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## Initiative financial organizing system for the Literature moving community

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**Abstract:** This study aims to photograph the organization of financial initiatives (planning and budgeting, accounting and reporting, internal control, auditing and external supervision) of the literacy community. After photographing the pattern of community financial organization, the research team will formulate a good financial organization system for the sustainability of the community in the future. This study uses a qualitative method by conducting observations and in-depth interviews with the literacy community in NTT Province. Sample selection using convenience sampling method. Data collection was done by observation and in-depth interviews. The data analysis used is SWOT analysis. The results of the study with four informants showed that not all literacy communities did planning, budgeting, accounting, reporting, internal control, auditing and monitoring. This is due to limited resources. In addition, although they understand that financial organization is important, literacy activists feel that they do not need to plan and take responsibility because they carry out their own activities and are also responsible to themselves. The SWOT analysis shows that literacy communities that have implemented a financial organizing system have better budget and performance conditions than communities that have not implemented it. Thus, the researchers designed a financial organizing system for the literacy community according to the needs of the community; starting from planning and budgeting, accounting and reporting, internal control, auditing and external monitoring to help the community achieve its goals.

**Keywords:** System, Financial Organizing, Literacy Community

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## INTRODUCTION

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The quality of a nation's human resources can only be developed if its citizens are literate. Literacy has long been a priority for Indonesia's national and regional administrations, even if just 0.001 percent of Indonesians report an interest in literature, as reported by UNESCO (Wiedarti, 2016). Indonesia's Human Development Index is now ranked 113 out of 187 nations (UNDP, 2016), a position that is well below the rankings of other ASEAN countries (UNDP, 2016). Indonesia comes at 60th place out of 61 countries in terms of literacy proficiency (Central Connecticut State University, 2016).

The PISA 2015 student assessment survey, which was released in 2016 and found that Indonesia ranked 64th out of 72 nations, lends credence to the aforementioned findings. The poll also indicated that Indonesian youngsters between the ages of 9 and 14 were ranked 10th in their ability to read document materials. At 46.83 percent, students' reading skills are still quite low in the Indonesian National Assessment Program (INAP) ratings, despite the fact that students' abilities in mathematics and science are both quite adequate. good.

Literacy in East Nusa Tenggara (NTT), in addition to the national picture, is of concern. According to the Indonesian Ministry of Education and Culture, NTT Province has one of Indonesia's four highest illiteracy rates. In addition, according to studies, NTT Province has consistently rated 31 or 32 in the National Development Index for the past seven years since 2013. This places the province in the bottom half of the country's 33 provinces. It even ranked lower than the national average Human Development Index. The National Human Development Index (IPM) requirement has not been met by NTT's HDI. In terms of human resource development, NTT Province, although being one of Indonesia's oldest provinces, lags behind newer areas like North Kalimantan in the country's National Development Index. NTT Province had the lowest basic literacy ability scores in the country, with 81% of kids failing the basic literacy ability test, according to a recent poll (Rikarno, 2021).

According to the information provided, the government and all other stakeholders in NTT Province must work to raise literacy levels (the ability to read, write, count, discuss, and communicate) throughout the region. NTT Province benefits greatly from the work of non-formal literacy groups as well as schools in raising literacy levels and instilling a love of reading among the populace. The Ministry of Education and Culture started the National Literacy Movement in 2016 with the help of the grassroots community. Grassroots literacy efforts require funding/capital from a variety of sources, including personal capital for community mobilizers, government grants, and private donations.

In order to avoid a halt in community activities, the community's gathered funds must be organized correctly. A financial management system in a business or non-profit organization is particularly critical since it can have a significant impact on the overall success of the organization (Mahasari, Atmadja, and Prayusi: 2017). (2016). Failures in community finance management that impede the achievement of community goals can be seen in volunteer work. For Tunda, et al. (2000), the objective is developing financial management systems for fishing communities in Bajo Indah Village, Konawe Regency in Southeast Sulawesi. It was discovered that the Bajo Indah Village fishing community is powerless due to a lack of public understanding of home finance management. Fishing communities' inability to manage their household finances has led to out-of-control spending and other signs indicating they are part of a

particularly vulnerable demographic. The intended purpose of the fishing village's microfinance institution was to alleviate the poverty of its members, but this was not realized because the community did not comprehend financial management/organization properly..

It was decided to conduct a study on East Nusa Tenggara Province's financial initiatives (planning and budgeting, accounting and reporting, internal control and oversight) based on the facts and empirical data presented above. The research team will develop a good financial organization system for the sustainability of the villages in East Nusa Tenggara Province after documenting the patterns of financial organization in these communities. So that the literacy push in NTT Province may continue and achieve its ultimate goal of improving the quality of human resources without being hampered by faults in arranging community finances, this is critical. The Widya Mandira Catholic University-Kupang, in addition, directly contributes to research that will allow him to achieve his goal of creating an excellent education community in NTT through local collaboration with literacy drivers in NTT.

