The Relationship Between Regional Accounting Systems And Financial Accountability

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ABSTRACT

Regional governments are required to report their financial responsibilities following applicable provisions. Regional autonomy began with Law Number 22 of 1999 and Amendment Number 32 of 2004, and fiscal transparency is very important.

The purpose of local government is to advance public welfare through service, empowerment, development, and competitiveness. Financial reporting must be timely, effective, and consistent with government accounting standards.

The purpose of this study is to determine the impact of the implementation of state accounting standards on the accountability of regional financial management at the BPKD office. State accounting standards are expected to strengthen the financial responsibility of regions and BPKD. This study focuses on the BPKD office to ensure targeted and high-quality research.

Keywords: *Accountability; Management; Finance; Region*

INTRODUCTION

In January 2002, regional autonomy was implemented, and the issue of public accountability became increasingly important. The goals of regional autonomy and allocation of national resources are transparency, responsiveness, cooperation, effectiveness, and legitimacy. (Safaria, 2016). Following PP Number 58 of 2005, regional governments are required to submit accountability reports, including budget implementation reports, balance sheets, income reports, and financial records, to increase accountability and transparency of regional finances. (Hehanussa, 2015).

Regional autonomy began with Law No. 22 of 1999 and Amendment No. 32 of 2004, and fiscal transparency is critical to its success. (Amin, 2015). The local government aims to improve the welfare of local communities through improved services, empowerment, development and competitiveness (Johan et al., 2020). Regional autonomy and fiscal decentralization increase public demands for transparency and accountability (Christia & Ispriyarso, 2019).

ISBN 9798 88722 1274, ISSN 2829 8438

Government financial reports must be timely, effective, and consistent with government accounting standards. Accountability for regional financial management covers all aspects of public budget use and policies (Akhmad et al., 2018). For public sector institutions, horizontal accountability is prioritized over vertical accountability. Regulations such as Law No. 17 of 2003, Law No. 12 of 2008, and Law No. 1 of 2004 support this standard.

Full accrual accounting standards differ between the government and SAP 2005 (Hamid, 2017). Accrual accounting records, records, and displays economic events and transactions as they occur, regardless of whether cash is received or paid (Lamonisi et al., 2016). This is one of the advantages of accrual accounting because it shows the overall financial position of the country and provides information on fiscal potential and risks (Ferryono & Sutaryo, 2017). Central and regional government financial reports are prepared using SAP, which is an important government accounting standard for transparency and accountability (Afifah et al., 2021). Regional administrators are responsible for managing public property according to their authority and are also responsible for solving problems. This study shows that public accounting standards can contribute to increasing the responsibility of the regional economy and BPKD (Rohmah et al., 2020).

The purpose of this study is to determine the impact of the application of public accounting standards on the responsibility for regional financial management in the BPKD sector (Nasrun, 2019). This study examines how public accounting standards affect regional fiscal accountability that benefits all stakeholders:

1. Theoretical benefits include writing more research on the impact of implementing public accounting standards on regional fiscal responsibility.
2. The practical benefit is providing an overview of the impact of implementing public accounting standards on regional financial responsibility in the Bandung area. This will be a reference for other researchers who will conduct research related to this topic.

This research is only related to the Regional Budget Management Agency (BPKD) office (Wambrauw, 2020). So that researchers do not deviate from the above objectives, problem limitations are used to ensure that the research focuses on the main problem and its discussion.

LITERATURE

Law Number 71 of 2010 regulates government accounting rules to increase transparency and credibility in government financial management (Mamarimbing et al., 2015). By using SAP, financial reporting will be improved at the state and local levels. During the financial reporting period, the APBN/APBD accounting report should be prepared following accounting standards and present relevant and relevant information. Regional economic reports that meet the requirements and are relevant to the BPK's views, such as WTP (Sukran et al., 2020).

Public accounting standards provide benefits in the form of clear and reliable financial reporting, making it easier to plan, manage, and administer public assets (Hartati et al., 2020). In addition, this standard also helps assess the accuracy of government funds and resource policy management accounting (Sumbogo, 2006). Local financial managers need to understand the concept and practice of public accounting standards as the key to financial management. Changes to total revenue can improve the quality of financial reporting and achieve better governance (Alkalah, 2016).

Accountability is an obligation for public service providers to be able to respond to all problems related to aspects of decisions and processes carried out, as well as to demonstrate the results and achievements (Arini Kurniawati & Dadang Sadeli, 2021).

Public institutions are responsible for fiscal responsibility. So that the use of public money is economical, effective, and efficient, there is no waste and leakage of money, and government agencies prepare financial reports to show the financial performance of the organization to external parties (Gunawan, 2016).

