

Building Community Trust: The Effect of Accountability, Transparency, and Community Participation in Village Fund Management

*Building Community
Trust: The Role of
Accountability*

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ABSTRACT

This study aims to analyze the effect of accountability, transparency, and community participation on villagers' trust in the management of village funds. Additionally, it seeks to identify the role of village fund management as an intervening variable linking these three factors to community trust. The research employs a quantitative method, with data collected through questionnaires administered across villages in Kapuas Regency, involving 340 respondents drawn from 148 villages. The survey was conducted to evaluate the impact of accountability, transparency, and community participation in village fund management, and to assess their implications for public trust. Data were analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS). Results indicate that accountability and community participation exert a significant direct influence on public trust, while transparency affects trust indirectly through village fund management. In this study, village fund management serves as a mediating variable connecting village governance practices with the level of community trust. These findings reinforce the necessity of managing village funds in an accountable, transparent, and participatory manner to build and sustain public trust.

Keywords: *Accountability, Community Participation, Public Trust, Transparency, Village Fund Management.*

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh penerapan akuntabilitas, transparansi, dan partisipasi masyarakat terhadap kepercayaan masyarakat desa dalam pengelolaan dana desa. Selain itu, penelitian ini juga bertujuan untuk mengidentifikasi peran pengelolaan dana desa sebagai variabel intervening yang menghubungkan ketiga faktor tersebut dengan kepercayaan masyarakat desa. Penelitian ini menggunakan metode kuantitatif, data dikumpulkan melalui kuesioner pada desa-desa di Kabupaten Kapuas dengan jumlah responden sebanyak 340 yang berasal dari 148 desa yang ada di Kabupaten Kapuas. Survei dilaksanakan untuk mengevaluasi pengaruh akuntabilitas, transparansi, dan partisipasi masyarakat dalam pengelolaan dana desa serta implikasinya terhadap kepercayaan masyarakat. Data dianalisis menggunakan Structural Equation Modeling Partial Least Squares (SEM-PLS). Data dari penelitian ini memperlihatkan bahwa akuntabilitas dan partisipasi masyarakat memiliki pengaruh langsung signifikan terhadap kepercayaan masyarakat, sementara transparansi berpengaruh secara tidak langsung melalui pengelolaan dana desa. Dalam penelitian ini pengelolaan dana desa berperan sebagai mediator yang menghubungkan tata kelola pemerintahan desa dengan tingkat kepercayaan masyarakat. Temuan ini mempertegas perlunya pengelolaan dana desa yang akuntabel, transparan dan partisipatif dalam membangun kepercayaan masyarakat.

Kata kunci: *Akuntabilitas, Partisipasi Masyarakat, Kepercayaan Publik, Transparansi, Pengelolaan Dana Desa.*

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INTRODUCTION

Law Number 3 of 2024 concerning the Second Amendment to Law Number 6 of 2014 on Villages includes policy adjustments related to village governance, community empowerment, the utilization of village funds, and more transparent and accountable oversight mechanisms. The management of village funds in Indonesia has now become a primary focus aimed at enhancing the efficiency and effectiveness of local-level development. Despite a significant increase in the allocation of village funds, their implementation continues to face several management-related challenges, including insufficient transparency, weak accountability, corruption practices, and limited administrative capacity in managing these funds (Hendriarto et al., 2025).

According to the 2023 Corruption Trends Monitoring Report, corruption cases involving village funds continue to increase, not only due to increased allocations but also due to a lack of transparency, participation, and accountability in financial governance (Anandya & Ramdhana, 2023). Similar cases occurred in Kapuas Regency, Central Kalimantan, with several incidents recorded through 2023 (Borneo News, 2023). Fraud often arises from the concentration of power in the hands of village leaders, highlighting the need for transparent, participatory, and accountable budgeting (Yuliastina et al., 2021). The impact of such corruption will erode public trust in the government, which is vital for social and economic development (Fukuyama, 1996; Rothstein, 2011).

