
Implementing Transparent Financial Governance in Local Neighborhood Association: A Community Engagement Activity

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Abstract: *The community service project was undertaken in response to the lack of transparency and accountability in managing community contributions within a neighborhood association in Cipinang Cempedak, Jakarta—particularly those related to cleanliness programs. The activity focused on addressing these issues by promoting clear, accessible, and participatory financial governance at the grassroots level. Appointed as treasurer through Surat Keputusan Lurah Nomor 220 Tahun 2024, the author initiated a monthly reporting system that documented residents' financial commitments and detailed how funds were used. Reports were shared via WhatsApp to enhance accessibility, accountability, and community feedback. This low-cost and inclusive approach fostered financial transparency, strengthened civic engagement, and built trust within the community. The results demonstrate that digital tools and regular reporting can effectively support good governance in local settings. This initiative also reflects the spirit of Pengabdian kepada Masyarakat as part of the Tri Dharma Perguruan Tinggi framework.*

Introduction

As citizens grow more aware and expect honesty in public affairs, clear and open money management has taken center stage in good community leadership. Neighborhood groups, sitting closest to residents, are key to looking after shared assets and making sure tax dollars do what they are meant to do. Raising the standard of money work at this grass-roots level is not just smart housekeeping; it also builds the trust of people place in local leaders and encourages them to take part (Putnam, 2000; World Bank, 2019).

Joining or nudging community-wide openness projects brings clear wins for both the neighborhood councils and the people who live there. For those in charge, and especially for the person holding the purse strings, steady use of plain bookkeeping routines makes it easier to watch where money goes, file reports on what is spent, and stand by the books when questions arise (Schiavo-Campo & Tommasi, 1999). For everyday residents, clear reports posted on phones, bulletin boards, or other familiar spots-show that shared funds are used even-

handedly and that their opinions matter along the way (OECD, 2015).

Clear and open money records build a habit of shared duty and constant talk among neighbors. When people see regular budget updates and can voice ideas-or even quick critiques-in a WhatsApp group, they start to pay attention to how their community is run. This level of involvement curbs chances of sloppy spending and quietly strengthens ownership of collective spaces (Fung, 2006; Shah, 2007). Such easy-going yet broad forums, in turn, help toughen local groups and keep them answerable to the residents they serve.

This article recounts a community service effort aimed at strengthening transparent financial governance through direct involvement as the treasurer of a small neighborhood association (RT) in Cipinang Cempedak, Jakarta. The neighborhood association was selected as the service partner because it represents the smallest administrative unit in urban governance, tasked with managing essential local services such as cleanliness, security, and basic infrastructure. Preliminary observations and informal discussions with residents revealed that the RT lacked an established system for systematically documenting financial contributions or expenditures. Prior to the intervention, information on monthly cleanliness dues and related spending was typically conveyed verbally or recorded informally on handwritten notes, many of which were not archived for accountability.

In 2024, Cipinang Cempedak was home to approximately 38,051 residents across multiple RTs, with RT 013—the focus of this initiative—serving 68 households (Data RT013, 2025). Of these, only 29 households had their cleanliness contributions managed directly by the RT treasurer, while the remaining 39 households paid their contributions directly to *Dinas Kebersihan DKI*. This arrangement contributed to low participation in the RT-level financial governance system and highlighted the need for a transparent, systematic approach to managing and reporting community funds at the neighborhood level.

The decision to partner with this neighborhood association stemmed from both its direct relevance to everyday community welfare and the pressing need for improved financial accountability at this level. The lack of transparent reporting has led to resident complaints and occasional mistrust, particularly regarding the use of cleanliness funds. The aim was not only to introduce systematic documentation but also to promote openness through digital tools that residents were already familiar with, such as WhatsApp. The simplicity of the intervention made it feasible to implement and replicate without requiring large budgets or formal training. This approach was expected to address the identified issues while aligning with the spirit of community service as part of the *Tri Dharma Perguruan Tinggi* mission (Kemenristekdikti, 2017).

