

Coping Strategy For The Implementation Of South Sulawesi Provincial Government Grant Funds

Salehuddin^{1*}, Suparman Abdullah², Rahmat Muhammad³

¹ Department of Sociology, Hasanuddin University, Makassar, Indonesia, <https://orcid.org/0009-0002-5343-3558>
bobbystarlet@yahoo.com

² Department of Sociology, Hasanuddin University, Makassar, Indonesia, <https://orcid.org/0000-0002-4973-7885>
mansosio87@yahoo.com

³ Departmen of Sociology, Hasanuddin University, Makassar, Indonesia, <https://orcid.org/0000-0002-1535-1060>
rahmatmuhammad131@gmail.com

Abstract

The distribution of grant funds for the construction of houses of worship, which are full of moral values, is often misused, so a strategy is needed to ensure that the funds are targeted and used effectively. This research uses a qualitative approach with a case study design. The study focuses on cases of implementation of grant fund distribution by the South Sulawesi Provincial Government for mosque construction. Data were collected through document studies and interviews. The data were then analyzed qualitatively through classification, categorization, formulating meanings, and drawing conclusions. The research results show that grant fund distribution in several cases experienced deviations. Uncertainty was found in the grant fund distribution. Therefore, coping strategies in the form of reorganizing, self-organizing, and co-evolution are important in unraveling solutions to the phenomenon of grant fund distribution deviations. Misuse of grant funds is caused by the weak integrity of recipients, so there is a need to strengthen responsibility and self-organization based on moral values.

Keywords: grant funds; mosque; uncertainty; reorganizing; self-organizing; co-evolution.

INTRODUCTION

Based on regulations, grant funds are assistance in the form of money, goods, and/or services originating from the Central Government, other Regional Governments, communities, and domestic or foreign business entities that are non-binding to support the improvement of Government Affairs administration which falls under regional authority in accordance with the provisions of laws and regulations (Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management). Contextually, grant funds aim to support national development programs, both at the central and regional levels. In government administration, grants can also be provided to support the implementation of regional government affairs. Several sectors that can be financed using grant funds include supporting activities in the fields of economics, education, health, and others (Chapman et al., 2022).

Technically, within the scope of the South Sulawesi Provincial Government, the Governor's Regulation (Pergub) of South Sulawesi Number 11 of 2022 was issued concerning the Implementation Regulation of South Sulawesi Provincial Regulation Number 7 of 2021 on Regional Financial Management. In this Governor's Regulation, it is explained that grants are the provision of money/goods or services from the Regional Government to the central government or other regional governments, state-owned enterprises/regionally-owned enterprises, bodies, institutions and community organizations with Indonesian legal entity status, which have been specifically designated for their intended use, are non-mandatory and non-binding, and are not continuous in nature, with the purpose of supporting the implementation of regional government affairs (Cimpeanu et al. 2023).

Grant funds are expected to support the achievement of Regional Government program and activity targets by observing the principles of: budget discipline; budget order; regional financial capacity; social justice; effectiveness; and efficiency. Based on these principles, the provision of grant funds aims to support the implementation of regional government administration. Thus, the policy on grant fund distribution has legal force. Therefore, every structure of the South Sulawesi Provincial Government should comply with and adhere to the applicable regulations. If grant fund distribution in South Sulawesi complies with

regulations, then no deviations would occur. This statement is in accordance with South Sulawesi Governor's Regulation Number 6 of 2024 concerning the Second Amendment to South Sulawesi Governor's Regulation Number 11 of 2022 concerning Implementation Regulation of South Sulawesi Provincial Regulation Number 7 of 2021 on Regional Financial Management.

The supervision and evaluation mechanism for grant fund distribution by the South Sulawesi Provincial Government is regulated in South Sulawesi Governor's Regulation Number 6 of 2024. This regulation emphasizes that: the results of monitoring and evaluation as referred to in paragraph (1) shall be submitted to the Governor with copies to the Regional Work Units (SKPD) that have supervisory duties and functions; In the event that the monitoring and evaluation results reveal the use of grants and social assistance that does not comply with the approved proposal, the recipients of grants and social assistance shall be subject to administrative sanctions in the form of written warnings and other sanctions in accordance with the provisions of laws and regulations. In another section, it is stated that internal supervision of the implementation of grants and social assistance in each SKPD/Work Unit is conducted by the Provincial Inspectorate in accordance with legislative provisions.