The government is expected to demonstrate greater transparency and a stronger commitment to improving budget management transparency. Leadership commitment significantly influences the level of budget transparency within the organizations they oversee (Sari et al., 2024). Studies indicate that accountability plays a crucial role in enhancing public trust (Hamzah & Asy, 2022). Transparency in village financial management can enhance public trust in the village government (Sofyani & Tahar, 2021; Sampit, 2022). As public education advances, communities tend to become more proactive in seeking publicly available information (Nor et al., 2021). Furthermore, participation in budget planning and evaluation can improve the quality of fund utilization and foster public trust in the village government (Budiati et al., 2020). Community participation in village deliberations facilitates effective communication, ensuring that resulting programs align with the village's priority needs (Pratiwi et al., 2021).

Good governance practices play a vital role in restoring public trust in the government (Beshi & Kaur, 2020). Public trust directly influences the community's capacity for collaboration and support toward development policies. Therefore, efficient and accountable management of village funds is imperative. The implementation of good governance principles such as accountability, transparency, and public participation is essential to repair and strengthen the relationship between village governments and their communities, thereby enhancing public trust. The integration of these three elements not only improves the quality of village fund management but also reinforces the legitimacy of village governments in the eyes of the public, fostering good local governance and ultimately contributing to greater community trust. This is particularly relevant given the substantial annual allocation of village funds and their critical role in advancing local-level development.

Previous research by Sofyani et al. (2022) has shown that transparency plays a crucial role in enhancing public trust in village governance. Another study concluded that accountability positively influences public trust (Nurhaliza & Marlina, 2024). Public participation positively influences public trust in village fund management (Suhardi et al., 2023). However, previous studies by Shafitri et al. (2025) and Sitorus et al. (2025) have largely focused on analyzing these factors separately, with few examining the interactions between them in shaping public trust or assessing how sound village fund management can serve as a mediating mechanism that strengthens this relationship. Most research on village governance from an accounting perspective has been conducted in Java and Sumatra. Studies focusing on village governance in Kalimantan, particularly Central Kalimantan, are still very limited. This study aims to analyze the effect of accountability,

transparency, and community participation on villagers' trust in the management of village funds. Additionally, it seeks to identify the role of village fund management as an intervening variable linking these three factors to community trust.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

Factors Influencing of Village Fund Management

Accountability reflects the government's obligation to explain and be accountable to the public for all financial activities (Mardiasmo, 2009). The implementation of strong accountability in village fund management makes management more structured, focused, and controlled, resulting in a positive impact on the community. In this context, accountability demonstrates the village government's obligation to provide clear and transparent reports on the use of village funds, in line with the principles of stewardship theory, which emphasizes the manager's responsibility to the interests of the owner, namely the community. This is consistent with the principles of stewardship theory, which emphasize the manager's responsibility toward the interests of the owners (the community). Research by Shagita and Indriani (2023) shows that accountability has a significant impact on village fund management.

Transparency refers to the government's openness and honesty with the public, based on the principle that the public has the right to receive clear information regarding government accountability and compliance with regulations (Tanjung, 2011). The Government Accounting Standards (2022) emphasize that transparency provides the public with the opportunity to assess and oversee state financial management. Within a stewardship framework, transparency demonstrates that village government actions are truly directed towards the welfare of the community. Research by Budiati et al. (2020) and Suhardi et al. (2023) showed that transparency positively impacts the performance of village fund management.

Participation refers to the involvement of individuals or community groups in an activity (Mardikanto & Soebianto, 2015; Lestari et al., 2019). Community participation serves as a form of social control over village fund management and reflects a more collaborative stewardship approach. Community involvement from the planning stage to evaluation ensures that public needs are met and the government acts in accordance with aspirations. Research by Pratiwi et al. (2021) demonstrates that community participation increases the effectiveness of village fund management.

H1: Accountability has a positive effect on village fund management.

H2: Transparency has a positive effect on village fund management.

H3: Community participation has a positive effect on village fund management.

Factors Influencing of Public Trust

Accountability reflects the village government's obligation to be accountable for every decision and action in the management of village funds. In stewardship theory by Donaldson and Davis (1991), managers (stewards) not only have a moral responsibility but also an obligation to maintain the trust of their principal, the community. In the context of village funds, accountability is demonstrated through the submission of open, clear, and timely reports on activities and budget utilization. This aligns with the stewardship principle, which prioritizes managers' responsibility to the public interest. Public accountability also significantly influences public trust, especially when citizens are actively involved in the governance process (Han et al., 2024). Previous research by Apriliana (2019) and Taufiqi and Ariani (2022) showed that accountability significantly impacts public trust.