Management is a process that involves planning, implementation, monitoring, and accountability. The responsibility of the regional economy is the process of managing the regional economy starting from planning, implementation, and supervision, to be reported to the community and the Regional People's Representative Council (DPRD) for evaluation in the following year, reports of failures and successes (Sabriani & Rahayu, 2020).

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The implementation of the Regional Autonomy Law must be able to increase the creative power of regional governments so that they can report on the responsibility for managing the regional economy for the effectiveness and benefits of compliance to the DPRD and the community in general (Bella Oktavia Julianti, 2015).

Regional economic management is all activities that include planning, implementation, resolution, accounting, and supervision of regional economic problems (Article 1 Paragraph 6 of the Republic of Indonesia Government Law Number 58 concerning Regional Economic Management). Information that is useful for users to evaluate accountability and decision-making, including economic, social, and public (Langelo et al., 2015).

Information and socialization of regional economic activities and results to all stakeholders is part of the community's responsibility in managing the regional economy. This allows the implementation of community rights such as the right to know, the right to receive information, and the right to hear their requests. An accounting system that provides accurate, valid, timely, and responsive information increases accountability (Sriwijayanti, 2021).

General accountability includes internal accountability and external accountability. Internal accountability is accountability to internal stakeholders such as employees, government financial authorities, and external stakeholders such as taxpayers, mass media, financial aid providers, and investors or creditors.

The regional government will implement public order as well as regional economic management, and be transparent and accountable. With increasing public accountability, supervision carried out by adults is increasingly strengthened. Public accounting standards are a tool to facilitate transparency and validity of reporting.

Thus, government financial information can be the basis for decision-making governance and implementing transparency and accountability. Regional financial accountability can be communicated to the public from the ability of the regional government to explain, implement, and respond to public policies through the regional government accountability report reviewed by the BPK and submitted to the DPRD after six months. End of the budget year

METHOD

The type of research used is descriptive and quantitative. Quantitative data, namely data in the form of numbers or figures that can be measured to see the influence of independent variables and dependent variables on the available data and its analysis, or a description of the situation and events.

1. Quantitative research design is the type of data used. This type of data is in the form of numbers or figures that can be measured to measure the influence of independent and dependent variables. This type of data is also used to provide an overview or analysis of current trends and events.
2. Place and time of research The location of the research was conducted at the Bandung Regional Financial Management Agency (BPKD) office.
3. Population and sample Population is a subject or object with characteristics that have been decided by the researcher to be studied before making a decision. The committee is part of the community, as are all BPKD workers in the Bandung area.
4. Type and source of data The data used is primary data obtained from the questionnaire of members of the Bandung BPKD leadership office for research.
5. Data collection method in this study the data collection method is a questionnaire, meaning sending a list of questions to the party carrying out the research project.

RESULT AND DISCUSSION

According to Bandung Regional Regulation Number 7 of 2016, the Regional Financial Management Agency is required to assist the regent in carrying out supporting functions for government affairs related to the management of regional assets and regional assets.

In carrying out its duties, the regional financial management agency carries out the following activities:

A. Creating technical guidelines to support government work in managing finances and local values.
B. Managing supporting activities for state affairs in the field of regional financial and asset management.
C. Monitoring, evaluating, and reporting on the implementation of activities in supporting government activities in the field of regional financial and resource management.

ISBN 9798 88722 1274, ISSN 2829 8438

D. Technical training to carry out tasks that support government activities in managing regional finances and resources.
E. Carrying out other tasks assigned by the department based on its duties and responsibilities.

To obtain primary data, this study uses a list of questionnaires or questionnaires that are distributed directly to employees working at the Bandung Regency Regional Financial Management Agency (BPKD) office. Then, each respondent will receive a power of attorney to conduct a survey at the Bandung Regency BPKD office which must be submitted within ±2 months and will be decided on the same day.

The application of government accounting standards has a positive and significant impact on the accountability of regional financial institutions. Public accounting standards do not have a significant effect on accountability.

From the results of the discussion of the understanding of government accounting standards on the accountability of Bandung Regency financial reports, it can be seen that government accounting standards have a good effect on the responsibility of regional financial management, there is a relationship between what happens now or in the future between individuals and groups who have their respective jobs and interests, accepted, dismissed or punished. If this power is misused later.

CONCLUSION

During this observation period, the data were shared. The normality test, multicollinearity, non-zero and autocorrelation showed that there were no different variables with the classical hypothesis test. Therefore, the data obtained using a simple linear regression equation model met the requirements. The researcher tested the impact of different independent public accounting standards (SAP) on corporate governance accountability. The results of the hypothesis test were calculated using simple linear regression analysis. Independent variables and dependent variables. The test results showed that public accounting standards had a good or positive effect on financial management responsibility at the BPKD office in Bandung Regency. Although this study was conducted very well, several limitations must be overcome in further research. Some of these limitations require researchers to use survey or interview methods to improve respondents' understanding of the information in question.

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