

THE ACCOUNTABILITY OF VILLAGE FUNDS AND INTERNAL CONTROL

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ABSTRACT

Research Purposes. This study aims to examine the variables that affect accountability for village fund management in Kedu District. The role and competence of village apparatus are the factors tested in this study, with the internal control system as the moderating variable.

Research Methods. To get the results, this study selected village device respondents based on the purposive sampling method. The results of 132 respondents were involved in this study. The data obtained is processed using Partial Least Square (PLS).

Research Results and Findings. This research reveals that the role of village apparatus has no influence on the accountability of village fund management. Meanwhile, the competence of village apparatus has a positive influence on the accountability of village fund management. In addition, in the context of moderation, the internal control system has an influence on the role of village apparatus and accountability of village fund management. Meanwhile, the internal control system cannot affect the relationship between the competence of village apparatus and accountability of village fund management.

ABSTRAK

Tujuan Penelitian. Penelitian ini bertujuan untuk menguji variabel-variabel yang memengaruhi akuntabilitas terhadap pengelolaan dana desa di Kecamatan Kedu. Peran dan kompetensi perangkat desa merupakan faktor yang diuji dalam penelitian ini, dengan sistem pengendalian internal sebagai variabel pemoderasi.

Metode Penelitian. Untuk mendapat hasil, penelitian ini memilih responden perangkat desa berdasarkan metode purposive sampling. Hasil sebanyak 132 responden terlibat dalam penelitian ini. Data yang diperoleh diolah menggunakan Partial Least Square (PLS).

Hasil Penelitian dan Temuan Penelitian. Penelitian ini mengungkapkan bahwa peran perangkat desa tidak memiliki pengaruh terhadap akuntabilitas pengelolaan dana desa. Sedangkan, kompetensi perangkat desa memiliki pengaruh yang positif terhadap akuntabilitas pengelolaan dana desa. Selain itu, dalam konteks pemoderasi, sistem pengendalian internal memiliki pengaruh terhadap peran perangkat desa dan akuntabilitas pengelolaan dana desa. Sedangkan, sistem pengendalian internal tidak dapat mempengaruhi hubungan antara kompetensi perangkat desa dan akuntabilitas pengelolaan dana desa.

INTRODUCTION

Indonesia has a government structure consisting of central and local governments. Local governments, consisting of village, subdistrict, and district/city levels, are regulated by Undang-Undang Republik Indonesia No. 6 (2014) concerning Villages. According to the law, village governments are responsible for the management of government affairs and the interests of local communities. The village chief and other village apparatus lead the village administration. The government emphasizes the importance of development programs to

improve community welfare, which is regulated in laws related to villages. Village development can be achieved through the development of economic potential, sustainable use of natural resources and the environment, and meeting the basic needs of the community through cooperation between the government and local communities (Endah, 2015).

Regional autonomy gives authority to local governments, including villages, to manage their own government affairs. Local governments have a deeper understanding of the conditions and needs of the regions where they are located. In the context

of development, regional autonomy is crucial to explore regional potential independently and efficiently (Suparto, 2017). The central government gives authority to villages to access funds from the State Budget (APBN or *Anggaran Pendapatan dan Belanja Negara*) for the development and empowerment of rural communities. Nonetheless, local governments are responsible for playing an important role with sufficient expertise in managing village funds for the regional autonomy system to run successfully. To this purpose, the principles of transparency, accountability, participation, regularity, and budget discipline in village fund management have been regulated in the Minister of Home Affairs Regulation (Dewi & Adi, 2019).

The main role of the Village Head and village apparatus is as a village financial manager, responsible for ensuring accountability for the use of village funds sourced from the State Budget (APBN) (Kinasih, 2019). However, problems related to reporting and accountability still occur due to the lack of quality of village equipment and human resources. In particular, accountability in village fund management in Kedu District became the focal point of this study, especially after the misappropriation of village funds in Ngadimulyo Village derived from APBD financial assistance in 2019 (Diswanto, 2022). This misuse reflects that the roles and skills of village governments included in the internal control system have not been implemented in accordance with the principle of accountability. Therefore, this study will re-evaluate the role and skills of village apparatus, while considering the impact of the internal control system on accountability in village fund management.