Transparency encompasses information disclosure, clarity of reporting, and data accessibility as a form of organizational commitment to good governance. Openness is a key factor in building public trust (Tolbert & Mossberger, 2006). Sofyani and Tahar (2021) found that transparency in village fund management increases the legitimacy of village governments and strengthens accountability. Open information can build positive relationships between village governments and the community (Aulia et al., 2023). The

more transparent the management of village funds, the greater the chance of building public trust because they see that no information is hidden and that all policies are made honestly. Research by Prasetya (2023), Suhardi et al. (2023), and Arianti and Deviani (2024) confirms that transparency has a positive effect on public trust.

Community participation includes involvement in program planning, activity implementation, and monitoring and evaluation of village funds. Participation is based on the principles of freedom of association and expression (Mardiasmo, 2009). From a stewardship theory perspective, participation strengthens the role of village governments as stewards acting in the common interest. Community involvement serves as both social control and an indicator of trust in the integrity of village governments. Research by Nurfitri and Ratnawati (2023), and Shagita and Indriani (2023) showed that participation has a positive effect on public trust.

H4: Accountability has a positive effect on public trust.

H5: Transparency has a positive effect on public trust.

H6: Community participation has a positive effect on public trust.

The Effect of Village Fund Management on Public Trust

Village fund management is a complex activity involving systematic planning, implementation, reporting, and accountability (Regulation of the Minister of Home Affairs Number 20 of 2018). Effective and efficient village fund management is a key factor in improving the quality of village governance. One critical aspect of this management is the presentation of financial reports that are clear and easily understood by the public. Research shows that clear and accurate financial reporting plays a vital role in enhancing the accountability of village financial management, as comprehensible reports strengthen public trust and facilitate community oversight (Sulistiyowati et al., 2024).

When the community clearly understands how village funds are allocated and utilized, their confidence in the village government naturally increases because they perceive the management process as open, responsible, and aligned with public interests. Transparency in reporting allows citizens to monitor whether village programs are implemented as planned. Research by Arianti and Deviani (2023) reinforces this idea by showing that village fund management rooted in good governance principles such as transparency, accountability, efficiency, and responsiveness positively influences public trust. The more effectively village funds are managed, the stronger the community's belief that the government is acting with integrity. Conversely, inadequate or poorly organized management can damage trust, as it creates suspicions of inefficiency or potential misuse of the budget (Tarigan & Nurtanzila, 2013; Siregar, 2019).

H7: Village fund management has a positive effect on public trust.

Village Fund Management as a Mediating Variable

Village fund management plays a crucial role in strengthening the relationship between accountability and public trust. Stewardship theory states that public officials are intrinsically oriented toward responsibility and the common good. When village governments manage funds accountably, the public perceives integrity and commitment to the public interest, thereby enhancing public trust. Empirical studies by Apriliana (2019), Sofyani and Tahar (2021), Taufiqi and Ariani (2022), Hamzah and Asy'ari (2022), Prasetya (2023), Prihatin and Mustaqim (2023), and Nurhaliza and Marlina (2024) confirm the significant impact of accountability on public trust.

High transparency encourages village governments to manage funds more openly and accountably. When information is delivered promptly and is accessible, public suspicion decreases and the legitimacy of financial management increases. Village fund management acts as a mediating variable, where transparency improves management quality, which then strengthens public trust. Stewardship theory supports this by emphasizing open information for public interest. Research by Shagita and Indriani

(2023), and Arianti and Deviani (2024) confirms transparency's positive effect on public trust.

Community participation in village fund management refers to the active involvement of village residents in all stages of fund management, from planning and implementation to monitoring and evaluation. In this context, community participation can be viewed as a positive form of social control that strengthens trust and reduces the potential for misuse of village funds. When communities feel included in decision-making processes related to the use of village funds, they experience greater recognition and gain a sense of control over how these resources are utilized. Research by Budiati et al (2020) shows that community participation has a significant effect on the performance of village fund management. The study by Suhardi et al (2023) concludes that community participation enhances public trust. Based on these findings, the following hypotheses can be formulated:

- H8: Accountability has a positive effect on public trust through village fund management.
- H9: Transparency has a positive effect on public trust through village fund management.
- H10: Community participation has a positive effect on public trust through village fund management.

