THE EFFECT OF APPLICATION OF LOCAL GOVERNMENT ACCOUNTING THE SYSTEM INTERNAL CONTROL TO THE PERFORMANCE ACCOINTABILITY OF LOCAL GOVERNMENT AGENCIES

(A survey on 27 SKPD West Bandung Regency Government)

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ABSTRACT

The implementation of poor local accounting system will effect the performance accountability of local government agencies, other than that in preparing accountability reports or accountability reports of local government agencies in need of internal control, rom the phenomenon that there is a problem of fund presentation and still the occurrence of weakness of internal control within the environment and also the performance problems achieved on the implementation of programs and activities, In the budget cycle that runs 1 year is still not maximal. The purpose of this study is to determine how much influence the Local Government Accounting System and Internal Control Against Accountability Performance Local Government Agencies.

The method used in this study is descriptive and verification. The samples were 27 SKPD the government of west Bandung Regency with 27 people as respondents and the sampling technique was sampling jenuh. The data analysis technique used SEM Partial Least Square (PLS) and software SmartLPS 2.0.M3 in addition.

Result of research indicate that system accounting of local government have a significant effect to accountability of performance of local government institution, internal control significant effect on performance accountabiity of local government institution. on 27 SKPD in government of west Bandung.

Keywords : Local government accounting system, Internal control, Accountability perpormance of local government agencies.

I PRELIMINARY

1.1 Backgrud To The Study

Public sector organizations are public-oriented and not profit-oriented organizations, one of a kind of public sector organization is government agency is a public sector organization in the form of government within a country consisting of central government and local government (V. Wiratna, 2015:2-5).

Local government accounting system is called as model of accounting system to produce local financial report, accounting system is arranged with purpose to produce financial report in the form of balance sheet, cash flow statement, performance report of youangan or report surplus / deficit and report of budget calculation (Indra Bastian, 2007:30).

The use of accounting control systems allows heads of local government agencies to make better decisions and control operations more effectively and efficiently (Hilmi, dalam beny, 2012).

The phenomenon that occurs is according to West Bandung Regent Abubakar stated that West Bandung regency got CC assessment, for Performance Accountability Performance Report of Government Institution (LAKIP) given by Ministry of Administrative Reform and Bureaucratic Revolution (Kemnepan RB). It is considered disappointing by some observers. "With the release

of the LAKIP assessment from Kemenpan RB which results in CC score, we consider the results to be disappointing despite an increase from the previous C," said Chairman of the Center for Economic Development Political Studies (Puspakolekbang) Holid Nurjamila via cell phone

Dikatakannya Laporan Kinerja Akuntabilitas Kinerja Instansi Pemerintah tersebut menggambarkan kinerja yang dicapai oleh Pemerintah KBB atas pelaksanaan program dan kegiatan, dalam siklus anggaran yang berjalan 1 tahun masih belum maksimal. "Penilaian CC jika diskoring antara 50-65 bobotnya. Kalo melihat skor yang diraih, komponen yang paling mempengaruhi penilaian terletak pada Perencanaan Kerja atau Renstra yang selalu copy paste tiap tahunnya dan kurang selaras dengan RPJMD Visi Misi Bupati," tuturnya.

1.2 Formulation of the problem

1. How big is the influence of local government accounting system on performance accountability of local government institutions.
2. How big is the influence of internal control on agency performance accountability local government.

1.3 Intent and Purpose of Research

1.3.1 Inten of Research

The purpose of this study is to examine and collect data on the Influence of Application of Local Government Accounting System and Internal Control to Performance Accountability of Local Government Institutions.

1.3.2 Purpose of Research

1. To test, analyze, and examine how much influence of Local Government Accounting System to Accountability of Local Government Intansi Performance
2. To test, analyze, and examine how much influence the Internal Control to Accountability of Local Government Intansi Performance

1.4 Usefulness of Research

From the results of this study the authors hope this paper is useful in solving problems Application of Local Government Accounting System and Internal Control Against Accountability of Local Government Intansi Performance.