Previous research has been conducted to evaluate accountability in village fund management by considering a number of variables. Based on previous research, the role and competence of village apparatus is a widely used variable, because these factors are important in managing village funds and show their responsibility as authorities (Agustina, 2019). In addition to these variables, the internal control system has also shown to have an influence on the accountability of village funds, in previous research. However, the results of the study have not shown clear consistency (Ilona et al., 2022), especially on the influence of the role and competence of village apparatus on the accountability of village fund management (Morte-

Nadal & Esteban-Navarro, 2022).

Thus, this study was conducted to examine the impact of the role and competence of village apparatus on accountability of village fund management, taking into account the role of the internal control system as a moderating factor. In this study, the control test was carried out by considering the controlling variable, namely the internal control system. Thus, this study provides novelty on the variables of the internal control system that become moderation, where in previous studies, the internal control system was widely used as an independent variable but the results were inconsistent, so it is possible that the role of internal control is as moderation that affects the influence of the role of village apparatus on accountability (Hendaris & Romli, 2021).

To be able to reveal the influence of the role of village apparatus, research was conducted using objects in Kedu District, which had occurred the phenomenon of misappropriation of village funds in Ngadimulyo Village (Diswanto, 2022). This phenomenon indicates that the village government's role and competence, as well as the internal control system, have not been functioning well, which can impact the accountability of village fund management. Therefore, the results of this study can provide a more comprehensive understanding about how to manage village fund. By focusing on Kedu sub-district as a research object, this study will make a significant contribution to enhancing our understanding of village fund management and the factors that affect it.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Stewardship Theory

Managerial conditions that are not driven by individual motivation, but rather focus on the interests of the organization, reflect the principles of *Stewardship Theory* (Donaldson & Davis, 1991). By gaining public trust, local governments are responsible for carrying out their duties in accordance with applicable regulations. By compiling accurate accountability reports and improving work efficiency, village governments can produce quality financial information. Therefore, in the context of this study, *the Stewardship Theory* becomes very relevant, where village heads and village apparatus members strive to present

accountability reports, ensure accessibility, and strengthen internal control in accordance with applicable regulations and laws (Keay, 2017).

Accountability is an integral part of village financial management. In this context, village apparatus have the obligation to report finances clearly and accountably in accordance with the available financial statements (Keay, 2017). Stewardship *theory* assumes that village apparatus act as village financial managers who must carry out their duties by using the roles and skills they have to create an effective internal control system (Ilona et al., 2022). This is done as a step to achieve the goals of village government as an organization.

Village Government

Village Government, according to Undang-Undang Republik Indonesia No. 6 (2014), it consists of the village head and village apparatus such as village secretaries and functional groups of specific fields. The task of the village apparatus involves the implementation of tasks according to the needs and socio-cultural context of the village, taking into account the technical aspects of the field and elements of the region (Iftitah & Wibowo, 2022). The essence of village government is management and responsibility in carrying out activities by village apparatus. In carrying out such tasks, competent knowledge and effective skills are required. It is based on the beliefs of the village people who have chosen them to take care of, manage, and maintain various aspects of the village people's lives (Wilma & Hapsari, 2019). In the implementation of village government, there are principles such as effectiveness and efficiency, proportionality, openness, participation, accountability, professionalism, local wisdom, diversity, orderly public interest, orderly government administration, legal certainty, and sustainability. These principles provide a solid foundation for the implementation of good village government and are oriented towards community service. In practice, it is important to maintain clear objectives and efficient management, as well as involve village and community apparatus in village government activities. In addition, aspects of transparency, accountability, professionalism, and diversity need to be maintained in decision making (Ekawati et al., 2022). Thus, the village government can carry out its duties effectively and provide tangible benefits to

the village community. In addition, there are a number of requirements that must be met to become part of the village government in accordance with the provisions that have been set.

Accountability

Within the framework of accountability, there is a concept that demands that responsible parties must present, report, and disclose all activities as part of the government's obligations to parties who provide trust, such as principals or parties who have interests (Mardiasmo, 2009). The importance of accountability is recognized by governments, civil organizations, and the private sector as a way to provide accountability to communities and other interested parties (United Nations Economic and Social Commission, 2009). The importance of the rule of law in carrying out accountability is also emphasized in the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 20 of 2018, concerning village funds which consists of several stages, namely planning, implementation, administration, reporting, and accountability (Subekan, 2020). Accountability falls into two types: vertical, which involves reporting performance to top-level superiors, and horizontal, which involves reporting to external parties and the environment by responsible communities (Mardiasmo, 2009).