The impact of accountability, transparency, and community participation on public trust constitutes the core of stewardship theory's application in this study. Public trust in the village government will increase when the community perceives that stewards are genuinely acting in their interest and are not exploiting resources for personal gain. Stewardship theory provides a foundation for understanding how village fund managers can build a relationship of mutual trust with the community, a relationship that ultimately enhances the effectiveness of village fund management and encourages greater community participation in local development.

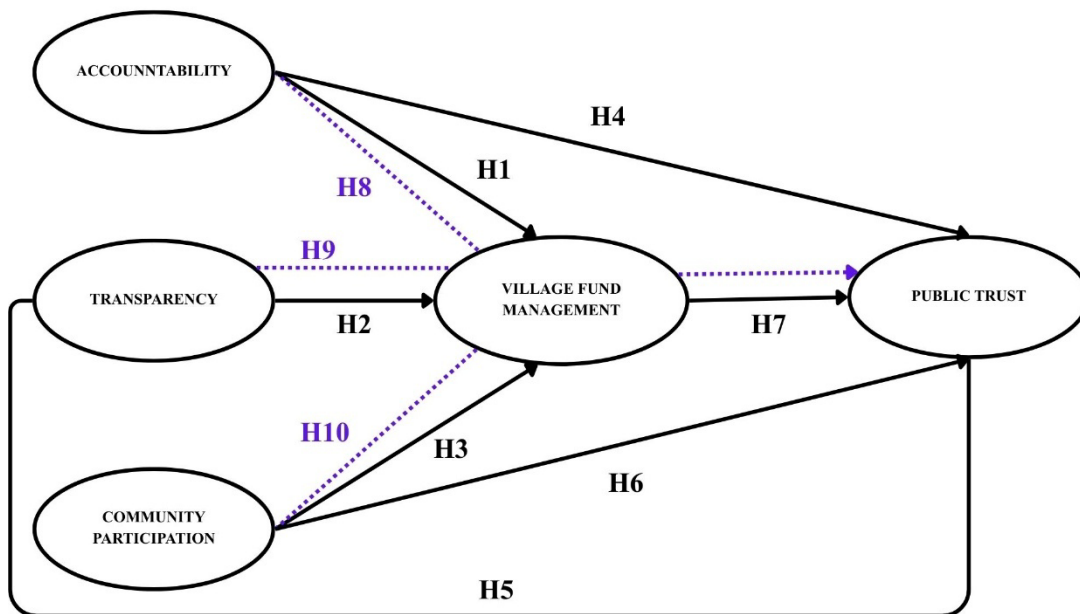


Figure 1. Research Model

Figure 1 depicts a conceptual model showing the relationship between three main variables: accountability, transparency, and community participation, with village fund management as a mediating variable, which ultimately influences public trust. The three independent variables are indicated by arrows pointing to village fund management, indicating that accountability, transparency, and community participation each contribute to the quality of village fund management. Furthermore, village fund management is shown as a factor that mediates the influence of these three variables on public trust, as indicated by the arrow pointing to public trust along with the captions H8,

H9, and H10 indicating the hypotheses related to their mediating role. This figure illustrates that good village fund management is a crucial bridge connecting governance principles with increased public trust.

RESEARCH METHODS

The research employs a quantitative method, with data collected through questionnaires administered across villages in Kapuas Regency, involving 340 respondents drawn from 148 villages. The survey was conducted to evaluate the impact of accountability, transparency, and community participation in village fund management and their implications for public trust. Sampling was carried out using the Slovin formula with a 5% margin of error. From each selected village, respondents were chosen through probability sampling to represent various relevant stakeholders, including village heads/village officials and members of the Village Consultative Body as community representatives. The research instrument was adapted from Sofyani and Tahar (2021) for the variables of accountability, transparency, and public trust from Afivah (2023) for the variable of community participation; and from Septivastuti (2018) for the variable of village fund management. Each indicator was measured using a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree).

