

VILLAGE FUND USAGE IMPROVEMENT STRATEGY IN THE EFFORT TO REDUCE POVERTY IN BOGOR DISTRICT



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Abstract

The primary objective of the Village Fund (Dana Desa) is to enhance village autonomy through community development and empowerment, aiming to alleviate poverty. Nationally, the allocation of the Village Fund reached IDR 538.94 trillion during 2015–2023. However, this increase has not had a significant impact on poverty reduction in Bogor Regency. Expenditures relevant to poverty alleviation, as stipulated in Minister of Home Affairs Regulation No. 20 of 2018, primarily fall under the community empowerment sector, as they directly relate to human capital development and village infrastructure. This research aims to (1) analyze the utilization of the Village Fund in poverty reduction efforts in Bogor Regency and (2) formulate strategies for its improvement. The data utilized includes primary data from 20 respondents and secondary data from the BPKP SISKEUDES system, encompassing all planning and realization data for the Village Fund across 416 villages during the 2019–2023 period. Analytical methods employed include simple regression, descriptive analysis, SWOT analysis, and QSPM (Quantitative Strategic Planning Matrix). The research findings indicate that expenditures in the community empowerment sector have not significantly impacted poverty reduction. This is attributed to their persistently low proportion (12.09%) and the suboptimal management of Village-Owned Enterprises (BUM Desa), which contribute, on average, only 10.50% to the village's original revenue (PAD). Furthermore, a significant majority of villages (approximately 71%) that provided capital to BUM Desa have yet to generate any PAD. Therefore, strategies to enhance Village Fund utilization include synergistic oversight through joint audits, optimizing human resources and technology, and strengthening information systems in Village Fund management to support effective village development.

Keywords: Community Empowerment, Poverty, Village Funds, SWOT, Village-Owned Enterprises (BUM Desa)

INTRODUCTION

Law Number 6 of 2014 on Villages and Government Regulation Number 37 of 2014 on the Management of Transfers to Regions make villages a national development priority. The main objective of the Village Law is to enhance village independence through village development programs and activities and the empowerment of village communities. The Indonesian government hopes that the village law and the Village Fund program can become key instruments for achieving rural transformation, which is necessary to alleviate poverty, reduce regional disparities, and improve the welfare of village communities (Arham and Payu 2019).

Village Fund (DD) is used in efforts to reduce poverty with expenditure classifications according to the Minister of Home Affairs Regulation number 20 of 2018 concerning Village Financial Management. Among these types of expenditure, those most closely related to poverty reduction efforts are in the fields of village development, community empowerment, and village capital participation for financing Village-Owned Enterprises (BUM Desa). These three types of Village Fund expenditures are the types of expenditures that will support the improvement of human capital and infrastructure capital in the village's economic growth directly and alleviate poverty. According to Akmal and Solichin (2023), high economic growth will increase the capacity of the economy, raise demand and supply, create new jobs, and increase per capita income, thereby reducing the poverty rate.

From 2019 to 2023, the Village Fund distributed nationally each year tended to increase. During the 2019–2023 fiscal years, the total Village Fund reached 538.94 trillion rupiah with an average of 59.88 trillion rupiah per year. However, the increase in the distribution of village funds has not been significantly followed by a decrease in the poverty rate. Tambunan et al. (2020) in their research concluded that villages still find it difficult to develop their areas even with the Village Fund. Next, Lalira et al. (2018) showed that the Village Fund (DD) and Village Fund Allocation (ADD) had a sign consistent with the theory but were not significant in relation to the poverty rate. Yanuar et al. (2021) state that during the period 2015-2019, there was an increase in Village Fund in Central Sulawesi accompanied by a decrease in the poverty rate, but empirically and statistically, it shows that the Village Fund does not significantly cause a decrease in the poverty rate in Central Sulawesi.

Data from the Central Statistics Agency (BPS) shows that the number of poor people in rural areas during the period 2019 – 2023 did not decrease. In the years 2019 – 2020, the number of poor people in rural areas increased by 0.6%. Meanwhile, in the period from 2020 to 2023, the number of poor people in rural areas tended to decrease, but the number was still higher compared to 2019. The Central Bureau of Statistics (BPS) also noted that in 2023, the number of poor people in rural areas was 12.22%, much higher compared to urban areas at 7.29%. The percentage of poor residents illustrates the significant disparity between the poor in rural areas compared to those in urban areas, even after the implementation of the village fund program.