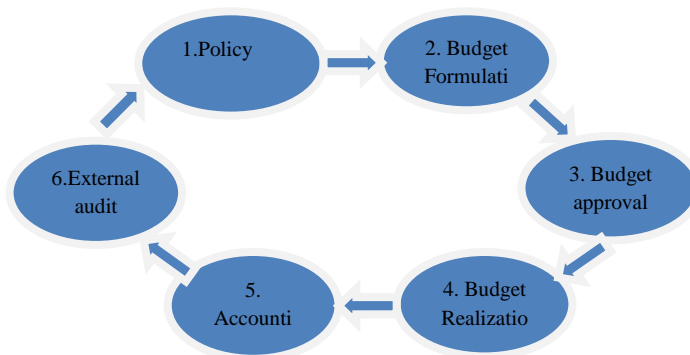
For this research, the focus is on grassroots organizations engaged in literacy so that it may provide answers for financial organizing for grassroots communities and communities engaged in literacy, unlike prior research that has focused on organizing financially corporate organizations. The accounting environment of a small business or a major corporation is very different from the accounting environment in a grassroots community.

Researchers will conduct in-depth interviews with members of the literacy community in NTT as part of this study. SWOT analysis and Boston Consulting Group will be used to assess the data gathered during the research process. As a next phase, the researcher will conduct observations, in-depth interviews, SWOT and BCG analyses to construct a financial organizing system. Finally, the researcher will give community actors with a financial organizing system solution they can utilize to fix and develop their finances.

### ***Literature Review and Hypothesis Development***

Public finance administration is described as a system for creating and controlling public financial resources for the purpose of providing effective and efficient public services (Felício et al., 2021; Androniceanu, 2021; Edelmann, N., & Mergel, 2021; Jarke, 2021; Osborne & Strokosch, 2021; Bracci, 2021). The financial organization in question comprises the following functions: planning and budgeting, accounting and reporting, internal control, auditing, and external supervision, all of which are aimed at improving the availability of benefits (benefits) for the benefit of a large number of people. This financial organization is critical in assisting public organizations in achieving their objectives and streamlining resources to provide effective service to the community as the intended receiver (Hamid, 2013; Hassan et al., 2021; Stritzke et al., 2021; No, 2021).

Community finance as a component of public finance is critical for improving service quality to community targets, operational and strategic decision making, long-term sustainability of public services, and guaranteeing the efficient and effective use of public monies. Lawson (2015) summarizes the process of fiscal organization as follows:



***Public Finance Organizing Flow (Lawson:2015)***

Mahasari et al. (2017) discovered that money management is critical in local Balinese women's organizations (sekaa demen celek). At the sekaa demen celekha, financial records are kept in basic notebooks, the use of which is determined by the sekaa activities themselves. The recording format is quite simple; all that is required is that a few columns contain a description of the month and date; what is critical is that the interpreter comprehends the financial data. The sekaa interpreter, as the party in charge of financial records, maintains a unique book in which members record the money they save each day. Members have entrusted the sekaa interpreter with all aspects of financial administration in order to safeguard the value of indigenous Balinese wisdom, namely nipade demen.

Financial organizations that emphasize the importance of indigenous wisdom will be able to ensure the effective and efficient use of funds. This is mirrored in study as well. Darmade (2016) demonstrates that the practice of responsibility in Subak Delod Sema cannot be divorced from the local knowledge of Pada Gelahang, which is progressively incorporating subak manners, particularly in terms of financial accountability. Another study, conducted by Lestari (2014), revealed that accountability in the Pakraman Kubuaddan Village sector utilized a straightforward accounting accountability approach and was linked to trust in order to exhibit transparency in village financial management.

Another study that demonstrates the relevance of financial organization in the community is Tunda et al(2020) .'s study, which claims that the fishing community's lack of awareness of financial management results in uncontrolled household expenditures and indicators of vulnerability. Providing financial organization training to fishing communities strengthens their grasp of financial management, which has a positive influence on the economy and community welfare.

According to the statistics above, there is no research that specifically covers the financial management of grassroots literacy communities, particularly in East Nusa Tenggara Province. It will contribute to further knowledge and address a research gap in organizing financial efforts for grassroots communities, particularly in the field of literacy, through this research.

## Research Methods

This study was conducted in the literacy community of East Nusa Tenggara province. East Nusa Tenggara province's literacy community was chosen since NTT Province is one of the top four provinces in Indonesia with the highest illiteracy percentage. Additionally, according to studies, NTT Province has consistently been placed 31 or 32 on the National Development Index for the last seven years, beginning in 2013. This places it second-to-last among Indonesia's 33 provinces. NTT's Human Development Index is considerably lower than the national average, necessitating the empowerment of the literate community through sound financial management. This pick was also made in accordance with UNWIRA's mission to further education and build relationships with communities on a local level. The sample was determined using a convenience sampling technique, which means that elements were chosen based on their availability and ease of acquisition.