Data analysis was carried out using the Structural Equation Modeling – Partial Least Squares (SEM-PLS) method via SmartPLS software version 4.1.0.9. This approach was selected because it is suitable for complex research models, including those involving intervening variables and causal relationships among constructs (Ghozali & Latan, 2015). The focus of the study is to examine how the three aspects of good governance influence the level of public trust in village government, both directly and indirectly through village fund management. Below are the SEM-PLS equations for this study:

Equation for the mediating variable:

$$Z = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_1$$

Equation for the dependent variable:

$$Y = \beta_4 X_1 + \beta_5 X_2 + \beta_6 X_3 + \beta_7 Z + \varepsilon_2$$

Indirect Effects:

$$- X_1 \rightarrow Z \rightarrow Y = \beta_1 \times \beta_7$$

$$- X_2 \rightarrow Z \rightarrow Y = \beta_2 \times \beta_7$$

$$- X_3 \rightarrow Z \rightarrow Y = \beta_3 \times \beta_7$$

Direct Effects:

$$- X_1 \rightarrow Y = \beta_4$$

$$- X_2 \rightarrow Y = \beta_5$$

$$- X_3 \rightarrow Y = \beta_6$$

RESULTS

The study was conducted using a survey approach to test the hypotheses. A total of 340 respondents were obtained from 148 villages in Kapuas Regency through questionnaire distribution. Table 1 presents the demographic profile of respondents based on gender, age, and highest educational attainment.

Table 1. Respondent Characteristics

Characteristic	Items	Number	Percentage
Gender	Male	267	78.50%
	Female	73	21.50%
Age	< 20 years	4	1.20%
	20-35 years	170	50%
	36-50 years	131	38.50%
	> 50 years	35	10.30%
Highest Education	Elementary School	4	1.20%
	Junior High School	20	5.90%
	Senior High School	185	54.30%
	Diploma	19	5.60%
	Bachelor's Degree	107	31.50%
	Master's Degree	5	1.50%

Questionnaire data obtained from respondents, consisting of village government officials and members of the village consultative body, were processed using SmartPLS software version 4.1.0.9. Respondents' responses were analyzed based on the variables of accountability, transparency, community participation, village fund management, and public trust, as described in Table 2.

Table 2. Descriptive Statistics

Variable	N	Number of Indicators	Min	Max	Mean	Std. Deviation
Accountability (X1)	340	5	1	5	4.504	0.639
Transparency (X2)	340	3	1	5	4.371	0.645
Community Participation (X3)	340	6	1	5	4.081	0.882
Village Fund Management (Z)	340	6	1	5	4.335	0.729
Public Trust (Y)	340	5	1	5	4.291	0.679

Testing was conducted using questionnaire data collected from 340 respondents across 148 villages in Kapuas Regency. Data analysis in this study employed the Structural Equation Modeling – Partial Least Squares (SEM-PLS) method, implemented through SmartPLS software version 4.1.0.9. The analysis results are presented in the figure below:

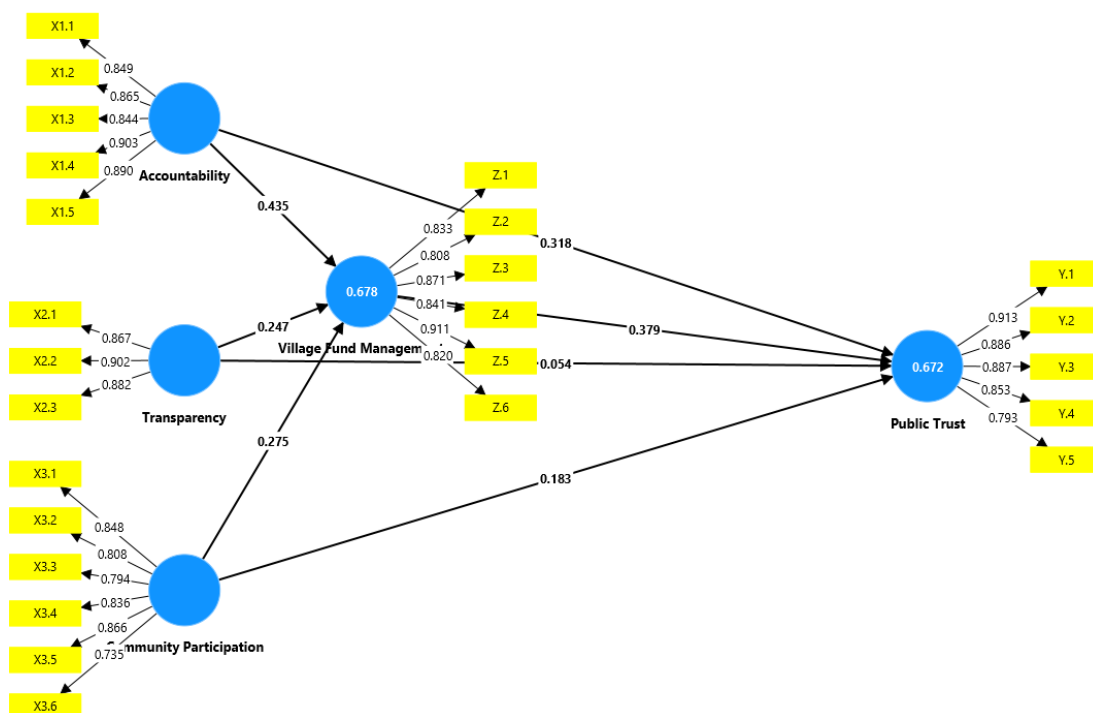


Figure 2. Structural Model of Construct Variables

Figure 2 displays a structural model showing that accountability, transparency, and community participation each have a positive effect on village fund management, with an R² value of 0.678. Furthermore, village fund management and these three variables also influence public trust, which has an R² of 0.672. Each construct is supported by indicators with high loadings, thus illustrating a strong inter-variable relationship in shaping public trust.

Table 3. Validity & Reliability Test

Variable	Indicator Loading Range	AVE	CR	Cronbach Alpha	Interpetation
Accountability (X1)	0.844 – 0.903	0.87	0.84	0.79	Valid & Reliable
Transparency (X2)	0.867 – 0.902	0.88	0.81	0.85	Valid & Reliable
Community Participation (X3)	0.735 – 0.866	0.81	0.78	0.83	Valid & Reliable
Village Fund Management (Z)	0.808 – 0.911	0.87	0.82	0.79	Valid & Reliable
Public Trust (Y)	0.793 – 0.913	0.81	0.88	0.80	Valid & Reliable

Table 3 indicates that all constructs meet the criteria for validity and reliability. Indicator loading values range from 0.735 to 0.913, exceeding the recommended threshold. The AVE values range from 0.81 to 0.88, confirming adequate convergent validity. In addition, composite reliability values range from 0.78 to 0.88 and Cronbach's alpha values range from 0.79 to 0.85, demonstrating satisfactory internal consistency. Overall, these results confirm that all measurement constructs are valid and reliable for further analysis.

Table 4. Path Coefficient (Direct Effects)

Hypothesis	Original sample (O)	Sample mean (M)	Std. deviation (STDEV)	T statistics (O/STDEV)	P values
Accountability -> Public Trust	0.318	0.311	0.079	4.052	0.000
Accountability -> Village Fund Management	0.435	0.414	0.126	3.462	0.001
Community Participation-> Public Trust	0.183	0.191	0.056	3.254	0.001
Community Participation-> Village Fund Management	0.275	0.278	0.045	6.099	0.000
Village Fund Management-> Public Trust	0.379	0.36	0.098	3.848	0.000
Transparency -> Public Trust	0.054	0.069	0.08	0.67	0.503
Transparency-> Village Fund Management	0.247	0.266	0.118	2.1	0.036