West Java Province is one of the regions with the largest Village Fund in Indonesia, and Bogor Regency is the regency with the largest Village Fund among the 18 regencies in West Java Province. Meanwhile, the percentage of poor population in Bogor Regency has

not decreased significantly, with an average percentage of poor population during the period 2019 – 2023 being 7.49%, only differing by 0.27% from the average in West Java Province, which is 7.76%. The percentage of poor residents in Bogor Regency also showed an increase in the years 2019 – 2020 by 1.03% and in the years 2020 – 2021 by 0.44%. Bogor Regency is also one of the regencies with the largest area in West Java Province. The area of Bogor Regency in 2023 is 2,991.78 square kilometers, which poses unique challenges in the implementation and supervision of the Village Fund program. Previous research indicates that there is no impact of village funds on poverty during the period of 2018-2023. This is because the majority of village funds are used for the construction of physical infrastructure and facilities. Meanwhile, the use of funds for village empowerment is still considered small. In addition, village funds have not yet had an impact on reducing poverty (Annisa et al. (2024). Based on the aforementioned explanation, this research is relevant to highlight why the utilization of Village Funds in Bogor Regency has not yet been able to reduce poverty.

Based on the mentioned issues before, this research has two objectives: (1) to analyze the utilization of Village Funds in efforts to reduce poverty in Bogor Regency; (2) to formulate strategies to enhance the utilization of Village Funds in Bogor Regency.

REVIEW OF LITERATURE

Village Fund (Dana Desa or DD), according to Law Number 6 of 2014 concerning Villages, is a fund sourced from the State Budget (Anggaran Pendapatan dan Belanja Negara or APBN) allocated for Villages, used to support the implementation of regional autonomy in financing governance, development implementation, community development, and community empowerment. The allocation of Village Funds is aimed at improving public services in villages, alleviating poverty, advancing the village economy, and addressing development disparities between villages. Theories used in analyzing the relationship between Village Funds and Poverty include the fiscal decentralization theory.

Based on Government Regulation number 11 of 2021, Village-Owned Enterprises (BUM Desa) are business entities whose capital (partially or entirely) is owned by the village through direct participation derived from separated village assets to manage assets, services, and other businesses for the greatest welfare of the village community. The establishment of Village-Owned Enterprises (BUM Desa) is an effort to accommodate all economic activities and public services managed by the village or through cooperation between villages.

According to the Central Bureau of Statistics (BPS), what is referred to as the poor population is the community that has an average monthly per capita expenditure value below the poverty line. BPS categorizes the Poverty Line into two components, namely the Food Poverty Line (GKM) and the Non-Food Poverty Line (GKBM). The Food Poverty Line (FPL) is represented by 52 types of commodities, some of which include rice, fish, milk, vegetables, fruits, oil, and several others. The Food Poverty Line (GKM) regulated by BPS measures the expenditure value of needs equivalent to the daily per capita kilocalorie requirement, which is a minimum of 2100 kilocalories. Meanwhile, the Non-Food Poverty Line (NFPL) measures the minimum needs such as housing, clothing, education, and health. In this commodity, it is represented by 51 types of commodities in urban areas and 47 types of commodities in rural areas. The Poverty Line per household is calculated from the poverty line per capita multiplied by the average number of household members in poor households.

BPS uses the basic needs approach as the basis for measuring poverty. The method has been used by BPS since 1998 so that the calculation results are consistent and comparable over time (apple to apple).

Strategy is an analytical technique that is appropriate for assessing the strengths of an entity, existing weaknesses, anticipated opportunities, and potential threats. In formulating a strategy, inputs from the IFE (Internal Factor Evaluation) and EFE (External Factor Evaluation) matrices are used. The next step is to conduct an analysis using the SWOT (Strength, Weakness, Opportunity, and Threat) analysis method using the SWOT matrix and the QSPM (Quantitative Strategic Planning Matrix). SWOT analysis is a method of evaluating the strengths and weaknesses of the internal organization conducted meticulously, as well as evaluating the opportunities and threats that arise from the external environment of the organization. QSPM according to David and David (2017) is one of the methods for determining alternative strategies and providing an objective basis for deciding on a specific strategy based on internal and external factors.

RESEARCH METHOD

Primary data were collected through interviews with respondents using questionnaires. Additionally, interviews were conducted with key informants. Secondary data were gathered by reviewing various documents from the Bogor Regency Community and Village Empowerment Agency (DPMD), the Financial and Development Supervisory Agency (BPKP), the Bogor Regency Central Bureau of Statistics, and the West Java Province Central Bureau of Statistics. Specifically, detailed secondary data regarding the planning and realization of the Village Fund in Bogor Regency were obtained from the Village Financial System (SISKEUDES) application.