Primary data were gathered for this study through in-depth interviews with literacy community actors. Secondary data gleaned from research-related documents. Two strategies are used to acquire data: observation and in-depth interviews. Observation is accomplished by monitoring and meticulously noting the symptoms that manifest on the research object. In-depth interviews with literacy community actors were done using a question-and-answer format and were conducted methodically and in accordance with the research objectives (Sugiyono, 2017). Researchers will pay visits to literacy community actors and will also conduct in-depth interviews with them. The data gathering results will be assessed using two forms of analysis, namely SWOT and sensitivity analysis. The SWOT analysis is used to methodically identify many elements affecting an organization's strengths, weaknesses, opportunities, and threats in order to develop organizational strategies (Fatimah, 2016:27).

To begin, the researcher will undertake observations and in-depth interviews in the literacy community. Following that, the researcher will develop a financial strategy model based on observations, in-depth interviews, and SWOT analysis, and finally, the researcher will provide community actors with a financial organization system solution that can be used to repair and develop their financial organization.

## Results and Discussion

### 4.1 The Reality of Financial Organizing Literacy Communities

Financial organization is critical in enabling public organizations to succeed and streamlining resources for efficient service to the community as the intended receiver (Hamid, 2013). This study's financial organization begins with planning and budgeting, accounting and reporting, internal control, external audit, and community monitoring literacy. The flow of financial organization outlined above corresponds to Lawson's proposed flow of public finance organization (2015).

The premise made above about the necessity of financial literacy in organizing an organization's finances is not executed properly in every town in NTT. In general, the NTT community agrees the rationale for a lack of financial literacy, yet financial inclusion in NTT has remained constant as a result of the implementation of a digital financial information base. This is seen by the data in the table below on the increase of financial literacy in NTT, which is based on the Financial Services Authority's National Financial Literacy and Inclusion Survey edition.

Year	Financial Literacy Index	Financial Inclusive Index
2013	21.84%	59.74%
2016	29.66%	67.82%
2019	27.82%	60.63%

**Source: OJK SNLIK**

According to the table above, the degree of literacy development in NTT varies and does not exceed 30.00 percent. This is incompatible with the rapid expansion of financial inclusion. Thus, it can be stated that while knowledge about the presence of financial services is owned by the people of NTT, it is not founded on knowledge about financial literacy as a necessary condition for implementing financial services.

When compared to other provinces in Indonesia, NTT ranks 19th in terms of literacy progress (SNLIK OJK 2020). There are numerous factors that might be directly linked to the growth of financial literacy in NTT, but one of the most critical is the high rate of illiteracy among the NTT population. According to the Central Statistics Agency's 2020 National Socio-Economic Survey (SUSENA) (Kompas. Edition 06 September 2021), NTT is among the top five provinces with the highest illiteracy rate at 4.24 percent (fourth in the illiteracy cluster of the BPS SUSENA survey 2021).

The growth of literacy outlined above establishes assumptions about a lack of awareness of financial literacy, which is the most critical component of organizing a community's finances, particularly for communities in NTT. This is because human resources working in the financial sector of NTT villages continue to be unfamiliar with the system of financial organization. Socialization and the construction of a documentation system, if not a concrete financial reporting system, are critical for the community to enhance its financial elements, both in terms of knowledge and practice. To illustrate the financial position in the following community, the reality of organizing financial literacy communities will be described one by one through observation and in-depth interviews with literacy activists who will serve as research informants. Four literacy communities in NTT Province have agreed to be interviewed as informants.

#### **4.1.1 Reality Portrait of Literacy Community Planning and Budgeting**

Financial planning is defined as the art of financial management carried out by individuals or families to achieve effective, efficient and beneficial goals, so that individuals, families or groups become prosperous (Financial Services Authority, 2021). Financial planning become an important aspect in running the company to the community considering that planning accommodates all ideas or concepts to achieve organizational goals. The literacy community, for example, needs to plan at the beginning of the year both in terms of programs and in terms of finances so that at the end of the year the community can measure program achievements and achieve community economic welfare.

In the planning process, what needs to be done is to think about what will be done, what size and amount, how much is the financing, how to get financing, who will carry it out and control it so that organizational goals can be achieved. Strategic planning as a process in determining the goals and programs of an organization is a comprehensive action to achieve these goals. Strategic planning includes steps, each of which involves a lot of information/data collection, data analysis and evaluations carried out repeatedly by management (Budiono, 2019).

In addition to planning, the literacy community must have sufficient funds to the right budget to realize the goals of the literacy community as a forum to minimize the illiteracy rate in NTT. According to Herison (2018), the community budget can be used as a work guide, it can be used as a work coordination tool, to a work monitoring tool. From the use of the budget, in the preparation of the community budget, it must cover all community activities, so that the function of the budget or the use of the budget can actually run well as well.