Pasal 83 (1) of South Sulawesi Governor's Regulation Number 6 of 2024 also emphasizes that SKPDs that issue recommendations are obligated to conduct verification, monitoring and evaluation of grant and social assistance provision. Paragraph (2) states that SKPDs as referred to in paragraph (1) are those that have duties and functions based on the provisions of laws and regulations. Meanwhile, paragraph (3) mentions the responsibilities of SKPDs. In this case, SKPDs as referred to in paragraph (2) and recipients of grants and social assistance are responsible both morally and materially for the use of grants and social assistance.

Therefore, based on the above regulations, the distribution of grant funds by the South Sulawesi Provincial Government should not experience deviations. However, reality shows that the Supreme Audit Agency (BPK) South Sulawesi Representative Office found indications of grant expenditure deviations at the Social Welfare Bureau of South Sulawesi Provincial Government that have not been accounted for by Grant Recipients amounting to more than Rp. 14 billion in 2022, and the conformity of its use with the proposal cannot be assured. As a result, the realization of grant expenditures for which accountability reports have not been submitted, amounting to more than Rp 14 billion, has the potential to cause misuse of state finances (<https://sulsel.bpk.go.id/>, December 28, 2024 edition). This reality is considered ironic because the grant funds suspected of being problematic are grant funds for the construction of places of worship, particularly mosques. As places of worship, mosques are symbols of religiosity and morality for Muslims. However, the fact remains that grant fund deviations still occur in this "fortress" of morality.

The above deviations show that a condition of chaos (disorder) or uncertainty has occurred between regulations and the practice of social actions in the distribution and management of South Sulawesi Provincial Government grant funds. Therefore, to support orderly governance in grant fund distribution, strategies are needed as a way out of this reality. Based on the context of chaos and uncertainty, Uri Merry's (1995) thoughts on coping strategy serve as a proposition for accepting the reality of uncertainty in modern society. Merry (1995) offers the ideas of re-organizing, self-organizing, and co-evolution as strategies to understand and simultaneously become a way out of this grant fund deviation reality. These ideas serve as the analytical instrument in carefully examining these grant fund distribution deviations.

METHODOLOGY

This research uses a qualitative approach with a case study design. The study focuses on cases of implementation of grant fund distribution by the South Sulawesi Provincial Government for mosque construction. This research was conducted in South Sulawesi Province, using predetermined (purposive) sampling. Data were collected through document studies and interviews. Data were then analyzed qualitatively through data classification, data categorization, formulating meanings from the data, and drawing conclusions.

RESULTS

Based on the data, it was found that deviations have occurred in the implementation of grant fund

distribution and management, specifically, grant funds for the construction of several mosques in South Sulawesi. Several factors that drive these deviations include: cash payments, delayed disbursement, lack of supervision from related structures, absence of standard criteria for grant fund amounts, cases of forged signatures, conflicts of interest, inappropriate budget usage, and low capacity of grant fund recipients. Based on the data, it was found that cash payments from the South Sulawesi Provincial Government, through the Social Welfare Bureau of the South Sulawesi Provincial Secretariat, as the grant fund provider to several mosque administrators as grant fund recipients. Apparently, this cash payment system raises suspicions among parties including Law Enforcement Officers (LEO) that there are transactions between grant providers and recipients that are allegedly improper or do not match the predetermined amounts. Potential suspicions that arise include reductions in fund amounts, percentage payments to officials, and fund usage that does not comply with proposals. These mutual suspicions result in distrust toward grant providers, supervisors, law enforcement officers, and grant fund recipients alike. Such conditions lead to low trust or reduced confidence in the structures and social actors involved. Consequently, chaos occurs in the grant fund distribution system. The subsequent data shows that in the process of grant fund distribution to mosque administrators, delays in grant fund disbursement to recipients were found. Generally, the mechanism that occurs is that proposers or prospective recipients of mosque construction grant funds submit proposals to the Provincial Government, in this case the Social Welfare Bureau, to obtain grant fund assistance. Data shows that the realization of grant fund distribution is generally carried out in the following year.

This disbursement delay impacts the change in the amount of needs stated in the proposal because construction material prices usually experience price increases in the following year. Consequently, the target construction volume decreases because the disbursed funds refer to the previous year's proposal while construction refers to realistic prices of building materials at the time of construction. Thus, there is a reduction in work volume that does not match the proposed volume amount. Therefore, there is a mismatch between proposals and work realization. This condition usually creates chaos during monitoring and evaluation.