The analytical methods employed in this study include simple regression analysis, descriptive analysis, and SWOT analysis combined with the Quantitative Strategic Planning Matrix (QSPM). Simple regression was used to measure the influence of the Village Fund on poverty in Bogor Regency, a method also utilized by Aji and Nugroho (2021). The regression equation applied in this research is:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon$$

Where:

Y = Percentage of poor population

β_0 = Intercept/regression constant

X_1 = Village Fund allocated to the community empowerment sector (in Rupiah)

β_1 = Regression coefficient

ϵ = Error

To ensure the regression model is robust, unbiased, and consistent, classical assumption tests were conducted (Juliandi et al. 2014). Furthermore, hypothesis testing was performed on the regression model.

Descriptive analysis involves transforming raw data into an easily understandable and interpretable format, reorganizing and sorting data to generate information (Zikmund et al. 2006). This method was utilized to provide an overview of Village Fund utilization, drawing from Village Fund realization data from 2019 to 2023 via the SISKEUDES system. The

results of this analysis were subsequently used to ascertain the current state of Village Fund utilization in Bogor Regency and to identify existing problems.

To formulate strategies for enhancing Village Fund utilization in Bogor Regency, a multi-stage decision-making process was followed (David and David 2017). This process involved the application of a SWOT (Strengths, Weaknesses, Opportunities, Threats) matrix, and for the decision-making phase, the QSPM (Quantitative Strategic Planning Matrix) was employed.

Data analysis uses multiple linear regression techniques to test research hypotheses regarding the influence of independent variables on customer satisfaction, in line with recommendations (Putri et al., 2024) to ensure comprehensive coverage of the construct being measured. Prior to the regression analysis, a series of classical assumption tests were carried out, including normality, multicollinearity, heteroscedasticity, and autocorrelation to validate the regression model. The processing of statistical data uses the latest version of SPSS software, with the interpretation of the results considering not only statistical significance but also practical significance in the context of the telecommunications industry. The research questionnaire is designed based on adaptations of instruments that have been validated in previous studies, with modifications adapted to the specific context of the telecommunications industry (Fadillah & Listiawan, 2024). This systematic approach to data collection and analysis is supported by a strong theoretical foundation, with the aim of producing findings that are not only statistically valid but also applicable in the practical context of customer service management. The interpretation of the results will focus on the relative contribution of each independent variable to the variation in customer satisfaction, as well as the potential interaction effect between variables that can provide a deeper understanding of the dynamics of customer service in the telecommunications industry.

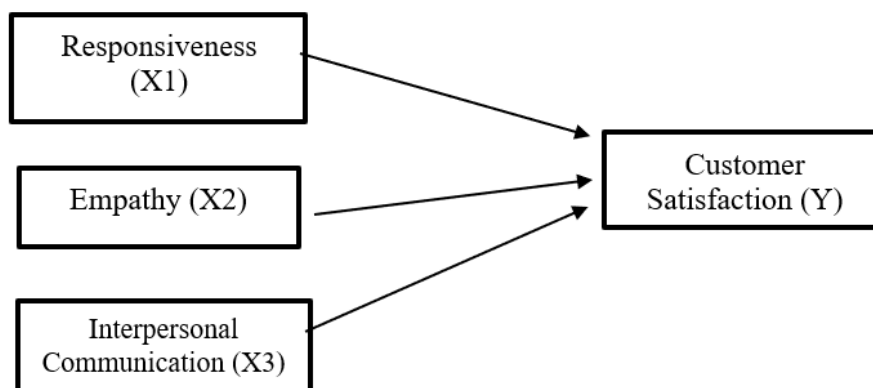
Research Hypothesis

This study aims to analyze the influence of responsiveness, empathy, and interpersonal communication on customer satisfaction in telecommunication services. Based on the review of the literature and previous research, the hypothesis proposed in this study is as follows:

- H1: Responsiveness has a positive and significant effect on customer satisfaction with telecommunication services.
- H2: Empathy has a positive and significant effect on customer satisfaction with telecommunication services.
- H3: Interpersonal communication has a positive and significant effect on customer satisfaction with telecommunication services.
- H4: Responsiveness, empathy, and interpersonal communication simultaneously have a significant effect on customer satisfaction with telecommunication services.