The importance of planning and budgeting as described above, in fact has not been carried out by several literacy communities who were informants in this research. According to DR as the Chair of Taman Baca An Explain in his interview, he said that Taman Baca An Explain as a literacy driver in North Central Timor Regency, had not planned and budgeting.

"From the beginning of the year, there was no planning, Kaka. He just walked, for example, when he needed this, we had one, we did it right away. There was no planning. We also don't discuss the budget."

In line with DR, HN as the General Chair of the Nonobarus Reading Group also said that his community had not done any planning and budgeting at the beginning of the year. The community runs as it is. Whatever you want to do, think about it over time. What is thought and felt to be a community need will be carried out if it is thought of or there is momentum.

"So far there is no planning. It just flows, both programs and financial budgeting"

The strategic planning and budgeting steps as proposed by Budi (2019) and Herison (2018) above have not been carried out by the literacy community actors. This is as reflected in the following DR statement:

"In my personal opinion, I never thought about planning. But if there is an example of someone else willing to help, maybe we can adapt."

From the interview above, it can be understood that the literacy community actors understand the importance of planning. However, the weakness is that there is no party accompanying them in the planning process.

Unlike the two communities above, RD as the leader of the Caring community Education in NTT acknowledged that they had already done the planning and budgeting.

"In my opinion, financial planning and monitoring are very important because they are very sensitive. Because it is sensitive, we always make a program plan and financial plan at the beginning of the year. At the beginning, it was determined, oh per member the fee is like this. So that we know the availability of our budget and what it will be used for later. Then at the end we can know whether the budget is right or not. It's still not perfect but we're trying to make it."

Furthermore, Maria as the coordinator of the Melki and Beatrix (MnB) Foundation Reading House said in an interview that financial planning and budgeting have an important role in the progress of the organization so that the MnB Foundation always does it every year.

"In our opinion, planning and budgeting are very important. We usually make planning and budgeting at the beginning of the year. We have six work programs, so at the beginning of the year we discuss and map out; oh this year for the Education Program MnB, for example, I will do this, the funds are like this. How much budget do we have, how much more donations from outside parties are needed. We discussed the program plan and budget at the beginning, although there are still many shortcomings. Later, when the activity is about to be carried out, we will discuss the details in the Super Team meeting."

In her interview Maria said that although the planning and budgeting process was not perfect, the MnB Foundation tried to do it as a guide for activities for one year. Program planning is believed to help in mapping activities and activity targets, measuring implementation capabilities to measuring program success. On the other hand, financial planning also plays a key role in demonstrating the ability to realize activities in terms of the budget owned by the community.

The results of interviews with the NTT Education Care Literacy Community and the Melki and Beatrix (MnB) Foundation show that community actors have realized the importance of planning as a means of managing community programs and finances to achieve community goals. This planning process can help the community in controlling the program and its financial condition. What has been done by the NTT Education Care Community and the MnB Foundation is in accordance with Budio's statement (2019) where in the planning process what needs to be done is to think about what will be done, what size and amount, how much is the financing, how to get financing, who will be doing it. implement and control it so that organizational goals can be achieved.

In terms of budgeting, what was done by the two communities above is in accordance with Herispon (2018) which said that community budgets can be used as work guidelines, can be used as work coordination tools, to work monitoring tools.

#### **4.1.2 Reality Portrait Accounting and Reporting Literacy Community**

Efforts that can be made to build literacy are by involving the community to participate in literacy activities. One solution for the community to participate in literacy activities is to empower the community (Prasetyawan and Suharso 2015; Suharso et al. 2018). To make it easier for the community to get access learning resources, especially for those who still have a lack of facilities, need a person or group of people who have the capital to help the shortcomings of the community (Adhimi and Prasetyawan, 2019). The literacy community as one of the backbones of community literacy empowerment, in carrying out its duties requires capital, both economic capital, immaterial capital, cultural capital and social capital.



Thus, it is necessary to implement a good accounting cycle by the community. Starting from archiving evidence of transactions, financial records to produce financial reports. The regularity of carrying out the accounting cycle in the community helps the community meet the needs of the community and ends up having a positive impact on the development of community literacy. At least with the availability of funds and proper management, the community can buy books or pay mentors to assist the community in understanding basic literacy (reading, writing and arithmetic).

Good fund management can be illustrated through a good accounting cycle. The financial report which is the final result of the accounting cycle can then help the community in making decisions in order to achieve the goals of the literacy community. The capital that has been collected by the community if it is not organized properly it will result in the inhibition of activities in the community. In addition, the implementation of a financial management system in a for-profit or non-profit organization is also very important because it can affect the achievement of organizational goals as a whole (Mahasari, Atmadja and Prayusi: 2017; Shafratunissa (2016).