1.4.1 Practical Usefulnes

Unit of regional apparatus

With this research is expected to be an evaluation material in helping the performance of local government in West Bandung regency

1.4.2 Academic Uses

1. Development of Science

   This research as a means to increase knowledge and insight in the application of theories acquired dibangku lectures with the actual situation that occurred in the field.
2. For Other Researchers

   Sebagai wawasan dan pengetahuan baru bagi peneliti agar lebih paham
3. Other Academic Parties

   It is expected to provide knowledge and information or references that are necessary and useful for the further development of knowledge

II Literature Review, Framework for Thinking and Hypotheses

2.1 Literature Review

2.1.1 Local Government Accounting System

According to deddi, Ayuningtyas (2014: 201) argued that the local government accounting system is a series of procedures, ranging from the process of data collection,

recording, pengikhtisaran up to financial reporting in order to account for the implementation of APBD that can be done manually or using computer applications

The indicators of the local government accounting system by Deddi Nordiawan (2010: 201) are:
1) Recording
2) Pengikhtisaran
3) Reporting

2.1.2 Internal Control

According to Rahmadi Murwanto (2012: 195) argued that internal control is a major part in the management of an organization, internal control also consists of plans, methods, and procedures used to achieve the vision, mission, goals and objectives of the organization so that supporting a performance-based management system.

The internal control indicators according to Numalia Hasanah and Achmad Fauzi (2016: 181) are:
1) Control Environment
2) Risk Assessment
3) Control Activities
4) Information and Communication Accounting
5) Monitoring

2.1.3 Akuntabilitas Kinerja Instansi Pemerintah Daerah

According to Mahsun (2006: 83) defines Performance Accountability Government Agency is the realization of the obligations of a government agency to account for the success / failure of the implementation of the mission of the organization in achieving the goals and objectives that have been established through periodical tools pertanggungwaban.

The performance accountability indicators of local government institutions according to Wakhyudi et al. (2007: 10)
1) Implementation of the Strategic Plan
2) Performance Measurement
3) Performance Reporting
4) Utilization of performance information for continuous improvement of performance

2.2 Framework for Thinking

2.2.1 Effect of Local Government Accounting System on Performance Accountability of Local Government Institutions

Regional financial accounting system / local government accounting system which is basically a system that includes programming activities and performance benchmarks as an instrument to achieve program objectives and targets for the implementation of budgeting system performance in budgeting begins with the formulation of programs and penyususnan appropriate organizational structure of government with the program (Mardiasmo, 2009: 84).

Based on previous research conducted by Khodri Zulhman (2015) which states that the local government accounting system influential terahadap performance accountability of local government agencies.

2.2.2 Effect of Internal Control on Performance Accountability of Local Government Institutions

Internal control is a major part of managing an organization. Internal control consists of plans, methods, and procedures used to achieve the organization's vision, mission, goals and objectives to support a performance-based management system. Internal control also plays a front line protection role in safeguarding assets / assets and preventing and detecting errors and

frauds. Internal control assists the management of government agencies in achieving the desired outcomes through accountability of effective public resource management Rahmadi Murwanto (2012: 195).

Based on previous research conducted by Netty Herawati (2014), and Afilu, Irene (2015) stating that internal accounting control affects the performance accountability of local government agencies.

2.3 Hypotheses

H1 : Local Government Accounting System has an effect on to Performance Accountability of Local Government Institution.

H2 : Internal Control Affects the Performance Accountability of Local Government Institutions.

III RESEARCH METHODS

3.1 Research Methods

According Sugiyono (2017: 2) argued that research methods are basically a scientific way to get data with a specific purpose and usefulness. Based on that there are four keywords that need to be considered are: the scientific way, data, purpose and usefulness.