The broader goal of this community service was to create positive social change by increasing community participation in financial governance, fostering trust, and improving the efficiency of neighborhood fund management. By establishing clear monthly reporting practices and using accessible digital platforms, the program sought to raise the proportion of

households contributing from below 50% to at least 75% over several reporting cycles. The long-term social change envisioned was a shift toward shared responsibility for communal resources, greater civic dialogue, and a culture of transparency at the grassroots level. This article describes how open-money rules were put into practice through monthly routines of collecting dues, tracking cleaning fund contributions, and sharing spending reports via simple digital updates—demonstrating that low-cost, local initiatives can both promote good governance and fulfill the *Tri Dharma Perguruan Tinggi* mandate.

Community Service Methodology

The community service project took place in RT 013, Cipinang Cempedak Urban Village, Jatinegara District, East Jakarta. The partner in this activity was the RT 013 neighborhood association (*mitra*), represented by the RT head (Ketua RT), the secretariat team, and several active resident volunteers. The selection of RT 013 as the service partner was based on the identified need for more transparent and systematic financial governance, particularly in the management of cleanliness fund contributions (Schiavo-Campo & Tommasi, 1999). Initial meetings at the local neighborhood post brought together the treasurer, chairperson, and various residents. From these sessions three main problems emerged: the absence of written records, irregular tracking of contributions, and no formal way to report to the community. After reviewing these issues, the RT leaders and residents agreed on common goals, including the creation of a simple and open financial system.

The local management team designed a responsive financial system that allowed residents to make contributions at a time convenient for them and chose WhatsApp as the primary reporting tool because it is widely used, easy to download, and can be used on low-cost mobile devices (OECD, 2015; World Bank, 2019). Community partners did not limit their role to the launch plan; they helped introduce the system, encouraged neighbors to get involved, and offered practical advice after each round of reports, keeping the process adaptive and inclusive. By combining participatory action with digital tools, the project aimed to build a culture of voluntary giving, clear oversight, and shared ownership of local finance (Putnam, 2000; UNDP, 2015). WhatsApp proved useful as it allowed for short payment windows that matched varying household incomes, treasurers posted simple detailed summaries in clear language, and citizens could ask questions or raise concerns at any time through an open group chat (OECD, 2015).

The project combined participatory action research with targeted digital communication practices to encourage voluntary donations, open budget tracking and a sense of collective responsibility (Putnam, 2000; UNDP, 2015). Using widely available tools such as WhatsApp, the team set up a mobile donation window, kept simple itemized reports, and maintained constant reciprocal conversations between the treasurer and community members through group chats (OECD, 2015).

The first step in the project was initial planning, when committee members met to map local waste issues and co-design donation and reporting templates (Fung, 2006). Next is socialization, where volunteers announce the system on WhatsApp, post flyers, and chat after prayers, emphasizing that donations are optional and payments can be made at any time. Implementation takes place monthly, with coordinators collecting donations and keeping a meticulous ledger of every dollar earned and every hygiene-related expense. After the last collection, reporting and feedback begins; the treasurer posts the full report-of names, amounts, and receipts-on the neighborhood group, inviting everyone to review, question, or suggest changes (Shah, 2007). The cycle closes with an evaluation meeting, where the neighborhood head and a few volunteers sit down for tea, listen to comments, note what went well, and agree on minor changes before the next round begins.

The overall stages and process of this community service activity are summarized in the following flowchart, which illustrates the sequence from planning through evaluation.



Figure 1. Stages of the Community Service Activity in RT 013, Cipinang Cempedak

Results and Discussion

The community-service program on Transparent Financial Governance offered a hands-on, participatory model for handling neighborhood funds within the civic association. Appointed treasurer by Cipinang Cempedak village decree SK Nomor 220/2024 on 29 October, the writer launched a monthly routine of voluntary dues collection, open record-keeping, and public reports shared in a WhatsApp group. This setup permitted instant dialogue, clear money trails, and resident feedback, thus strengthening basic-level accountability (Shah, 2007; World Bank, 2019).