In carrying out accountability management, it is expected that the government pays attention to several main principles (Kementrian Desa Pembangunan Daerah Tertinggal dan Transmigrasi, 2022). The principles include a focus on achieving the mission and vision, as well as desired results and benefits; adherence to values such as innovation, transparency, integrity, and objectivity; implementation of a system in accordance with applicable regulations and laws; provision of information related to goals and improvement of objectives that have been set; and commitment to organizational management based on values of responsibility (Lembaga Administrasi Negara dan Badan Pengawas Keuangan dan Pembangunan, 2000). The principles of village fund management, such as transparency, accountability, participation, and budget order and discipline, are also explained in the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 113 of 2014. Accountability has four dimensions, namely program accountability, process accountability,

policy accountability, and honesty and legal accountability, which must be implemented by public sector entities, including village governments, to achieve optimal accountability (Mardiasmo, 2009).

Village Apparatus Role

The role in village government is a position or position that determines a person's responsibilities and rights according to their level (Soekanto, 2002). Village apparatus, is a unit to achieve the goals of village government (Anggraeni & Yuliani, 2019). The role of individuals in an entity can be demonstrated through interactions and relationships. As an illustration, the village head has an important role in the progress of village government through the implementation of tasks such as supervision, planning, setting the direction of organizational goals, and organizing (Dewi & Gayatri, 2019). Various functions of village apparatus are in accordance with their respective roles, ranging from village secretaries, regional executives, to village apparatus who are responsible for secretarial technical matters such as development, general management, finance, government, and people's welfare. The role of village apparatus has various dimensions, including the role of policy, role as a communication tool, role in dispute resolution, and role as strategy (Suharto, 2006). Undang-Undang Republik Indonesia No. 6 (2014) on Villages stipulates the criteria for the role of village apparatus, which include the preparation and implementation of village fund budgets, providing input for changes to the Village Budget Draft (*Rencana Anggaran Pendapatan Belanja Desa* (RAPBDes)), organizing the procurement process of goods and services, and improving community welfare (Rima et al., 2022).

Village Apparatus Competency

Competencies include attitudes, knowledge, and skills that are visible when a person performs a job in accordance with a desired goal (Rivai, 2010). Ability to deal with conditions in the work environment as a competency (Julianto & Dewi, 2019). In the context of village government, competence refers to the skills, abilities, and attitudes necessary to understand and complete tasks with adjustments in the work environment, so as to achieve the objectives of the work. The

importance of good competence in the village head and village apparatus is crucial in accounting for the results of the implementation of work. Undang-Undang Republik Indonesia No. 5 (2014) article 69 (1) explained that competencies can be categorized into three types in the context of village government, namely technical competence (based on education, work experience, training, and technology), socio-cultural competence (based on experience working with various cultures, ethnicities, religions, and citizenship views), and managerial competence (based on training, leadership management experience, and education). When identifying the competence of village apparatus in terms of accountability of village fund management, the following factors play an important role: knowledge (including knowledge in financial accounting, business and public sector, organizing, and information technology), skills (including technical skills, intellectual organizational skills, intrapersonal skills, communication skills, and personal skills), and attitudes (which include social commitment, responsibility responsibility, reliability, willingness to learn, compliance with laws and regulations, creativity in work, and high morale) (Peraturan Kepala Badan Kepegawaian Negara No. 22, 2011).

Internal Control System

Internal Control System is a procedure achieve organizational goals through compliance with regulations, security of state assets, reliability of financial reporting, and effectiveness and efficiency of activities (Peraturan Pemerintah Republik Indonesia No. 60 (2008). SPI is an element of organizational structure, methods, and measures that work together to ensure compliance with management policies, safeguard organizational wealth, and verify the accuracy and reliability of accounting data (Mulyadi, 2016). Elements of SPI include a clear definition of duties, responsibilities, and authorities, as well as performance indicators governed by procedures in various plans and levels of the organization (Krismiaji, 2015). The objectives of SPI include maximizing efficiency, maintaining organizational wealth, compliance with management policies, and checking the thoroughness and reliability of accounting data (Mulyadi, 2016). Other objectives include preventing fraud, ensuring data rigor, achieving

operational efficiency and effectiveness, and maintaining compliance with policies and regulations (Baridwan, 2010). The internal control system consists of five components that can be applied in various types of organizations, including the control environment, risk evaluation, control activities, information and communication activities, and supervision (Arens et al., 2008), which is also listed in Peraturan Pemerintah Republik Indonesia No. 60 (2008).