In conducting the research the authors use descriptive and verifikatif method with, this research method will be known significant relationship between variables resulting in conclusion.

The definition of descriptive method according to Sugiyono (2014: 53) is a problem with regard to the question of the existence of independent variables, either on one or more variables (independent variable is a stand-alone variable, not an independent variable, because if the independent variable is always paired with dependent variable.

Meanwhile, according to Sugiyono (2010: 29) states that the verification method is used to check whether or not true if described to test a way with or without improvements that have been implemented elsewhere by overcoming life, verifikatif means test the theory by testing a hypothesis whether accepted or rejected . .

3.2 Operationalization of Variables

Understanding operational variables by Sugiyono 2010: 58 is the Operationalization of variables is anything in the form of what is determined by the researcher to be studied so that obtained information about it, then drawn conclusions.

Based on the research title that is Influence Application of Local Government Accounting System and Internal Control to Accountability of Government Institution Performance of Derah, then these variables will be measured in this research are:

1) Independent Variable (X)

According Sugiyono (2014: 39), independent variables are variables that affect or the cause of the change or the emergence of the dependent variable (bound). In this case the independent variables to be studied are X1 Accounting System Local Government and X2 Control of Accounting.

2) Dependent variable (Y)

According Sugiyono (2014: 39), the dependent variable is a variable that is affected or which become due, because of the independent variables. In this case the independent variable (Y) is Accountability Kineja Local Government Agencies.

3.3 Data Collection Techniques

According Sugiyono (2017: 224) defines data collection techniques is Data collection techniques is the most strategic step in the research, because the main performance of the research is to get the data.

Field research (Field Research)

a. Interview

According to Nanang Sunyoto (2013: 22) Interview method is a method of collecting data by asking questions freely both structured and unstructured in order to obtain information broadly about the object of research.

b. Questionnaire

According to Nanang Sunyoto (2013: 23) Questionnaire method is a method of collecting data by using a list of questions asked to respondents to be answered by giving a questionnaire.

3.4 Sampling

Understanding the population according to sugiyono (2017: 80) population is a generalization region consisting of: objects / objects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions.

Understanding the sample by sugiyono 2017: 81 sample is part of the number and characteristics possessed by the population

The unit of analysis in this study is the Regional Device Work Unit (SKPD) West Bandung regency amounting to 27 SKPD. The observation unit in this research is the accounting department and the head of institution in the Regional Device Work Unit (SKPD) of West Bandung regency. So the population in this research is 27 Unit of Local Device (SKPD) West Bandung regency.

3.5 Data Testing Method

3.5.1 Validity Test

According Sugiyono (2017: 267) Validity is the degree of accuracy between the data that occur on the object of research with the power that can be reported by researchers.

3.5.2 Test Reliability

According Umi Narimawati (2010: 43) To test the reliability or confidence of the disclosure tool of the data. With r value obtained from the validity test that shows the correlation index indicating whether or not there is a relationship between two parts of the instrument.

3.6 Data Analysis Method

Understanding data analysis according to Bogdan in Sugiyono, 2017: 244 Data analysis is the process of searching and compiling systematically data obtained from interviews, field notes, and documentation, by way of organizing data into categories, describing to units, synthesizing, organize into patterns, choose what is important and what will be learned, and make conclusions so easily understood by yourself and others.

1. Descriptive Method

According Sugiyono (2014: 147) Descriptive method is a method used to analyze data by way of describing or describing the data that has been collected as it is without intending to make conclusions that apply to the public or generalization.

2. Verification Method

According to Masyhuri (2009: 45) Verifikatif method that checks whether or not true if described to test a way with or without improvements that have been implemented elsewhere by addressing problems similar to life.

IV RESEARCH RESULT AND DISCUSSION

In this chapter, researchers will describe the results of research related to the Effect of Local Government Accounting System and Internal Control Against Accountability of Local Government Institution Performance.