In grant fund distribution, particularly for mosque construction, it was found that there is insufficient supervision from related structures, for instance, lack of supervision from the Ministry of Religious Affairs. Ideally, every mosque should be ensured to have legality according to field conditions and proof of registration by the Ministry of Religious Affairs. Thus, this structure should also be involved in supervising mosque construction, particularly supervision in the utilization of grant funds. However, data shows that supervision from related structures, such as the Ministry of Religious Affairs or at minimum representatives of the Department of Religious Affairs in the regions, should also actively conduct supervision. In other cases, it was also found that there are no standard criteria for the amount of grant funds that can be provided for mosque construction. The amount of grant funds provided, based on data, is solely based on budget assumptions compiled in grant fund assistance proposals. This reality means that determining the amount of grant fund assistance for mosque construction is determined based on general assumptions only.

At the micro level, the role of actors in grant fund distribution for mosque construction also faces the reality of chaos. This statement is based on data that there are cases of forged signatures to withdraw grant funds for mosque construction. This case was found at one of the mosques in Pangkep Regency, South Sulawesi. Data shows that when the grant fund assistance proposal was submitted by the mosque administrators, the proposal was signed by the former Chairperson of the Mosque Board. However, at the time of grant fund disbursement realization, a change in management had occurred. One of the sons of the former mosque board chairperson saw an opportunity to withdraw the grant funds. At that time, the child of the former board chairperson forged the signature of the board chairperson. Eventually, the grant funds were then disbursed by the Provincial Government with the assumption that the signature was authentic according to the proposal. When monitoring and evaluation were conducted at the mosque location, it was discovered that the grant funds were not received by the new management who were actually conducting the construction. The grant funds were apparently taken by the child of the former

mosque administrator.

In other cases, data was found that the low capability of mosque administrators in preparing grant fund accountability reports triggered allegations of deviations and/or chaos, even involving civil and criminal law enforcement structures. This data is based on findings by the Supreme Audit Agency (BPK) South Sulawesi Representative Office. This institution found indications of grant expenditure deviations at the Social Welfare Bureau of South Sulawesi Provincial Government that have not been accounted for by Grant Recipients amounting to more than Rp. 14 billion in 2022. It was also suspected that the utilization of grant funds at that time was believed to be inconsistent in its use with the proposed proposal and grant fund realization. (Secondary data, processed from <https://sulsel.bpk.go.id/>, December 28, 2024 edition). In a relevant case, it was found that the low capacity of grant fund recipients is also caused by the productivity capability of mosque administrators who are grant fund recipients. Data proves that the mosque administrator actors who are grant fund recipients are over 60 years old or have entered retirement age. This reality impacts reporting performance and awareness to improve capacity, particularly in mastering technology related to grant fund utilization reporting mechanisms.

DISCUSSION

Therefore, to foster trust (Fukuyama, 2007), a new mechanism is needed, which automatically requires restructuring the system to reduce the potential for deviations. The strategic effort undertaken is implementing a non-cash payment system through a transfer system directly to the accounts of grant fund recipients. Thus, supporting evidence in the form of transfer proof and amounts can be verified by supervisors. This change in payment system through the transfer system is concrete evidence of mechanism change, which in parallel also experiences changes in organizational mechanism forms for grant providers, supervisors, and recipients alike. This change aligns with the coping strategy instrument based on Merry (1995) called re-organizing.

Therefore, a change in the building material taxation mechanism is needed when preparing proposals based on the potential price increase of building materials in the following year. For this mechanism to run on track, it is important for grant providers, recipients, and auditors to conduct reorganization, specifically reorganizing the goods taxation mechanism and proposal submission (Muriana & Vizzini, 2017). This mechanism change represents the embodiment of a re-organizing strategy by the parties to create stable conditions when grant funds are utilized. If re-organizing is not carried out, then the chaos condition will persist and even tend to undermine the good intentions of grant provision, namely supporting community development and strengthening, particularly in the form of strengthening religiosity and morality aspects of religious communities, especially Muslims who use mosques assisted by grant funds (O'Regean & Oster, 2005).

It should be affirmed that based on South Sulawesi Governor's Regulation (Peraturan Gubernur) Number 11 of 2022, the responsible party for providing grant fund recommendations is the related SKPD. However, in the context of supervision, it should ideally be carried out across structures, as has been done by the Supreme Audit Agency (BPK) and the Police. Thus, the potential for deviations in the utilization of grant funds for mosque construction would not occur. Data related to cross-structural supervision proves that re-organizing is needed in related structures, either through regulatory improvement mechanisms, Memorandum of Understanding (cooperation agreements) or Joint Decrees (SKB) across structures that can be implemented. Thus, state budget allocation becomes right on target, appropriate in use, and timely.