Research Model

This research model describes the relationship between independent variables (responsiveness, empathy, and interpersonal communication) to dependent variables (customer satisfaction). This model can be illustrated as follows:



The image of the model of this study shows that the three independent variables have a direct relationship to customer satisfaction, which will be tested through multiple linear regression analysis. This study uses a quantitative approach with a survey method, where data is collected through a questionnaire with a Likert scale. The data analysis technique used is a linear regression test to test the influence of each variable on customer satisfaction. The results of this study are expected to provide deeper insights for telecommunications companies in improving the quality of their services by focusing on responsiveness, empathy, and personal communication to improve customer satisfaction.

RESULTS AND DISCUSSION

Utilization of Village Funds as an Effort to Reduce Poverty in Bogor Regency

The discussion on the utilization of Village Funds aimed at reducing poverty will be focused on two areas of Village Fund utilization, namely (1) the use of Village Funds for community empowerment, and (2) Village Funds for capital participation in Village-Owned Enterprises (BUM Desa).

The Utilization of Village Funds in the Field of Community Empowerment in Bogor Regency

The primary objective of the Village Fund disbursement is to enhance the welfare of rural communities through programs designed to increase village community participation. Originating from the State Budget (APBN), the Village Fund is allocated to ensure effective and equitable implementation of village-based programs by empowering village governments to manage and utilize these funds according to their specific needs. However, during 2019-2023, the Village Fund allocated to the community empowerment sector in Bogor Regency constituted only 12.09% (Table 1). The largest portion (50.54%) of the Village Fund in Bogor Regency was allocated to the village development sector. This finding aligns with research by Hulu et al. (2018), which observed that activities aimed at empowering communities predominantly focused on physical development. This trend often stems from the limited involvement of specific individuals during the planning stages of village fund utilization, coupled with a lack of general dissemination of these plans to the wider community. Consequently, the community tends to remain apathetic towards activities funded by the Village Fund.

Table 1
Realization of Village Fund Expenditures in Bogor Regency by Sector for the
Years 2019-2023 (Thousands of Rupiah)

Field	2019	2020	2021	2022	2023	Total	Percentage
Village Government Administration	1.018.270	1.365.893	27.425.306	3.121.058	23.400.372	56.330.898	2,11%
Implementation of Village Development	440.405.841	186.343.924	226.358.532	179.163.866	314.582.462	1.346.854.625	50,54%
Community Development	10.654.121	3.375.647	13.613.391	10.473.548	15.638.801	53.755.509	2,02%
Village Community Empowerment	36.452.617	16.153.315	25.546.462	116.178.252	128.009.203	322.339.849	12,09%
Unexpected Field	199.664	304.308.519	230.505.678	234.913.515	115.876.359	885.803.734	33,24%
Total	488.730.513	511.547.298	523.449.369	543.850.239	597.507.197	2.665.084.615	100,00%

Source: BPKP (2019-2023)

From 2019 to 2023, the realization of the Village Fund in Bogor Regency showed a declining trend for village development and a relative increase for community empowerment (Figure 1). This suggests a shift in Village Fund allocation towards uses that could potentially contribute to poverty reduction, although the proportion remains very small. This observation aligns with findings from Susilowati et al. (2017), who concluded that the Village Fund was ineffective and unsuccessful in reducing poverty across various regencies/cities in East Java Province. Their research indicated that the majority of the Village Fund was utilized for the development of physical rural infrastructure, with a comparatively small portion dedicated to community economic empowerment. Similarly, Wulansari and Amyulianthy (2024) found that regional finances (including the Village Fund and village fund allocations) were not yet relevant or successful in reducing poverty, primarily because almost all regional financial resources were used for the development of rural infrastructure or physical facilities.