SEM-PLS test results of the direct influence of accountability, transparency, and community participation on village fund management in Table 4, as hypothesized in H1, H2, and H3, show that accountability, transparency, and community participation have a significant influence on village fund management. Accountability significantly affects village fund management, with a coefficient of 0.435, a t-value of 3.462, and a p-value of 0.001. This result supports the hypothesis that accountability has a positive effect on village fund management. Testing the effect of transparency on village fund management reveals a significant influence, with a coefficient of 0.247, a t-value of 2.100, and a p-value of 0.036. This indicates that the more transparent the management of village fund information, the better the management system becomes. Transparency in village fund management, which includes openness regarding fund allocation, usage, and

accountability, leads to improved quality of fund management. The test results on the effect of community participation on village fund management show a significant impact, with a coefficient of 0.275, a t-value of 6.099, and a p-value of 0.000. This demonstrates that active community involvement in the planning, implementation, and monitoring of village fund usage makes a tangible contribution to enhancing the efficiency and effectiveness of fund management. When communities are involved, decision-making processes become more inclusive and responsive to local needs.

The direct effects of accountability, transparency, and community participation on public trust, as hypothesized in H4, H5, and H6, were tested in this study. The test results for the effect of accountability on public trust show that accountability has a significant positive influence, with a coefficient of 0.318, a t-value of 4.052, and a p-value of 0.000. High accountability in village fund management, particularly through public reporting and responsibility, contributes to increased public trust in the village government. The test of transparency's effect on public trust shows that transparency does not have a significant effect on public trust; therefore, H5 is rejected. This is indicated by a coefficient value of 0.054, a t-value of 0.670, and a p-value of 0.503, which is well above the significance threshold of 0.05. This finding suggests that, although transparency is generally regarded as a crucial principle in governance, in this specific context, the mere openness of information regarding village funds does not directly build or enhance public trust. Furthermore, the test of the effect of community participation on public trust shows that community participation has a significant positive influence, with a coefficient of 0.183, a t-value of 3.254, and a p-value of 0.001. The higher the level of community participation, the higher the level of public trust.

Next, the test of the intervening variable in this study, village fund management, on public trust, as hypothesized in H7, shows that village fund management significantly affects public trust, with a coefficient of 0.379, a t-value of 3.848, and a p-value of 0.000. Village fund management, which includes targeted planning, efficient implementation, and transparent and accountable reporting and accountability, plays a crucial role in increasing public trust in the village government. Village fund management holds a vital role in building public trust toward the village government. Various factors, such as transparency, accountability, and community participation in the management of village funds, are key in determining the level of public trust (Azizah & Kholifah R, 2023). The findings of this study support previous research by Arianti and Deviani (2024), which demonstrated that village fund management has a positive effect on public trust. Testing the mediating variable in this model reveals that public trust is influenced not only by perceptions of governmental ethical values, but also through the tangible performance of village financial management as experienced by the community. This reinforces the importance of combining value-based governance and performance-based governance in both theory and practice of public sector governance.

Table 5. Indirect Effects

Hypothesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Transparency -> Village Fund Management-> Public Trust	0.093	0.091	0.04	2.325	0.02
Accountability -> Village Fund Management-> Public Trust	0.165	0.154	0.072	2.287	0.022
Community Participation-> Village Fund Management-> Public Trust	0.104	0.1	0.032	3.215	0.001

Based on Table 5 the SEM-PLS test results on the effects of accountability, transparency, and community participation, incorporating the intervening variable of village fund management, show that these three factors influence public trust through village fund management; therefore, H8, H9, and H10 are accepted. Accountability has an indirect effect on public trust through village fund management, with a coefficient of 0.165 (T = 2.287, p = 0.022). This hypothesis is accepted, indicating that accountability

affects public trust indirectly by enhancing the quality of village fund management. These results reinforce the understanding that public trust is not shaped solely by direct perceptions of village officials' accountability, but also by how that accountability is translated into sound practices of village fund management. The test of transparency's effect on public trust through village fund management shows a significant indirect effect, with a mediation path coefficient of 0.093, a t-value of 2.325, and a p-value of 0.020. The p-value being below 0.05 indicates that this effect is statistically significant. Although transparency does not have a significant direct effect on public trust, it can still contribute positively to the formation of public trust indirectly by improving the quality of village fund management. Furthermore, the test results on the effect of community participation on public trust through village fund management show a coefficient of 0.104, a t-value of 3.215, and a p-value of 0.001, indicating that community participation has a significant indirect effect on public trust via village fund management. These test results indicate that community participation in decision-making, planning, implementation, and oversight of village fund management indirectly enhances public trust. This means that when community participation is properly facilitated and genuinely contributes to improving the management of village funds, public trust will increase.