In fact, to achieve efficiency and effectiveness in budget usage, standard criteria are needed, at minimum in the form of a percentage of assistance from total needs. Thus, grant fund provision is no longer based on general assumptions that have the potential to be wrong or potentially create favorable or unfavorable prejudices. If this occurs, then there is a denial of the principle of justice in grant fund distribution. Based on the data from the forged signature case, conclusions are drawn about the integrity, morality, function, unstable role of administrators, and weak internal supervision and control mechanisms by mosque administrators. Integrity and trust in the child of the former administrator and mosque administrators

experienced moral degradation, transparency, and weak control (Renz & Andersson, 2014).

Based on this forged signature data, self-awareness of each actor in mosque management is needed to be based on integrity, morality, and accountability that need to be improved. This data shows the importance of enhancing actors' awareness of moral values, spirituality, dedication, and worship through the self-organizing instrument. Self-organizing is defined by Merry (1995) as an effort to change and strengthen oneself to be able to contribute to structures, organizations, communities, and collectivities where actors live and interact. Self-organizing is an element of coping strategy offered by Merry to survive in the reality of chaos or uncertainty. Of course, self-organizing is needed not only by grant fund recipients but also by actors who function to provide recommendations, conduct supervision, evaluation, and monitoring. The urgency of self-organizing is also found in cases of conflicts of interest in grant fund utilization. Data shows that a budget policy maker in 2021 included a proposal for grant fund provision to a foundation in the South Sulawesi Regional Revenue and Expenditure Budget (APBD) at that time. When realization had occurred, it was discovered that the foundation manager was actually a relative of the budget policy maker. It was even known that the foundation was owned by the aforementioned budget policy maker. This condition clearly contradicts the principles of justice and transparency in grant fund management. In this case, the budget policy maker had the power to force the allocation of grant fund budget because all budgets are indeed discussed and approved by the Regional People's Representative Council (DPRD). The actions of budget policy makers as described are clearly categorized as abuse of power. The social actions of this budget policy maker clearly contradict the principles of morality, justice, transparency, and regional financial accountability. Self-awareness regarding morality, spirituality, and integrity like this is questioned (Stühlinger & Hersberger-Langloh, 2021). On the other hand, the grant fund management structure, in this case the Social Welfare Bureau of the South Sulawesi Provincial Secretariat, should have affirmed from the beginning about the principle of justice in grant fund management. Of course, the affirmation is that the position of grant fund managers in the context of power is below the position of budget policy makers at that time. This conflict of interest data proves the importance of self-organizing by anyone, all actors, parties including structures to commit to upholding the principles of grant fund management regulated by regulations, and unwritten commitments in the form of morality and spirituality commitments. Every actor needs to be strengthened through the self-organizing instrument as proposed by Merry (1995).

Based on the above case, it can be interpreted that the low capability of grant fund recipient actors impacts the inappropriate use of grant fund budgets. Therefore, it is important to emphasize that self-organizing of grant fund recipient actors is essential. Improving the capability of grant fund recipients is a necessity. The low capability and capacity of mosque administrators who are grant fund recipients potentially creates additional costs because completing reports requires additional resources that also need funding. Consequently, this also potentially causes grant fund budget inconsistencies (Zinser, S., & Thinyane, H. (2021). Based on the series of data above, it is important to understand that re-organizing and self-organizing are propositions that can become a way out to dynamically unravel the chaos reality in grant fund distribution. Nevertheless, these two instruments are not yet sufficient to realize dynamic stability, which is a chaos condition that can already be controlled, without hard efforts to make changes together. Therefore, the prerequisite for achieving this dynamic stability is collective change; both actors and structures based on the principles of morality, spirituality, integrity, justice, transparency, and accountability. Merry (1995) offers the concept of co-evolution, collective change, to ground the efforts of re-organizing and self-organizing to be able to survive in social reality that is full of uncertainty as faced by society today. Thus, re-organizing, self-organizing, and co-evolution are survival strategies (coping strategy) that are believed to be able to coexist with the existing chaos reality.

CONCLUSIONS

The discussion shows that the grant fund distribution of the South Sulawesi Provincial Government is a chaos reality due to regulatory disorder, weak supervision, and low competence of grant fund recipients. Several cases, such as: cash payments, delayed disbursement, conflicts of interest, budget inconsistencies,

lack of supervision from related structures, and absence of standard criteria for grant fund amounts, are realities that cause deviations due to the still weak capacity of recipient and supervisory structures. These cases experience chaos from the structural and/or organizational aspects of grant fund recipients. Therefore, awareness is needed from parties in related structures, both recipients, providers, and supervisors of grant funds, to conduct reorganization or re-organizing based on potential instability or uncertainty. Re-organizing is a coping element to establish the functions, duties, and roles of each actor in the structure stably (certain) based on regulations without affective actions. Thus, role confusion and weak roles of structural organs can return to stability.