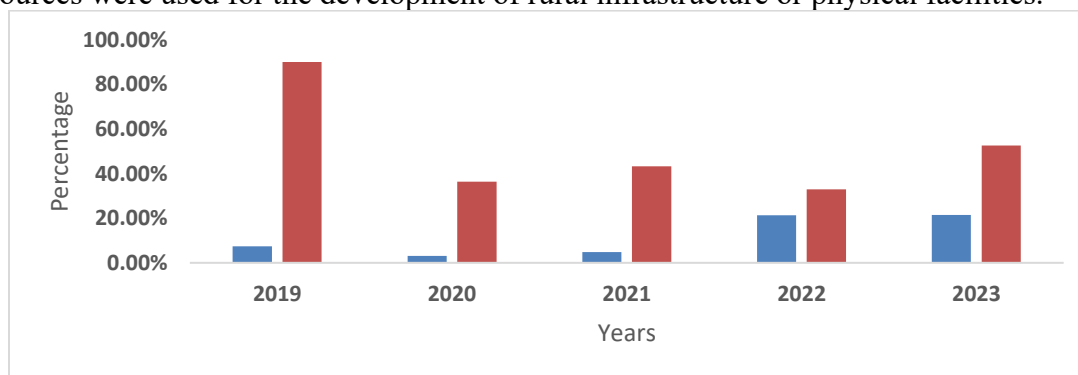


Figure 1.
Realization of Village Fund for Community Empowerment and Village
Development Implementation (BPKP 2019-2023)

The Village Law stipulates that the purpose of village governance, specifically through the utilization of the Village Fund, is to advance the village economy, address national development disparities, and empower village communities as subjects of development. In their research on the impact of village funds on development, Dewi and Arif (2021) highlighted the government's need to empower residents by enhancing the quality of human resources in villages to reduce poverty levels. A significant challenge lies in the limited community involvement during the program formulation and planning stages, which often reduces residents to mere consumers of development rather than active subjects. Genuine community participation, driven by awareness and determination, is crucial for ensuring that development initiatives are relevant to addressing community needs and problems.

Sihite (2020) also emphasized the necessity of active participation from village communities in conveying aspirations and input for village progress. Currently, only a select few individuals play a role in providing feedback and input regarding Village Fund utilization, leading to misdirected efforts and lax oversight. This deficiency in community empowerment activities indicates that the Village Fund has not been optimally utilized to support its primary objectives. This aligns with Ardianto's (2019) research, which concluded that the Village Fund Program's goal of making communities subjects of development has not yet been achieved. The desired outcome is for village communities to possess stable and sustainable skills and economic activities following empowerment processes utilizing the Village Fund. However, the situation in Bogor Regency reveals persistent impediments to the effective utilization of the Village Fund in poverty reduction efforts.

The results of the classical assumption tests confirmed the validity of the variables for statistical analysis. Subsequently, simple regression analysis was conducted, with results presented in Table 2. Each independent variable was analyzed using a 5% significance level. For the Village Fund allocated to the community empowerment sector, the P-value was 0.862, which is greater than 0.05. This leads to the acceptance of the null hypothesis (H0) and rejection of the alternative hypothesis (H1). Consequently, this indicates that the Village Fund allocated to the community empowerment sector does not significantly impact the poverty rate in Bogor Regency. This finding supports the results of Fadilla et al. (2023), whose research showed a weak negative correlation between the Village Fund and poverty levels in Bogor Regency from 2015 to 2022.

Tabel 2
Regression Analysis Results - Village Fund for Community Empowerment and Poverty in Bogor Regency

Variable	Coef	SE Coef	T-Value	P-Value
Constant	7.569	0,482	15.710	0,001
Village Fund for Community Empowerment (X)	-1,136	0,000	-0,189	0,862

The regression analysis reveals that the Village Fund allocated to community empowerment has no significant effect on poverty levels in Bogor Regency. This finding suggests that the Village Fund isn't being optimally utilized to achieve the primary goals of the Village Fund Program. Ideally, after empowerment initiatives, village communities should possess stable and sustainable skills and economic activities. However, the current

situation in Bogor Regency indicates persistent obstacles to leveraging the Village Fund effectively for poverty reduction.

Table 3 presents the coefficient of determination (R²) value of 12%. This indicates that the Village Fund in the community empowerment sector explains only 12% of the variation in poverty levels. In other words, the independent variable (Village Fund for community empowerment) can only account for 12% of the changes observed in the dependent variable (poverty rate). The remaining 88% is influenced by other variables not included in this regression model. This low explanatory power highlights that other factors significantly contribute to poverty. For instance, Ningtias and Anwar (2021) considered unemployment, education levels, minimum wages, and per capita expenditure as variables influencing poverty in their research. Similarly, Azzahra et al. (2021) investigated the impact of Village Fund Allocation (ADD) and the Human Development Index on poverty. These studies suggest that a more comprehensive model incorporating various socioeconomic indicators might provide a deeper understanding of the complex factors driving poverty in the region.