The importance of a good accounting process is realized by the NTT Education Care Community, as illustrated in the following excerpt from the interview with RD:

"We do financial records. For example, we get capital from member fees. Usually for recording we use a member number. For example, TTU. The area is 04, the member is given a number. The example of Mrs. Yane, 04 is an example. Ah that, when he sent the money he wrote a description on it, then the treasurer already knew, oh this is from this mother. He recaps everything. Before the 26th, the treasurer asks for a checking account from the bank, he matches it, then he recaps everything and sends it to the WA group. Usually the treasurer conveys it, if there is an error, please confirm with the treasurer. This is done so that there are no misunderstandings. We have experienced it. In 2019 there was a massive riot, we had a riot because of the wrong recap. The money is in one account, for sure. It's impossible to go anywhere. And every money withdrawal requires approval. Just because at that time the recap was wrong, Forgot to write Rp. 5000, in the end it was noisy until all of my friends from Rote came out. The big commotion. From that point on, I stressed to the treasurer to make the report as transparent as possible, lest there be suspicions from my friends. So in my opinion planning, recording, managing and monitoring are very important to be transparent"

The interview excerpt above emphasizes that financial mis-recording can have fatal consequences for the sustainability of the community.

Furthermore, the same thing was also expressed by Maria from the Melki and Beatrix Foundation;

"Recording is very important, so that we know the position of our money. Still enough or not, used well or not. Every program has a budget. In implementing the program, for example, it takes Rp. 500,000 to buy books for PAUD friends, the treasurer dispenses the money and gives it to the person in charge of the activity. Well, later the task of the person in charge of the activity is to spend as needed. Every item that is spent using MnB money must be recorded in the activity book and there must be a note. The notes are still simple, how much money have you used and for what"

The portrait of reality that has been carried out by the NTT Education Care Community and the MnB Foundation, is in accordance with the accounting cycle described by Rudianto (2012) where the stages of the accounting cycle begin with the recording stage, the classification stage, the summary stage, and the

preparation of financial statements. However, the accounting cycles of the two communities were adapted to the needs of the community; namely the recording and preparation of financial statements. The reality of accounting and reporting that occurs in the two communities above is in accordance with Mahasari et al. (2017) in their research on financial organization in the local Balinese Women's organization (sekaa demen celek) who found that financial management is important in the community. Financial recording at the sekaa demen celekha uses simple records,

In contrast to the two communities above, Taman Baca An clear admits that in all its activities, there has been no financial recording and accountability. The reason is because the capital used to carry out literacy activities is own capital. The chairman of the Reading House group also acts as treasurer and executor of activities. The term is "single player" so that they believe in the appropriateness of the use of funds, so there is no need for recording or reporting. This is as expressed by DR Chairman of Taman Baca Andefini, as follows:

"So far, for the finances at the reading park, I use my own money. Even if there are friends who care about them there, we ask for them in kind. For reports, there really aren't any. Most of them ask for in kind, if not for money. So far there is no record at all for donations of goods or money."

The non-implementation of accounting and reporting processes in the literacy community is also reinforced by the views of the Chairperson of the Nonobarus Reading Group as follows:

"Oh, for the use of finance, we can see from the facts on the ground. For example, children need books. Notebook or ballpoint pen and so on, we are direct. At that time, if we had the funds, we immediately used it for that. No receipt kept"

In the interview, literacy activists from the Reading Group Nonobarus and Taman Baca Ancepat, also said that the absence of clear financial records also made them feel at a loss sometimes. The use of personal money that is not properly planned can hinder the welfare of literacy activists as individuals and the literacy community they lead. The absence of financial planning and recording makes literacy activists not sure of cash flow and cannot measure the success of the program.

#### **4.1.3 Reality Portrait of Internal Control, Audit and External Monitoring Literacy Community**

In the language of accounting, accountability (the ability to provide accountability) is the basis of financial reporting. To achieve accountability; Internal control, auditing and monitoring are needed with the aim of evaluating and improving the effectiveness of risk management and processes in supporting community performance. Based on interviews with MnB Foundation informants, the evaluation was carried out after the activities were completed. Internal control and audits are carried out through activity evaluation. Supervision is carried out by the leadership of the MnB Foundation and donors act as external supervisors only when activities are carried out using funds from donors, otherwise there is no supervision from outside parties. This can be seen in the following interview with Maria from the MnB Foundation:

"Usually we make an evaluation at the end of the activity. In the evaluation, we discuss what has been done, whether it is good or where it is lacking. The amount of money used is also checked during the evaluation. We evaluate together with the Super Team. As for the party supervising the organization, there is no outside party. Pure, yes, attending the evaluation meeting of super team members, except if

our donor funds are like making an accountability report to the donor but there is no evaluation with the donor."

Furthermore, DR from the NTT Education Care Community stated that evaluations are carried out periodically to collect information on activities and forms of accountability for what has been done.

"To control the suitability of activities, we usually make an evaluation after the activity. There, it was discussed with friends in the community how to sustain the activity, how to use the budget, the treasurer to report the report, how and what improvements would be needed in the future. Only insiders are involved. If you involve outsiders, there is no one"

From the interview excerpt above, it can be understood that internal control is carried out by the NTT Education Care Community through evaluation activities with community members. The evaluation of financial audits and accountability as part of the audit is also carried out. The treasurer plays an important role in making reports on the use of activity funds. External supervision was not carried out considering that no party was entrusted with the position of external supervisor.