Meanwhile, other cases, such as: forged signature cases, conflicts of interest, and low capacity of grant fund recipients, are weaknesses in capacity, weak integrity, and low moral commitment of social actors who are grant fund recipients that systematically impact grant fund misuse and denial of accountability reporting. Thus, a coping strategy is needed in the form of strengthening actor capacity, increasing responsibility, and encouraging morality and integrity of social actors to carry out their respective responsibilities based on regulations, values, and norms. Social actors need to be aware of strengthening their existence through self-organizing. Every social actor who is a recipient, manager, and supervisor of grant funds needs to understand responsibility, moral commitment, and self-competence, based on the values of religiosity, integrity, honesty, transparency, justice, and dedication. Through this self-organizing, social actors can regain trust from providers, supervisors, and communities who are beneficiaries of grant funds. Self-awareness through this self-organizing is important for managing uncertain reality.

Strong structures and social actor selves are interconnected with others to reach the awareness that grant funds for the construction of places of worship, particularly mosques, are forms of dedication, worship, and manifestations of spirituality. Thus, substantive awareness is realized to achieve development as expected by macro structures such as the government.

Nevertheless, although both re-organizing and self-organizing arrive at the reality of awareness, if social actors related to structures do not strive to change together (co-evolution) to achieve the substantive reality of grant fund utilization according to its designation and benefits, then the potential for chaos in the distribution, management, and utilization of grant funds will continue to recur. Therefore, awareness is needed from actors to collectively conduct co-evolution so as to be able to achieve the goals and impacts of grant funds based on values, norms, and regulations.

Thus, the key conclusion is that re-organizing, self-organizing, and co-evolution should be practiced in the social actions of actors and manifested as collective actions of structures in the chaos reality or uncertainty reality. Therefore, structural (organizational) strengthening is needed through re-organizing, strengthening of social actors through self-organizing, and collective change through co-evolution to unravel the tangled threads of chaos or uncertainty.

REFERENCES

- Badan Pemeriksa Keuangan Republik Indonesia Perwakilan Provinsi Sulawesi Selatan. (2024, Desember 28). Beranda. BPK Perwakilan Provinsi Sulawesi Selatan. <https://sulsel.bpk.go.id/>
- Chapman, J., et al. (2022). Nonprofit scandals: A systematic review and conceptual framework.
- Cimpeanu, T., Santos, F. C., & Han, T. A. (2023). Does spending more always ensure higher cooperation? An analysis of institutional incentives on heterogeneous networks. arXiv.
- Creswell, J. W., & Clark, V. L. P. (2018). *Designing and conducting mixed methods research (The third)*. Sage Publications, Inc., California.
- Fukuyama, Francis. 2007. *Trust Kebijakan Sosial dan Penciptaan Kemakmuran (Diterjemahkan dari Trust the Social Virtues and the creation of Prosperity oleh Rusliani)*. Qalam: Yogyakarta.
- Merry, Uri. (1995). *Coping with Uncertainty Insight from the New Science of Chaos, Self-Organization, and Complexity*. London: Praeger.
- Miles, Matthew B. Miles dan A. Michael Haberman. (1994). *An Expanded Sourcebook Qualitative Data Analysis Second Edition*. London dan New Delhi: SAGE Publications.
- Muriana, C., & Vizzini, G. (2017). Project risk management: A deterministic quantitative technique for assessment and mitigation. *International Journal of Project Management*, 35(3), 320–340. <https://doi.org/10.1016/j.ijproman.2017.01.010>
- O'Regan, K., & Oster, S. M. (2005). Does the structure and composition of the board matter? The case of nonprofit organizations. *Journal of Law, Economics & Organization*, 21(1), 205–227. <https://doi.org/10.1093/jleo/ewi009>
- Renz, D. O., & Andersson, F. O. (2014). Nonprofit governance: A review of the field. In C. Cornforth & W. A. Brown

(Eds.), *Nonprofit governance: Innovative perspectives and approaches* (pp. 17-46). Routledge.

- Stühlinger, S., & Hersberger-Langloh, S. E. (2021). Multitasking NPOs: An analysis of the relationship between funding intentions and nonprofit capacities. *Voluntas*, 32(5), 1042–1053. <https://doi.org/10.1007/s11266-021-00364-4>
- Zinser, S., & Thinyane, H. (2021). Organizational resilience between competing networks of infomediaries: A case study in civil society resilience in Hong Kong. arXiv.