Table 3
Coefficient of Determination (R²) Test

S	R-sq	R-sq(adj)	R-sq(pred)
0,64023	12%	31,80%	0,64%

Utilization of Village Funds Related to Village-Owned Enterprises (BUM Desa) in Bogor Regency

An analysis of village government financial data in Bogor Regency reveals a high-risk use of the Village Fund that deviates from its primary objective of poverty reduction (Table 4). From 2019 to 2023, a total of IDR 56,004,552,457 from the Village Fund was recorded as capital injections for the operation of Village-Owned Enterprises (BUM Desa) across 328 villages. However, this substantial capital injection has not been matched by adequate returns in the form of Village Original Revenue (PAD) to the village governments. This contradicts Mulianingsih's (2022) research, which found BUMDes played a significant accountability role, particularly in asset management, contributing to and increasing village income. Specifically, between 2019 and 2023, the realized PAD from these 328 villages amounted to a relatively small IDR 5,882,550,683, representing only 10.50% of the total capital invested by the villages into their BUM Desa (Table 4). This low return on investment raises concerns about the effectiveness and sustainability of BUM Desa in contributing to village financial autonomy and, ultimately, poverty reduction.

Table 4
Utilization of Village Funds for Village Government Capital Participation in Bogor Regency in 2019-2023

Years	Village Government as the capital investment actor	Realization of Village Government Capital Participation	Realization of Village Original Revenue (PAD)	Percentage of PAD against Capital Participation
2019	211	21.147.925.907,00	1.779.954.314,00	8,42

2020	214	10.101.082.686,00	1.256.728.323,00	12,44
2021	162	12.438.114.946,00	999.152.563,00	8,03
2022	78	4.403.692.860,00	1.003.665.382,00	22,79
2023	109	7.913.736.058,00	843.050.100,00	10,65
Total	328*	56.004.552.457,00	5.882.550.683,00	10,50

Source: BPKP (2019-2023)

Research findings indicate that not all village governments in Bogor Regency that injected capital into Village-Owned Enterprises (BUM Desa) managed to generate Village Original Revenue (PAD) between 2019 and 2023. Specifically, only 29% of villages (95 out of 328 villages) that allocated Village Funds to BUM Desa successfully produced PAD (Table 5). This aligns with Ghassani's (2022) study, which found that business activities within BUMDes often fail to develop and consequently do not contribute to the economic improvement of the community. This is a significant concern, especially considering that 4% to 10% of empowerment expenditures have been allocated to capitalize BUM Desa. The low success rate in generating PAD suggests a substantial challenge in ensuring the effectiveness and accountability of these investments.

Table 5
Village PAD Results with Capital Participation from 2019-2023

Explanation	Number of Villages
Villages that do not generate PAD (2019-2023)	233
Villages that generate PAD (2019-2023)	95
Number of Villages that Made Capital Participation (2019-2023)	328

Source: BPKP (2019-2023)

According to Hidayah (2019), the development of Village-Owned Enterprises (BUM Desa) should lead to increased community welfare through higher incomes and expanded employment opportunities. Wijaya (2023) further notes that BUM Desa serves as a platform to optimize village potential by fostering local industries through capital assistance, marketing support, training, and business development. However, the significantly low return on Village Fund investments through BUM Desa in Bogor Regency highlights a high risk of misdirected funds that are failing to effectively improve community welfare and address poverty. BUM Desa in Bogor Regency has not consistently contributed to village original revenue (PAD), thereby hindering poverty reduction efforts that rely on Village Fund utilization. This aligns with Zulfian's (2017) research, which found that Village Fund usage has not yet expanded village economic scale or investment. Astika and Sri (2021) point out that the absence of sufficient PAD at the village level leads to a dependency on central, provincial, and regency government budgets, which can result in policy directions not supported by tangible activity achievements.

The utilization of the Village Fund in Bogor Regency remains suboptimal. The proportion of the Village Fund allocated to community empowerment is still very small. Furthermore, the return on investment from Village Fund allocations to BUM Desa is exceptionally low, with a striking 71.03% of BUM Desa generating no investment returns whatsoever over a five-year period. Despite these challenges, the role of village economic institutions like BUM Desa is critical for poverty reduction. Presidential Instruction No. 9 of 2025 concerning the acceleration of "Merah Putih" village/sub-district cooperatives emphasizes the government's need to establish these cooperatives. Their activities include, but are not limited to, cooperative offices, basic commodity procurement, savings and loans, village/sub-district clinics, pharmacies, cold storage/warehousing, and village/sub-district logistics, while considering existing village characteristics, potential, and economic institutions, including BUM Desa. This Presidential Instruction underscores the vital role of institutions like BUM Desa in fostering national self-reliance through sustainable food self-sufficiency (as an embodiment of Asta Cita Two) and development from the village for economic equity (as an embodiment of Asta Cita Six), moving towards Golden Indonesia 2045. The suboptimal utilization of the Village Fund in Bogor Regency means that the program's objective of empowering communities as subjects of development has not been met. Consequently, the economic balance necessary for poverty alleviation in rural communities remains elusive. Therefore, alternative strategies are essential to optimize Village Fund utilization within Bogor Regency.