4.1 Test Results Validity and Reliability

1. Validity Test Results

Pengujian validitas ini digunakan dengan tujuan untuk mengukur sah atau valid tidaknya suatu kuesioner. Suatu kuesioner dikatakan valid jika pernyataan pada kuesioner mampu mengungkapkan sesuatu yang akan diukur oleh kuesioner tersebut. Suatu alat ukur dinyatakan valid atau sah apabila memiliki nilai koefisien validitas > 0,30.

Berdasarkan perhitungan memiliki koefisien validitas yang lebih besar dari nilai kritis yaitu 0,3 (>0,30), sehingga seluruh pernyataan tersebut dinyatakan valid.

2. Reliability Test Results

This reliability test is intended to test the Work Performance of a research measuring instrument. In this study, to test the Measuring Performance of measuring equipment used the technique of halve or often called Split Half. The value of the reliability coefficient for each variable based on the calculation of smartpls is greater than 0.7 so it can be concluded that the measuring instrument used reliabel and the answers given by the respondent related to the statements proposed as the reference of this study, can be trusted reliable) or Performance Measurements.

4.2 Hypothesis Testing

1. The Effect of Local Government Accounting System (X1) on Accountability of Local Government Institution Performance (Y) (Hypothesis 1)

Nilai $t_{statistik}$ untuk variabel X_1 diperoleh sebesar 6,964. Nilai tersebut lebih besar dari 2,069, sehingga dapat disimpulkan bahwa H_0 ditolak dan menerima H_a, artinya bahwa Sistem Akuntansi Pemerintah Daerah berpengaruh secara signifikan terhadap Akuntabilitas Kinerja Instansi Pemerintah Daerah pada 26 Satuan Kerja Perangkat Daerah (SKPD) Kabupaten Bandung Barat dengan kontribusi pengaruh sebesar 32%.

2. Linkage of Internal Control (X2) To Performance Accountability of Local Government Institution (Y) (Hypothesis 2)

The tstatistics value for the X2 variable is 6.485. The value is greater than 2.069, so it can be concluded that H0 rejected and accept Ha, it means that the Internal Control significantly influence the Performance Accountability of Local Government Institutions at 26 Unit of Regional Devices (SKPD) West Bandung regency with contribution contribution of 37.5% .

4.**3 Discussion**

4.3.1 Effect of Local Government Accounting System on Performance Accountability of Local Government Institutions

Based on the result of research indicate that there is significant influence between Local Government Accounting System to Performance Accountability of Local Government Institution. While the correlation value between Local Government Accounting System with Performance Accountability of Local Government Institution is equal to 0,765. The value of 0.765 according to Sugiyono (2013: 250) is at the interval of 0.60 - 0.79 including the strong category.

In testing the hypothesis can be seen that t arithmetic for Local Government Accounting System (X1) of 6.964 with t table value of 2.069. Due to the value of t arithmetic greater than the value of t table (6.964> 2.069) then H0 rejected and Ha accepted, meaning significant. From the results of research shows that the Local Government Accounting System significantly influence the Performance Accountability of Local Government Institutions at 26 Unit of Regional Work (SKPD) West Bandung regency. The amount of influence of Local Government Accounting System on Performance Accountability Local Government Institution that is equal to 32% and the rest equal to 68% is contribution from other variable not examined in this research.

The result of this research is supported by Mardiasmo's theory (2009: 84), regional financial accounting system / local government accounting system which is basically a system covering program programming activity and performance benchmark as instrument to achieve program objective and target for applying of performance budget system budgeting starts with the formulation of programs and the formulation of government organizational structures that are compatible with the program. And supports previous research by Khodri Zulhman (2015) which states that the local government accounting system has an effect on the performance accountability of local government agencies.