Hypothesis Development

The role of village government has an important influence in the implementation of the village financial budget plan, which must comply with applicable regulations and be implemented carefully (Muda et al., 2017). To achieve an optimal level of accountability in village fund management, it is expected that every action, policy, and decision taken by the village apparatus can be accounted for (Suandi et al., 2022). The success of accountability in village fund management can be guaranteed if village apparatus can carry out their duties in compliance with applicable laws and regulations (Bawono et al., 2020). The role of the apparatus is in accordance with the theory of *stewardship* which supports the role of the apparatus as part of efforts to achieve organizational performance. Therefore, the study put forward a hypothesis:

H₁: Increasing the apparatus role increases accountability of village fund management.

High competence in village apparatus will provide support for consistent and professional service provision, supporting financial management of village funds (Iftitah & Wibowo, 2022). Conversely, low competence in village apparatus can hinder the financial management of village funds due to their lack of understanding of village operations, which can result in discrepancies in village fund management and does not reflect the responsibilities that should be contained in the management of these funds (Ekawati et al., 2022). Therefore, it is important for village apparatus to have adequate competence to improve and ensure proper accountability in village fund management. In this context, the presence of village apparatus who have good understanding, skills, and qualifications related to accountability in village fund management can improve their performance (Ilona et al., 2022). The role of apparatus competence in achieving organizational performance is in accordance with *stewardship theory* which argues

that officers have a sense of responsibility as part of efforts to achieve organizational performance that reflects personal performance. Therefore, this study proposes a hypothesis:

H₂: Increasing apparatus competence increase accountability of village fund management.

The internal control system involves measures such as creating and maintaining a conducive and positive control environment by focusing on upholding integrity, ethical values, and commitment to competence. This control environment, reinforced by individual behavior, not only provides a foundation for creating a culture of accountability in village fund management but also indirectly encourages them to achieve their goals of efficiency and effectiveness in village governance. The effectiveness of this internal control system will reflect the protection of village assets, reliability in reporting village funds, and compliance with applicable laws and regulations. Thus, accountability in village financial management can be achieved, and village government support is a key factor in achieving successful accountability of village funds through the existence of an environment equipped with a good internal control system. The *stewardship theory* view supports control as part of efforts to achieve performance and a sense of responsibility of officers in their duties (Ilona et al., 2022). Therefore, this study provides hypotheses, namely:

H₃: The internal control system strengthens the influence of the apparatus role toward the accountability of village fund.

H₄: The internal control system strengthens the influence of apparatus competence toward accountability of village fund.

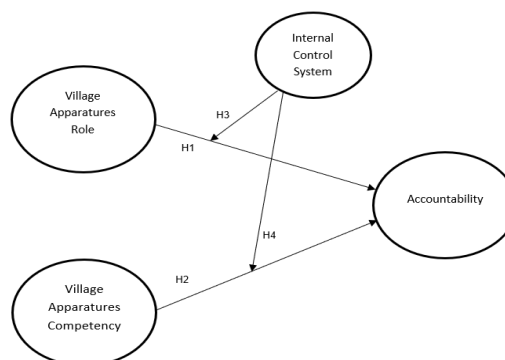


Figure 1. Research Model

RESEARCH METHODS

The object in this study uses the object of accountability for village fund management in Kedu District, Temanggung Regency by taking the entities used as subjects in this study, namely all village governments in Kedu District, Temanggung Regency which totaled 14 villages as well as being the population in this study. This study relied on primary data obtained through questionnaire questions designed to detail the variables that were the focus of the analysis. The sampling method applied is nonprobability, especially the purposive sampling method. In this case, *purposive sampling* is carried out carefully, where samples are taken from the population based on certain criteria in accordance with careful consideration (*judgment sampling*) (Hartono, 2017). The sample in this study used managerial level in Village Government organization in all structure level as a criteria