The scheme rested on three tasks: gathering monthly cleaning dues, tracking and documenting spending, and posting itemized statements at month-end. Residents could settle payments at their convenience, while the treasurer verified that every receipt and outlay matched the ledger. A standout result was the use of simple digital tools, chiefly WhatsApp, which sustained openness and invited collective oversight, mirroring the OECDs (2015) call

for technology that deepens citizen involvement and streamlines governance.

KOMPLEK 10 RT 013/RW 06 KELURAHAN CIPINANG CEPEDAK JAKARTA TIMUR					
LAPORAN POSISI IURAN SAMPAH MEI 2025 (DITAMBAH TRIP JAWAB BULAN)					
NO	NAMA	ALAMAT	KOMITMEN	REALISASI	BETERANGAN
SALDO HAS PER APRIL 2025 Rp. 3.817.000					
1		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
2		CC I # 10 @	Rp. 100.000	Rp. 100.000	
3		CC I # 10 @	Rp. 50.000	Rp. -	Nov-Des 23
4		CC I # 10 @	Rp. 50.000	Rp. 200.000	Feb-Mai 2025
5		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
6		CC I # 10 @	Rp. 50.000	Rp. 100.000	Apr-Mai 2025
7		CC I # 10 @	Rp. 50.000	Rp. 300.000	Jan-Jun 2025
8		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
9		CC I # 10 @	Rp. 50.000	Rp. 100.000	Mai-Jun 225
10		CC I # 10 @	Rp. 25.000	Rp. 25.000	
11		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
12		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
13		CC I # 10 @	Rp. 50.000	Rp. -	Apr-Mai 2025
14		CC I # 10 @	Rp. 35.000	Rp. 35.000	
15		CC I # 10 @	Rp. 30.000	Rp. 90.000	Mai-Jul 2025
16		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
17		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
18		CC I # 10 @	Rp. 50.000	Rp. 100.000	
19		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
20		CC I # 10 @	Rp. 25.000	Rp. -	Belum bayar
21		CC I # 10 @	Rp. 30.000	Rp. -	Belum bayar
22		CC I # 10 @	Rp. 50.000	Rp. 50.000	
23		CC I # 10 @	Rp. 50.000	Rp. -	Jan-Jun 2025
24		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
25		CC I # 10 @	Rp. 50.000	Rp. 50.000	
26		CC I # 10 @	Rp. 50.000	Rp. -	Mar-Des 2025
27		CC I # 10 @	Rp. 30.000	Rp. -	Jan-Mai 2025
28		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
29		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
30		CC I # 10 @	Rp. 50.000	Rp. -	Belum bayar
TOTAL Rp. 3.191.000					
PENGHUTAN IURAN SAMPAH WABANK Rp. 4.567.000					
1 Penghutian Sampah (9 Mei 2025) Rp. 500.000					
2 Penghutian Sampah (30 Mei 2025) Rp. 500.000					
3 Pembayaran angkut pingir dan beli sarung tangan Rp. 250.000					
LUNTAH Rp. 1.300.000					
SALDO PER MEI 2025 Rp. 3.717.000					
KEMUKAAN TERSEBUT					
Perhatian: Bapak/Ibu yang membuang sampah selain sampah rumah tangga (seperti pingir, sebagian pakem, kaca, sedek, bekas, lemari bekas, dan lain-lain) dimohon kerja samanya untuk bertanggung jawab atas sampah tersebut. Jangan membuang di dalam kub sampah. Terima kasih.					