4.3.2 Effect of Internal Control on Performance Accountability of Local Government Institutions

Based on the results of research indicate that there is significant influence between Internal Control to Performance Accountability of Local Government Institution. While the value of correlation between Internal Control with Performance Accountability of Local Government Institution is equal to 0,782. The value of 0.782 according to Sugiyono (2013: 250) is at the interval of 0.60 - 0.79 including the strong category.

In testing the hypothesis can be seen that t arithmetic for Internal Control (X2) of 6.485 with t table value of 2.069. Due to the value of t arithmetic greater than the value of t table (6.485> 2.069) then H0 rejected and Ha accepted, meaning significant. From the result of the research shows that Accountability of Local Government Institution Performance is influenced significantly by Internal Control. The amount of influence of Internal Control to Performance Accountability of Local Government Institution that is equal to 37,5% and balance 62,5% is contribution from other variable not examined in this research.

The results of this study is supported by the theory Rahmadi Murwanto (2012: 195) which states that internal control is a major part in the management of an organization. Internal control consists of plans, methods, and procedures used to achieve the organization's vision, mission, goals and objectives to support a performance-based management system. Internal control also plays a front line protection role in safeguarding assets / assets and preventing and detecting errors and frauds. Internal control assists the management of government agencies in achieving the desired results through effective accountability of public resource management.

The above theory is supported by various studies such as those conducted by Netty Herawati (2014), and Afilu, Irene (2015) which states that Internal Accounting control affects the performance accountability of local government agencies.

V . CONCLUSIONS AND SUGGESTIONS

5.1 Conclusions

Based on the results of research and discussion of chapters I up to chapter IV on the influence of local government accounting system and internal control of performance accountability of local government institutions, the researchers draw a conclusion as follows:

1. Local government accounting system has significant effect on performance accountability of local government institution. With strong correlation category. But there are some that cause the local government accounting system is not maximally that is recording and reporting. So the local government accounting system is less good. And the impact on the performance accountability of local government agencies that are less good / maximal. In this study, the local government accounting system that occurred in 26 units of Local Government Devices (SKPD) West Bandung regency is in good enough criteria, but there is still a gap, it indicates the existence of deficiencies or weaknesses in the local government accounting system.
2. Internal control has significant effect on performance accountability of local government institution. With strong or close correlation categories. But there is a cause of internal control has not been maximal is the environment control and information and communication accounting. So the assessment of internal control is less good. And the impact on the performance accountability of local government agencies that are less good / maximal. In this study internal controls that occurred at 26 units of the Regional Devices (SKPD) West Bandung regency are in good enough criteria, it indicates the existence of deficiencies or weaknesses in internal control.

5.2 Suggestions

After the researcher gives conclusion from result of research about influence of accountancy system of local government and internal control to accountability of performance of local government institution, hence researcher will propose some suggestion as follow:

5.2.1 Operational Suggestions

1. For Employees
   It is expected that employees at 26 units of Local Government Work Unit (SKPD) of West Bandung Regency local government accounting system by means of employees are required to use double entry accounting system when recording, and followed by recording method based on acrual basic for asset recognition. In addition to recording it should be improved in terms of reporting by means of employees are required to make accounting reports related to the presentation of agency assets by prioritizing the relevance of the results or data.
2. Divide 26 Regional Device Work Unit (SKPD) of West Bandung Regency
   It is hoped that the 26 regional work units (SKPD) of West Bandung regency need to improve the internal control better to its employees. Then accompanied by internal controls in the implementation of the accounting system of APBD reporting.

5.2.2 Academic Suggestions

1. For the Development of Accounting Science

   The results of this study are expected to increase the knowledge and understanding of the influence of local government accounting system and internal control on the performance accountability of local government agencies, as well as input and additional references of accounting science for readers.

2. For Other Researchers

   For the next researcher, because there are still many other factors that influence outside the research model, it is expected to research by using other variables outside of this variable, and can add other independent variable, it is suggested to use different population and sample in order to get the conclusion Which supports generally accepted theories and concepts.

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