Strategy for Increasing the Utilization of Village Funds in Bogor Regency

The utilization of Village Funds in Bogor Regency has not contributed to reducing poverty in rural areas, thus requiring a more appropriate strategy. The formulation of alternative strategies is based on the identification of key factors, both internal factors, including strengths and weaknesses, and external factors, including opportunities and threats. Based on the results of the SWOT analysis, six alternative strategies for enhancing the utilization of Village Funds as an effort to reduce poverty in Bogor Regency were formulated (Table 6).

Table 6
Assessment of Internal and External Factors in Bogor Regency

Internal Factor	Ke (Strengths-S)	Ke (Weakness-W)
	1. The policies of the Central and Regional Governments support the Village Fund Program (DD) 2. The commitment of the local government through guidance from the DPMD of Bogor Regency 3. Handling extreme poverty (in the form of Village Direct Cash Assistance) 4. The implementation of	1. The determination of the APBDes was not timely. 2. The capacity of village officials is still minimal. 3. The budget for activities, rewards, and employee salaries at DPMD is still low. 4. The number of DPMD employees in Bogor Regency is still insufficient compared to the number of villages

External Factor	food and livestock resilience programs 5. The implementation of village-scale stunting prevention and reduction programs 6. The implementation of the village-owned enterprise (BUM Desa) capital assistance program 7. The implementation of the village potential development program 8. Routine monitoring and evaluation by the Bogor District Government	5. The number of villages is very large and the coverage area is very extensive. 6. The activities of the stunting prevention and reduction program are less impactful. 7. The activities of the food and livestock resilience program have less impact. 8. The relationship between the Village Supervisory Board (BPD) and the village government is poor.
P (Opportunities-O) 1. Village Fund (DD) boosts the local economy through Village-Owned Enterprises (BUM Desa) 2. DD can reduce the unemployment rate through the establishment of new business units, capital assistance, and the improvement of logistics and transportation facilities. 3. There is a reward for achieving the Village Development Index (IDM) as a catalyst for improving the quality of DD management.	Strategi S-O 1.Improving synergistic supervision of BUMDes by conducting joint audits with the Inspectorate and BPKP (S1, S2, S6, O1, O2) 2.Optimization of Human Resources and Technological Resources to support the information system involved in the distribution and reporting of Village Funds in Bogor Regency (S1, S2, O1, O2)	Strategi W-O 1. Improving the quality and quantity of human resources in the Community and Village Empowerment Office (DPMD) and the Village Government through training and recruitment (W4, W2, O1, O2) 2. Creating a policy draft regarding the unilateral dismissal of village officials by the newly elected village head during the transition of village heads (W5, W6, O1, O2)
(Threats-T)	Strategi S-T 1. Designing regulations regarding budget limits for	Strategi W-T 1. Conduct socialization of real and sustainable

1. Extraordinary events (such as a new virus pandemic). 2. The role of village assistants has not been maximized. 3. The regulations governing DD often change. 4. Reduction of budget allocation for Village Funds. 5. Overlapping cash assistance. 6. The DD reporting system is complicated and time-consuming. 7. The Village Cash-Intensive Labor Regulation (PKTD) limits construction costs to 50% for wages. 8. The village government is having difficulty adding data on aid recipients.	Village Fund that can be used for the development of facilities or infrastructure projects (S1, S2, S7, S8, T2, T7)	community empowerment programs to the village community (W1, W2, W4, T2, T3)
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The six alternative strategies need to be prioritized in their implementation. Priority-setting analysis using QSPM analysis with Total Attractiveness Scores (TAS), as shown in Table 7.