DISCUSSION

The findings of this study reinforce the central role of good governance principles accountability, transparency, and community participation in shaping public trust in village government. The results show that accountability and community participation have a significant direct influence on public trust, while transparency indirectly influences trust through village fund management. This supports the argument that transparency alone is insufficient without effective management mechanisms. The indirect effect of transparency found in this study aligns with Sofyani and Tahar (2021), who emphasize that transparency can breed distrust if not supported by consistent and professional governance practices. Similar concerns were expressed by Tolbert and Mossberger (2006), who suggested that information disclosure must be accompanied by administrative reliability to strengthen institutional trust.

The mediating role of village fund management indicates that technical and operational aspects of governance significantly shape public perceptions. These findings align with Sulistyowati et al. (2024), who found that clear financial reporting enhances accountability and enhances community oversight, thereby strengthening public trust in local government. Wahyudi et al. (2021) also explained that the quality of village fund management is highly dependent on the competence and integrity of village officials. Therefore, this study highlights that building trust is not simply a matter of normative governance values, but is also deeply rooted in administrative performance and the credibility of financial processes.

Compared to previous studies, the results of this study demonstrate both consistency and divergence. The significant influence of accountability on public trust aligns with the findings of Apriliana (2019), Taufiqi and Ariani (2022), and Nurhaliza and Marlina (2024), all of whom concluded that accountability is a key determinant of public trust. In the broader context of governance, Beshi and Kaur (2020) also found that public trust is strengthened when government institutions implement clear accountability mechanisms. Similarly, the direct impact of public participation on trust in this study is consistent with the findings of Suhardi et al. (2023) and Nurfitri and Ratnawati (2023), who emphasized that community involvement builds mutual trust and encourages collaborative governance.

However, this study's findings that transparency does not directly impact public trust differ from several previous studies, including Prasetya (2023) and Aulia et al. (2023), which reported a direct positive impact. One possible explanation is that in the context of Kapuas Regency, the public may perceive transparency initiatives as superficial or incomplete, thus limiting their impact on trust. This reinforces the argument of Sofyani et al. (2022) that transparency must be accompanied by clarity, completeness, and consistency of information to have a positive impact on public trust. The mediating role

of village fund management also aligns with insights from Azizah and Kholifah (2023) and Arianti and Deviani (2024) who note that governance values influence trust most effectively when translated into quality financial management practices. This suggests that village fund management serves as a bridge between governance principles and public trust, where improving the quality of fund management strengthens the credibility of governance initiatives. This study contributes to the existing literature by demonstrating that accountability, transparency, and community participation must be integrated with effective management processes to build sustainable public trust. These findings underscore that improving village fund management through competency development, administrative reliability, and genuine community engagement is crucial for enhancing trust in local governance.

CONCLUSION

This study shows that accountability, transparency, and community participation influence village fund management. Accountability and community participation also have a direct effect on public trust, while transparency does not demonstrate a direct effect. However, all these variables exert an indirect influence on public trust through village fund management. These findings underscore the importance of participatory, transparent, and accountable governance in building effective village financial management and strengthening public trust in the village government. These findings have practical implications for village governments and the Kapuas Regency government to strengthen accountability, transparency, and community participation in the management of village funds. These efforts can be implemented through training, public awareness campaigns, improving budget literacy, and creating participatory spaces for community involvement. Enhancing the competence of village officials and reinforcing oversight mechanisms must also be prioritized to ensure that village fund management is carried out professionally and in line with good governance principles.

This study has several limitations. The research area is limited to Kapuas Regency, which may restrict the generalizability of the findings to other regions with different socio-political conditions. The use of self-reported questionnaires may introduce bias in respondents' answers. For future research, it is recommended to consider additional variables such as the integrity of local officials, the quality of public services, or the effectiveness of communication, and to include more diverse respondents to produce more representative results. This study also creates opportunities for follow-up research that employs qualitative approaches to explore socio-cultural factors and local dynamics affecting public trust, as well as comparative studies in other regions to broaden the understanding of village fund management and village governance more comprehensively.

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