The variables of this study are classified into three types, namely independent variables, dependent variables, and moderation variables. Independent variables or independent variables are variables that exert influence on other variables. The dependent variable is the variable that gets the impact of the variable. In addition, there are also moderating variables that affect the strength of the relationship between two variables (Sugiyono, 2015). This study used a data collection technique in the form of a survey, which is the primary method to collect information by providing a series of questions to respondents individually (Hartono, 2017) With a survey time span allocated to this study is approximately 2 weeks. The independent and dependent variables in this study were measured by the Likert scale with a scale of 1 to 4 with a rating of strongly disagree to strongly agree. The following are the operational definitions and indicators used:

1. Village Apparatus Role (X1)

Role is the position or position of a person in carrying out his responsibilities and rights in accordance with the role carried out (Soekanto, 2002). The indicators used to measure the assessment of the role of village apparatus are taken from Soekanto (2002), which consists of the role of policy (5 questions), the role as a tool for communication (1 question), the role of facilitators of the procurement process (1 question), the role as a strategy (1 question), and the role as a strategy (3 questions).

2. Village Apparatus Competency (X2)

Competency is an individual's ability to apply knowledge, skills, and attitudes in accordance

with established work standards (Moeheriono, 2018). The indicators used to measure this variable are taken from Moeheriono (2018), which consists of knowledge (3 questions), skills (3 questions), and attitude (3 questions).

3. Internal Control System (M)

The continuous implementation of actions and activities by the leadership and members of the organization is aimed at achieving adequate confidence in the achievement of organizational goals, through reliability of financial reporting, efficiency, protection of state assets, and compliance with the rule of law (Peraturan Pemerintah Republik Indonesia No. 60 (2008). Based on Peraturan Pemerintah Republik Indonesia No. 60 (2008), questionnaire is developed with indicators: control environment (10 questions), risk assessment (4 questions), control (5 questions), information and communication (7 questions) and Internal Monitoring and Control (5 questions).

4. Accountability of Village Fund Management (Y)

Accountability in this study is a form of accountability for village fund management. This variable was measured by a questionnaire developed from Mardiasmo (2009), with accountability indicators including: law and honesty (4 questions), process (4 questions), program (6 questions), policy (3 questions).

RESULTS AND DISCUSSION

Result

A total of 180 questionnaires were distributed in 14 villages, but only 132 questionnaires could be used for analysis because the rest were not eligible to be sampled. Respondent data shows that the majority of respondents in this study are men, with a total of 102 people and a percentage of around 77.27% of the total respondents. Meanwhile, the majority of respondents had the last high school education, with a total of 98 respondents (around 74.24%), indicating that village apparatus in kedu district have a fairly good level of education included in the category of secondary education.

In the context of position, most of the respondents who filled out the questionnaire were village heads, reaching a total of 71 people (around 53.79%), because each village has several hamlets. most respondents have worked for more than 21 years as many as 40 people (30%) comparable to respondents with a tenure that is still counted as a village apparatus of less than 5 years. From these

results, it can be interpreted that the majority of respondents already have good experience and understanding related to the work they do as village apparatus, but there are also many rejuvenations of village equipment seen from the length of work as a new village apparatus.

Descriptive statistical tests are conducted to see the picture of respondent data (Hartono, 2017). The statistical description of the data used in explaining this study is a frequency distribution table that shows the maximum value, minimum value, mean value, and standard deviation. the variables used are the role of village apparatus, village apparatus competence, accountability of village fund management, and internal control system as moderation variables, the description of the data obtained is as follows:

Table 1. Descriptive Statistical Results

	N	Min	Max	Mean	Std. Dev
X1	132	2	4	3,289	0,505
X2	132	1	4	3,287	0,47
M	132	2	4	3,213	0,449
Y	132	2	4	3,222	0,441

Source: Processed Data (2023)

Based on Table 1, it can be concluded that the average respondents' responses to the proposed indicators exceeded number 3, indicating that the majority of respondents approved the questionnaire submitted. This indicates that respondents have a positive view of questions related to the variables in the study. In addition, each variable also shows an average higher than the standard deviation value listed in table 1. Therefore, it can be concluded that the degree of variation of data in this indicator is low, indicating high consistency in the distribution of values of this variable in the absence of significant data differences, but rather evenly distributed.

The validity of this model can be evaluated using convergent validity testing, composite reliability, and discriminant validity. Convergent validity is examined by considering the load factor and average variance extracted (AVE). If the loading factor is above 0.7 and the AVE exceeds 0.5, then the construction is considered valid. The following table displays the results of construction validity and AVE values using the WarpPLS 7.0 statistical tool.

