Table 5. Risk Matrix Related to Financial Governance Based on Research Findings

Type of Risk	Affected Stages	Main Causes	Severity and Consequences	Mitigation Strategies
Cash Management Risk (Fund Deposits)	Implementation	Lack of discipline among staff regarding surplus funds that exceed the time limit	High – indications of fraud, a tendency to perceive a shortage or loss of physical funds, and the emergence of moral hazard.	Conduct a general cash count (cash opname) at the end of each month. Implement structured administrative sanctions (categorized as low, moderate, and high findings), with evaluation processes at the beginning, middle, and end of activities.
Procurement risks and misuse of funds	Implementation	The presence of a significant amount of cash on hand without clear daily oversight	Weak cash security triggers corrupt practices and disrupts the accountability chain.	Prioritizing self-management implementation, by attaching an SPTB statement used for the disbursement of SPP and direct tax withholding by the treasurer
Risks of Digital System Errors (SISKEUDES)	Administration	Limitations in the educational background of staff (literacy), leading them to perceive the application as too complex, which impacts motivation, daily performance, and accuracy	Moderate – a tendency toward data inaccuracies, such as repeated input errors and reports that do not accurately reflect actual activities (information asymmetry and data gaps)	Conduct regular technical guidance on the use of SISKEUDES, financial literacy, and operational performance literacy, up to and including standardized certification training for village treasurers
Risk of Delays	Planning	Lack of discipline; slow bureaucratic processing of	Moderate – Potential for delays in the evaluation	Significant improvement in oversight through periodic

		document submissions from the village level to the regent via the subdistrict head	process, which could lead to delays in securing subsequent funding and the implementation of development activities	monitoring and evaluation by section heads and the DPMD, as well as special supervisors regarding the timeliness of fund reimbursement, and through SISKEUDES
Accuracy Risks (Incorrect Coding) or Database Failures	Administration	Lack of sufficient financial literacy regarding new financial flow classifications, as well as understanding of digital systems to support performance	Moderate – risk of indications of failure in the control functions of APBDes implementation. This can trigger conflicts and misunderstandings within the community	Enhanced document oversight (verification) by the village secretary, as well as periodic specialized technical assistance from the district level
Risks related to stakeholder participation and conflict	Planning and Accountability	Low literacy among implementers, BPD members, and the community regarding obligations that must be fulfilled results in information not being conveyed to the village—in this case, regarding the deduction of the Village Development Fund ( ) and taxes on physical projects	Low—triggers stakeholder conflicts regarding budget details and the limited capacity of officials to fulfill their duties	Prioritizing transparency by not only displaying banners or billboards at the village hall but also expanding this through public posters on the village bulletin board, the website, and the village consultative body—focusing on accountability reports —as well as disseminating important information and educational materials
Crisis of Participation and Declining	Overall Stages	A tendency toward heavy workloads	High – Participation by residents or civil	Conducting in-depth screening for new civil

Motivation Among Civil Servants		coupled with the need for an understanding of accounting or financial management.	servants who possess the competencies required to support their job functions, as well as a slowdown in work performance	servant hires, using specialized selection methods (digitalization) tailored to job function requirements and a selection process focused on motivational approaches.

Source: Processed data, NotebookLM, 2026.