Unlike the two literacy communities above, KB Nonobarus and Taman Baca Ancepat, have not yet conducted an evaluation. The reason that internal control and supervision has not been carried out is because they feel that it is not necessary to do this considering that they are the perpetrators of activities who know the types and expenditures as well as the income of the activity budget. Audits and supervision have not been carried out by the two literacy communities. This is as stated by KB Nonobarus as follows:

"Yes, just like planning and recording, we do not evaluate, control or supervise. There is no need for evaluation. We make the program, we give the money out, we know where the money is spent, what kind of activities. So there is no evaluation or re-examination. We are happy that the activity has started, it has been able to help children understand basic literacy"

## 4.2 SWOT Analysis: Comparison of Literacy Communities that have implemented Financial Organizing and those who have not implemented Financial Organizing

**Table 1. SWOT analysis**

Community Name	Internal Strength	Internal Weakness	Various Opportunities	Various Threats	Description
<b>NTT Education Care Community and MnB Foundation</b>	Passion and real action to advance literacy in NTT, Have an active and solid team, The community knows the vision, mission, and goals, which it wants to achieve, Make programs that are right on target, measurable and have clear directions to	The form of recording is still very simple, it does not describe the financial condition of the community as a whole  2. There is no external supervision	Planning measurable and targeted programs, Community has a planned and clear future, It's easier to get funding from donors	If it is not carried out regularly and consistently, the community's goals will not be achieved properly	Already doing simple Financial Organizing

<p>minimize illiteracy in NTT, Knowing the position and flow of community money and used for programs to promote literacy in NTT, Through evaluation, the community can improve performance and make the right decisions for the continuation of the community</p>					
<b>An Clear Park and KB Nonobarus</b>	Passion and real action to advance literacy in NTT, and have clear goals	Only individuals drive, lack of human resources, goals are not supported by clear program planning. Without community planning, it is not possible to ensure whether or not the targets of the activities made	Can continue to run the community and contribute to the advancement of literacy in NTT	The community is not able to achieve the goal. Work programs, undirected funding make the community unable to maximize literacy in NTT and find it difficult to get donors	Haven't done simple Financial Organizing

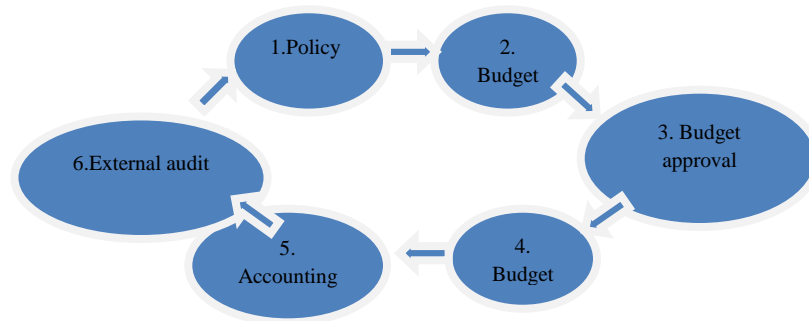
**Source: Processed by Researchers**

From the comparison of the SWOT analysis between communities that have and have not implemented a simple financial organizing system, it can be seen that the two communities that have implemented have a greater advantage. The NTT Education Care Community and the MnB Foundation have been able to contribute well because they have good planning, recording and supervision. In terms of the program, the two communities were able to measure the success of the program and achieve the goals that have been set. From a financial perspective, the community did not experience financial misappropriation because it had a clear record.

On the other hand, KB Nonobarus and Taman Baca Andefini as communities that have not yet carried out financial organization, can be seen in their performance that is not directed considering that there are no planned goals, programs and budgets. This has an impact on the immeasurable success of performance and the community does not contribute optimally to improve understanding of basic literacy in NTT. On the other hand, the community will also find it difficult to find funding from donors who can help run the program in the community.