Table 7
Alternative Priority Strategies for Improving the Utilization of Village Funds in Bogor Regency

No.	Formulation of Strategies to Enhance the Utilization of Village Funds in Bogor Regency	TAS	Priority
1.	Enhancing synergic supervision of BUMDes by conducting joint audits with the Inspectorate and BPKP.	6,202	1
2.	Optimization of Human Resources and Technological Resources to support the information system involved in the distribution and reporting of DD in Bogor Regency.	5,998	2

No.	Formulation of Strategies to Enhance the Utilization of Village Funds in Bogor Regency	TAS	Priority
3.	Improving the Quality and Quantity of DPMD Human Resources and Village Government through training and recruitment.	5,781	3
4.	Creating a policy draft regarding the unilateral dismissal of village officials by the newly elected village head during the transition of village heads.	5,512	4
5.	Designing regulations regarding the budget limits of DD that can be used for the construction of facilities or infrastructure projects.	5,481	5
6.	Conducting socialization of a real and sustainable community empowerment program to the village community.	4,708	6

From the results of the QSPM analysis that has been conducted, three alternative strategies with the highest total attractiveness scores were selected to become the priority strategies of the Bogor Regency Government to enhance the utilization of village funds in the Bogor Regency area. The First Priority is to conduct synergic supervision activities on Village-Owned Enterprises (BUM Desa) by conducting joint audits with the Regional Inspectorate and/or BPKP. This supports the findings of Sigit and Kosasih (2020), in the aspect of monitoring the use of village funds, synergy needs to be improved, from elements of the village community, functional apparatus of the Regional Government, BPKP, and the Financial Audit Agency (BPK), so that monitoring activities can run effectively. The results of the QSPM analysis are subsequently followed up with the design of priority programs and activities as shown in Table 8.

Table 8

Alternative Priority Strategies Programs and Activities for Improving the Utilization of Village Funds in Bogor Regency

No.	Strategy	Program	Activity	Sub Activity	Year	Department
1.	Synergic supervision of BUMDes by conducting a joint audit with the Inspectorate and BPKP	• Village Government Administration Program	• Activities of Guidance and Supervision of Village Government Administration Implementation	• Data collection of Village-Owned Enterprises (BUM Desa) from the perspective of planning and realization of business feasibility analysis • Coordination of data mapping for Village-Owned Enterprises (BUM Desa) in determining the supervision object and coordinating	2025 - 2027	• Department of Community and Village Empowerment • Inspectorate

No.	Strategy	Program	Activity	Sub Activity	Year	Department
				joint audits with BPKP		
2.	Optimization of Human Resources and Technological Resources to support the information system involved in the distribution and reporting of DD in Bogor Regency	- Regional Civil Service Program - Supporting Program for Regional Government Affairs	- Regional Personnel Activities - The procurement activities of Regional Property (BMD) supporting local government affairs	- Technical Guidance on DD planning and the user manual for supporting applications - Preparation of the plan for the needs of supporting facilities and infrastructure for the information system (servers, rooms, networks, etc.)	2025 - 2027	- Department of Community and Village Empowerment - Human Resources and Development Agency
3.	Improving the Quality and Quantity of Human Resources - DPMD and Village Government through training and recruitment	Regional Civil Service Program	Regional personnel activities	- Technical guidance and training for DPMD employees related to village development - Technical Guidance and training for village officials in collaboration with the Ministry of Village PDTT and BPKP	2025 - 2027	Department of Community and Village Empowerment

CONCLUSION

The utilization of the Village Fund in Bogor Regency has not effectively reduced poverty. Simple regression analysis reveals that the Village Fund allocated to community empowerment has no significant impact on poverty levels in the region. This is largely due to the very small proportion (12.09%) of the Village Fund designated for poverty reduction through community empowerment activities. The majority of the Village Fund (50.54%) is instead allocated to village development, which doesn't align to foster village communities as active subjects of development. Furthermore, the Village Fund's use as capital injections into Village-Owned Enterprises (BUM Desa) has failed to generate adequate returns in the form of Village Original Revenue (PAD), amounting to only about 10.50%. A significant

majority of villages (around 71%) that allocated Village Funds for BUM Desa capital did not manage to produce any PAD at all.

To improve the utilization of the Village Fund for poverty reduction, the Bogor Regency Government should implement the following strategies such as synergistic oversight of BUM Desa: conduct joint audits with the Inspectorate and/or BPKP to ensure better accountability and performance of BUM Desa, optimize human and technological resources: enhance human resource capabilities and technological infrastructure to support robust information systems for the distribution and reporting of village funds in Bogor Regency, and strengthen DPMD and village government human resources: improve the quality and quantity of human resources within the community and Village Empowerment Agency (DPMD) and at the village government level through targeted training and strategic recruitment.

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