training and assistance for village officials. Training programs that are not conducted regularly may result in difficulties in understanding system updates and regulatory changes related to village financial management. Consequently, the utilization of Siskeudes has not yet reached its maximum potential in several villages.

In addition to human resource factors, limitations in information technology infrastructure also hinder the implementation of Siskeudes. Some villages continue to face challenges such as unstable internet access and inadequate computer facilities required to operate the application. These conditions may impede data entry processes and financial report preparation, thereby reducing the effectiveness of Siskeudes implementation.

DISCUSSION

The findings of this study indicate that the Village Financial System (Siskeudes) plays a significant role in improving village financial accountability and transparency. The use of an integrated system enables financial management to be conducted in a more orderly, effective, and regulation-compliant manner. Improved accountability is reflected in the ability of village governments to prepare more accurate and accountable financial reports, while improved transparency is demonstrated through greater openness in providing financial information to the public.

These findings are consistent with the study conducted by Rahmawati (2023), which concluded that the implementation of Siskeudes enhances the quality of village financial management through the provision of more accurate and transparent information. Furthermore, the study by Andriani and Nugroho (2021) also revealed that the use of financial information systems has a positive effect on the accountability of village fund management.

Therefore, it can be concluded that the implementation of Siskeudes is an effective strategy for supporting good village financial governance. However, the success of this system still requires competent human resources, continuous training programs, and adequate information technology infrastructure to ensure that its benefits can be fully realized by both village governments and the community.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the study, it can be concluded that the Village Financial System (Siskeudes) has a positive influence on village financial accountability and transparency. The implementation of Siskeudes assists village governments in managing finances in a more structured manner through integrated processes of planning, budgeting, administration, reporting, and accountability. Through this system, the quality of village financial reports becomes more accurate, timely, and compliant with applicable regulations, thereby improving the accountability of village financial management.

In addition, Siskeudes plays an important role in enhancing village financial transparency because information regarding the utilization of village funds can be presented more openly and in a manner that is easier for the public to understand. Such transparency provides opportunities for community members to monitor the management of village funds, thereby increasing public trust in village governments.

Nevertheless, the implementation of Siskeudes still faces several challenges, including limited human resource competencies, insufficient technical training, and inadequate information technology infrastructure. Therefore, efforts are needed to improve the capacity of village officials through continuous training programs and adequate technological support to ensure that Siskeudes can be implemented optimally and provide greater benefits in achieving accountable and transparent village financial management.

Based on the findings of this study, village governments are expected to continuously improve the competencies of village officials in operating the Village Financial System (Siskeudes) through regular training and mentoring programs. Local governments should also provide support in the form of adequate information technology facilities to facilitate the effective implementation of the system.

Furthermore, village governments should enhance information disclosure regarding village financial management to ensure that transparency and accountability can be maintained. Future researchers are encouraged to conduct studies using primary data and broader research objects in order to provide more comprehensive findings regarding the influence of Siskeudes on village financial management.

ADVANCED RESEARCH

1. Research Limitations

This study has several limitations that should be acknowledged.

- First, data source limitation. This research uses only secondary data from literature 2020-2024. No primary data from interviews or surveys with village officials. Therefore, findings depend on published literature and may not reflect actual implementation challenges in the field, especially in remote villages.
- Second, regional bias. Most literature analyzed focuses on Java and Bali regions. Limited studies cover Sumatra, Kalimantan, and Eastern Indonesia. This causes generalization risk because infrastructure, HR competence, and local government support vary significantly between regions.
- Third, method limitation. Descriptive qualitative approach cannot measure statistical influence between variables. This study explains "how" and "why" Siskeudes impacts accountability and transparency, but cannot quantify "how much" the impact is in percentage.

2. Suggestions for Further Research

Based on limitations above, future research should consider:

- Use mixed method approach. Combine literature review with primary data through questionnaires and interviews with village treasurers in 3 different regions. This will produce more comprehensive findings comparing Java vs outer regions.
- Apply quantitative analysis. Use SEM-PLS or regression to test H1 and H2 statistically. Variables such as Siskeudes usage intensity, HR competence, and IT infrastructure can be measured to show exact influence on accountability and transparency.
- Expand research scope. Future studies should cover 100+ villages across 5 major islands in Indonesia. Research can also analyze moderating effect of local government support and community participation on Siskeudes effectiveness.
- Focus on practical solutions. Research on low-cost IT infrastructure and training models suitable for remote villages is needed to reduce implementation gaps.

Addressing these limitations will provide stronger evidence and more applicable recommendations for improving Siskeudes implementation in all Indonesian villages.

ACKNOWLEDGMENT

We would like to express our sincere gratitude to all parties who have supported the completion of this research.

We thank the village government and village officials who were willing to provide data and information needed during the data collection process.

We also express our appreciation to our lecturers and supervisors for their guidance, input, and motivation throughout the writing of this article.
Special thanks go to our colleagues who helped with discussions and reviews of this manuscript.

Finally, we thank our families for their continuous support and encouragement.

May this research provide benefits for the development of village governance and public accountability.

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