### **4.3 Formulation of a Good Financial Organizing System for the Sustainability of the Literacy Community**

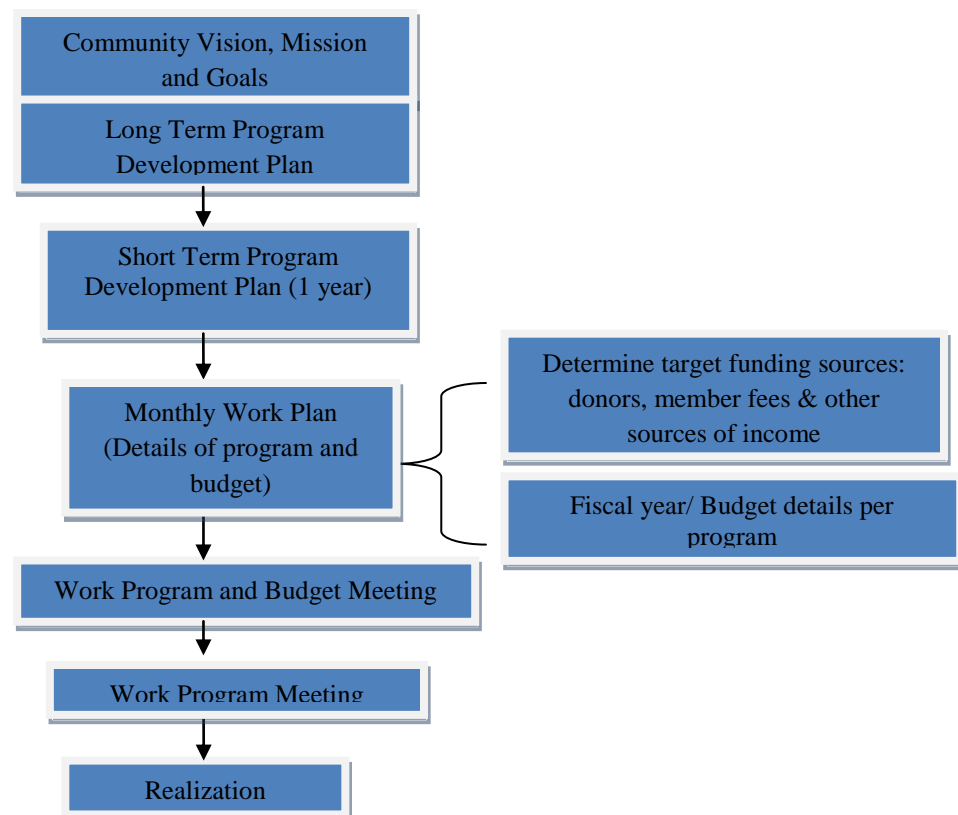
**Lawson (2015) formulates the flow of organizing public finances as follows:**



**Source: Lawson (2015)**

Taking into account the flow above and referring to the reality of community financial organization and the needs of literacy activists, the researcher formulated the Literacy Community Financial Organizing System as follows:

#### 4.2.1 Planning and Budgeting:



**Source: Processed by Researchers**

From the chart above, it can be understood that planning and budgeting are the first steps that the literacy community must take in every fiscal year. The community can choose whether its fiscal year starts from January to December of one year or June of the current year to June of next year; it all depends on the circumstances and needs of the community. Furthermore, in planning and budgeting the literacy community must adhere to the vision, mission and goals of the community. From the vision, mission and goals of the community, the literacy activists then determine the time to discuss the community's long-term work program. The time referred to in the long term can be in the form of the next five to ten years depending on the needs of the community. *going concern* (continuity). Principle *going concern* (continuity) in accounting is defined as a community that will continue to operate in the future or in other words it will not stop operating in the future (Bahri, 2016: 3).

Next, the community makes a Short Term Program Development Plan (1 year). This Short-Term Program Development Plan (1 year) is a derivative of a long-term program that allows it to be realized within one year. The Short Term Program Development Plan (1 year) is then detailed in a monthly Work Plan which then becomes a reference for the community to make monthly activities that refer to the achievement of one year's goals. In planning the community program it is necessary to detail; what is the problem, who is the target of the activity, the method used to solve the problem, the stakeholders involved, indicators of program success, the person in charge of the program, the time to implement the program, the person in charge, to the budget.

For example, the community plans that within the next year 100 elementary school children in Kefamenanu City, TTU-NTT will be able to read. To achieve this, in the monthly work plan, the community designs a program of "reading assistance for elementary school children". This reading mentoring program is carried out 4 times a month. Meetings are held every Saturday. On Saturday in the first week, elementary school children are introduced to letters. In the second week, elementary school children are introduced to words. The third Saturday was introduced to reading one sentence and Saturday the fourth week was introduced to reading paragraphs.

This program is carried out consistently for twelve months (1 year) so that elementary school children in Kefamenanu City as the target of the activity can read in accordance with the Short Term Program Development target (1 year). In addition to planning the program, the literacy community also needs to do planning and budgeting. For example, from the "reading assistance for elementary school children" program, four mentors are needed. Each mentor will be paid a salary of IDR 250,000 per month. On the other hand, it also costs money to buy books for children at a cost of, for example, IDR 500,000. All details of financing need to be budgeted so that the community knows how much budget is needed by the community to achieve the goals. By knowing the budget needs, the community can then determine where the funding will come from; from group contributions, efforts to find funds or donors. If it is agreed that contributions are one of the sources of the budget, it will be discussed together in the meeting how much the membership fees will be, how the payment system will be, who is responsible for holding the money, up to what date to pay the contributions. Furthermore, budget needs can send the community to discuss the target of potential donors, how much funds or goods the donor would like to request, who is responsible for contacting donors to discuss the technicalities of making proposals for requests for funding assistance; in order to be able to get additional capital to realize the program. Program plans and budgets need to be discussed from the beginning by the literacy community so that the community

knows in detail their needs, how to get these needs to a more targeted realization to achieve the goals well. All program plans and budgets also need to be recorded regularly to make it easier for monitoring and evaluation.