KOMPLEK 10 RT 013/RW 06 KELURAHAN CIPINANG CEPEDAK JAKARTA TIMUR					
IURAN SAMPAH PER JUNI 2025					
NO	NAMA	ALAMAT	KOMITMEN	SUMAH (Rp.)	TANDA TANGAN
1		CC I # 10 @	Rp. 25.000	Rp. 50.000	1
2		CC I # 10 @	Rp. 100.000	Rp. 100.000	2
3		CC I # 10 @	Rp. 50.000	Rp. -	3
4		CC I # 10 @	Rp. 50.000	Rp. 50.000	4
5		CC I # 10 @	Rp. 50.000	Rp. 150.000	5
6		CC I # 10 @	Rp. 50.000	Rp. 50.000	6
7		CC I # 10 @	Rp. 50.000	Rp. -	7
8		CC I # 10 @	Rp. 50.000	Rp. 150.000	8
9		CC I # 10 @	Rp. 50.000	Rp. -	9
10		CC I # 10 @	Rp. 25.000	Rp. 450.000	10
11		CC I # 10 @	Rp. 20.000	Rp. 460.000	11
12		CC I # 10 @	Rp. 25.000	Rp. 50.000	12
13		CC I # 10 @	Rp. 50.000	Rp. 50.000	13
14		CC I # 10 @	Rp. 35.000	Rp. 35.000	14
15		CC I # 10 @	Rp. 30.000	Rp. -	15
16		CC I # 10 @	Rp. 25.000	Rp. 50.000	16
17		CC I # 10 @	Rp. 25.000	Rp. 325.000	17
18		CC I # 10 @	Rp. 50.000	Rp. 100.000	18
19		CC I # 10 @	Rp. 35.000	Rp. 50.000	19
20		CC I # 10 @	Rp. 25.000	Rp. 50.000	20
21		CC I # 10 @	Rp. 30.000	Rp. 60.000	21
22		CC I # 10 @	Rp. 50.000	Rp. 50.000	22
23		CC I # 10 @	Rp. 50.000	Rp. -	23
24		CC I # 10 @	Rp. 50.000	Rp. 900.000	24
25		CC I # 10 @	Rp. 50.000	Rp. 50.000	25
26		CC I # 10 @	Rp. 50.000	Rp. -	26
27		CC I # 10 @	Rp. 30.000	Rp. 30.000	27
28		CC I # 10 @	Rp. 50.000	Rp. 100.000	28
29		CC I # 10 @	Rp. 25.000	Rp. -	29

Selamat pagi Bapak2 semuanya. Salam sehat selalu. Saya kirimkan laporan penggunaan iuran sampah Mei 2025, iuran sampah per Juni 2025, dan jadwal kunci gerbang Juni 2025. Mohon diterima dan menjadi perhatian. Terima kasih. 🙏

06:32 ✓

Figure 2. Sample Financial Report for May and June 2025 Commitments dues Shared via WhatsApp on 31 May 2025

Figure 2 presents the financial report circulated to the RT WhatsApp group on May 31, 2025. Accompanying the residents' outstanding dues and payments is a detailed summary of cleanliness costs and a roster outlining gate-key duties for June 2025. Because the report was posted in a shared digital space open to all, every member could examine, confirm, and reply to the figures in real time, thus forming an informal yet robust channel for social accountability.

This transparent practice effectively turned the WhatsApp group into a forum for civic exchange. Residents could pose questions, offer enhancements, or voice worries about how money was spent. Such dialogue nurtured a climate of shared trust and openness, mirroring Fung's (2006) notion of empowered participation, in which citizens are not passive recipients of information but active partners in oversight and choice.

The steady stream of plain-language reports, delivered on time and illustrated with simple charts, set clear norms, calmed uncertainty, and lifted residents basic grasp of money matters. Though the system lacked formal backing, it moved with a familiar beat and orderly flow that echoed the routine found in government finance offices. The experiment showed that

openness and answerability can thrive even outside a rigid framework; all that is needed are regularity, clear sharing of facts, and leaders willing to explain their choices (Schiavo-Campo & Tommasi, 1999).

Set against Indonesia wider push for digital government, the village WhatsApp ledger aligns neatly with national aims of open decision-making and shared development. With over 221 million Indonesians online in 2024 (World Bank, 2019), messaging apps supply an affordable, far-reaching channel for encouraging public input. The positive feedback from this neighborhood pilot hints that similar low-tech, people-centered models could be scaled to other RT/RW units, fortifying local finance oversight and a sense of joint duty.

The findings indicate that when residents receive accurate and timely financial information, along with opportunities to review their records, they show a greater sense of responsibility and collective commitment in managing communal resources. In RT 013, out of 68 households, 29 households had their cleanliness contributions managed directly by the RT treasurer. The participation rate among these 29 households was high, but this reflected not only regular monthly payments but also advance contributions covering longer periods. For example, several households chose to pay once or twice a year in advance, while others made payments quarterly or every two months. This pattern suggests both trust in the financial reporting system and practical efforts by residents to meet their commitments according to their individual financial planning strategies.