The suggested planning and budgeting charts for the literacy community for each activity are:

**Table 2 Planning and Budgeting**

No.	Name of Activity and Purpose	Activity Implementation Time	Problem	The program carried out and the person in charge	Success indicator	Measurable impact	Stakeholders	Budget (Details)
1.								
2. etc								

Source: Processed by Researchers

## 4.2.2 Accounting and reporting

*American Accounting Association* (AAA) defines accounting as the process of identifying, measuring, and reporting economic information to enable clear and firm judgments and decisions for those who use the information. Accounting is further defined as the process of identifying, collecting, storing data, developing, measuring and communicating information. Based on this definition, accounting is an information system that collects, records, stores, processes accounting and other data to produce information for decision makers (Ratnaningsih: 2013, Akbar: 2019, Munawir, 2014). Accounting and reporting play an important role in ensuring the achievement of the goals of the literacy community. Accounting helps the community in processing transactions into financial information. Accounting can provide various financial information that is important in running the community (Munawir: 2014).

By understanding the accounting function above, the literacy community needs to carry out accounting activities in order to be able to produce useful information for community decision making. The form of recording is adjusted to the needs of the community so that in the accounting and reporting model, the researcher makes a simple accounting cycle, namely recording and reporting through the income and expenditure book. The researchers suggest a simple recording model as follows:

### 1. Income Book

#### a. Member Fee

#### Member Dues Book Model

#### Membership Card

Community:.....

Member's name

:

No. Member

:

Member Address

:

Date	Description	debit	Credit	Balance	Signature
				debit      Credit	

**Source: Processed by Researchers**

**b. Donor**

**b.1 Money Donation**

**Donor Card**

**Community:.....**

**Donor Name**

:

**Donor Address**

:

No.	Date	Donor Name	Amount Donation (Rp)	of Donation Recipient	Signature

**Source: Processed by Researchers**

**b.2 Donation of Goods**

**Donor Card**

**Community:.....**



**Donor Name** :

**Donor Address**

:

No.	Date	Donor Name	Donation Type	Donation Amount (Item Quantity)	Signature

**Source: Processed by Researchers**

## 2. Production Book

No	Date	Output Type	Expenditure Amount	Person responsible	Signature

**Source: Processed by Researchers**

From the above format, it can be understood that the format for income from both member and donor contributions is made per member/donor one card to facilitate monitoring. There must be one person entrusted as treasurer/person in charge who periodically keeps records of finances and inventories owned by the community.

Through this simple recording, the literacy community can find out how much budget they have, where the source of the funds comes from, how much funds have been used for activities, how much remaining funds they have, and when to look for additional funds. This information can then help the literacy community maximize the use of funds and determine the flow of funds in and out. Community needs will also be able to be organized with appropriate financial management. With good financial reports, donors will have more confidence in the community because they think that the community uses money well for their needs to promote literacy. Through good reports, donors in non-profit organizations can find out the use of the funds that have been given (PSAK 45).

## Internal control, audit and supervision

The literacy community is classified as a non-profit organization. Non-profit organizations derive their resources from the contributions of members and other donors who do not expect anything in return from the organization (Mahsun, et al, 2013:185). Because of getting donations from members and limited people in the community, the community feels there is no need for internal controls, audits and oversight of community performance and budgets. This view is wrong, considering that the community also has a purpose. So it is very important for the community to carry out internal control, audit and supervision. It

can be done through regular meetings to compare the plan and the realization of the work program. On the other hand, conducting financial audits, seeing the accuracy of the use of the budget, as well as making performance and budget reports for the community to donors are steps for internal control, auditing and supervision to ensure the achievement of community goals.

## Conclusion, Limitations and Implications.

Based on the results of the study, it can be concluded that there are literacy communities that have implemented a financial organizing system (planning, budgeting, accounting and recording as well as internal control, auditing and supervision) and there are also communities that have not implemented a financial organizing system. Literacy communities that have implemented a simple financial organizing system show better performance and are focused on clear goals, while communities that have not implemented a financial organizing system are not able to fully achieve their goals. Work programs and undirected funding make it difficult for the community to develop and difficult to get donors so that it cannot be optimal in advancing literacy in NTT.

To answer this problem, the researcher designed a financial organizing system for the literacy community according to the needs of the literacy community that can be used by the entire literacy community. The financial organization system designed starts from the planning and budgeting stages, accounting and recording, internal control, auditing and supervision. All stages in the system lead to the vision, mission and goals of each community. This literacy community financial organization system is expected to help the literacy community develop appropriate programs and budgets in order to achieve its goal of minimizing the illiteracy rate in NTT Province.

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