Table 1 summarizes the distribution of households based on payment frequency and method. The majority of contributions were made via bank transfer, with smaller numbers opting for cash payments. Notably, only two households did not make any contributions during the reporting period.

Table 1. Distribution of Households by Payment Frequency and Method of Cleanliness Contributions in RT 013, Cipinang Cempedak

No	Frequency of Payment	Method of Payment	Number of Households
1	Once a year in advance	Transfer	4
2	Twice a year in advance	Transfer	4
3	Four times a year in advance	Transfer	5
4	In two months	Transfer	5
5	Every month	Transfer	4
		Cash	5
6	Has not paid	Cash	2
Total Households			29

In addition to financial participation, residents generally provided feedback or raised questions on the monthly reports only when discrepancies or errors were identified in the recording of their contributions. Notably, for the reports covering April and May 2025, no feedback or questions were submitted, suggesting that the financial records during these periods were perceived as accurate and satisfactory by the community.

Based on these results, it is recommended that the neighborhood association continue strengthening communication practices by combining digital reporting with quarterly face-to-face meetings to promote dialogue and clarification. The association could also benefit from offering simple financial literacy sessions to help residents better understand fund usage, reporting, and budgeting. Furthermore, developing a formal archiving system for financial reports—whether digital or printed—would enhance the sustainability of transparency practices and provide a reliable reference for future RT management. Overall, this project not only met its transparency objectives but also contributed to strengthening the community's capacity for accountable governance and served as a meaningful example of *Pengabdian kepada Masyarakat* in alignment with the *Tri Dharma Perguruan Tinggi* (Kemenristekdikti, 2017).

Conclusion

The implementation of transparent financial governance through the author's role as treasurer of the neighborhood association demonstrated both theoretical and practical contributions to community development. Theoretically, this community service activity reinforces the understanding that transparency and accountability at the grassroots level can be achieved not only through formal training or external regulations, but also through participatory practices, consistent communication, and the use of familiar digital tools (Fung, 2006; Shah, 2007). The initiative illustrates how simple mechanisms—such as voluntary contributions, flexible payment schedules, and routine financial reporting via WhatsApp—can foster a culture of openness, strengthen civic engagement, and build mutual trust among residents (OECD, 2015; Schiavo-Campo & Tommasi, 1999). These results are in line with community empowerment theory that highlights bottom-up governance and shared responsibility (Putnam, 2000; World Bank, 2019).

In practical terms, the initiative fulfilled its primary objective: to install a transparent, efficient, and inclusive financial management system that addresses poor record-keeping and weak accountability in neighborhood associations. From initial planning sessions with local leaders to the launch of monthly reports and feedback, the work resulted in visible social change. Residents gave more frequently, discussed reports more openly, and made financial transparency a routine part of daily life. Evidence shows that steady communication, clear steps, and easy-to-use digital tools can rebuild trust and hold public leaders accountable on a community scale. Because of this, the project delivered both the promised service and broader

social benefits in line with the Community Service principle of the Tri Dharma of Higher Education (Kemenristekdikti, 2017).

To expand such benefits, local governments and community leaders should support and promote similar resident-led budgeting and monitoring schemes. Simple platforms such as WhatsApp, with which many households are already familiar, can be combined with short training workshops to keep the system running, track spending in real time, and deal with problems before they develop. A regular financial newsletter offers a simple template that other neighborhood associations can copy with minimal effort. Organizers should couple these updates with a clear system for tracking contributions and keep communication channels open so residents can easily see, question, and contest how money is being spent. Casual capacity-building activities-such as mentoring afternoons led by experienced block captains or treasurers-will also reinforce good record-keeping and exchange practical tips among volunteers. Recording success stories from these ground-level initiatives and sharing them publicly can then serve as useful evidence in broader discussions about participatory governance and digital accountability.

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