In this convergent validity test, the conditions for achieving convergent validity have been fulfilled in table 2. However, there are still 24 items whose loading factor value is less than 0.7 so the indicator is removed (Awang, 2015).

Table 2. Combined Loadings and Cross-Loadings

Indicator	X1	X2	M	Y
XI1	-0.758	-0.446	-0.18	0.175
XI2	-0.768	-0.108	0.457	-0.247
XI3	-0.761	-0.228	0.063	0.044
XI5	-0.771	-0.072	0.024	-0.189
XI6	-0.756	-0.136	0.01	0.115
XI9	-0.71	0.323	0.238	-0.068
X21	0.047	-0.743	-0.464	0.277
X22	0.154	-0.773	-0.247	0.327
X23	0.081	-0.814	-0.255	0.589
X24	-0.172	-0.803	-0.015	-0.143
X25	-0.002	-0.863	0.476	-0.332
X26	-0.155	-0.758	-0.024	0.034
X28	-0.196	-0.781	0.18	-0.296
X29	0.23	-0.735	0.26	-0.258
X31	-0.096	0.288	-0.777	-0.236
X32	0.083	0.394	-0.796	-0.196
X35	-0.076	0.164	-0.809	-0.098
X36	0.045	0.197	-0.792	-0.314
X37	-0.026	0.227	-0.75	-0.265
X39	-0.199	0.012	-0.744	0.124
X317	-0.125	-0.168	-0.762	-0.018
X318	-0.208	-0.26	-0.758	0.024
X319	-0.123	-0.071	-0.708	0.093
X320	-0.148	-0.009	-0.729	-0.017
X326	0.265	0.032	-0.719	-0.285
X327	0.138	-0.125	-0.749	-0.332
X329	0.051	-0.138	-0.716	-0.143
X330	-0.103	-0.48	-0.734	-0.186
X331	-0.14	-0.401	-0.739	-0.053
Y1	-0.062	0.23	-0.264	-0.75
Y5	0.05	0.151	-0.203	-0.807
Y6	-0.487	0.175	-0.002	-0.702
Y7	0.01	0.113	-0.132	-0.794
Y8	0.002	0.151	-0.323	-0.744
Y9	0.051	0.067	-0.123	-0.874
Y10	0.144	0.081	0.064	-0.831
Y11	0.281	-0.138	0	-0.817
Y12	-0.008	-0.325	0.353	-0.788
Y13	-0.177	-0.267	0.307	-0.738
Y14	-0.132	-0.57	0.706	-0.707
Y15	0.191	-0.169	-0.173	-0.757
Y16	0.371	-0.167	-0.268	-0.826
Y17	0.232	-0.074	-0.162	-0.806

Source: Processed Data (2023)

Table 3. Comparison of the roots of AVE with correlation between variables

	X1	X2	X3	Y
X1	(0,779)	0,618	0,532	0,455
X2	0,618	(0,788)	0,693	0,674
X3	0,532	0,693	(0,775)	0,718
Y	0,455	0,674	0,718	(0,788)

Source: Processed Data (2023)

From Table 3, it is found that the AVE root value in diagonal line is higher than the AVE root value on different variables. Thus, the instruments/questionnaires used in this study met all validity test requirements and had good discriminant validity based on the Fornell-Larcker approach.

Table 4. Composite Reliability and Cronbach's Alpha

	X1	X2	M	Y
Composite reliab.	0,902	0,929	0,957	0,958
Cronbach alpha	0,869	0,912	0,952	0,953

Source: Processed Data (2023)

Instrument reliability testing in the research questionnaire using Cronbach's alpha and composite reliability has met reliability standards based on the results shown in table 4. All variable outputs successfully met the requirements to pass reliability testing with a composite reliability value of > 0.7 and Cronbach's alpha value of > 0.6 (Ghozali, 2014).

Testing a structural model or inner model involves testing hypotheses between interrelated latent variables. Structural model evaluation includes coefficient of determination (R-squared), predictive relevance (Q-squared), effect size (F-squared), and model fit test (Goodness of Fit Model).

Table 5. Results Coefficient of Determination and Relevance of Predictions

R-squared	0,587
Adj. R-squared	0,574
Q-squared	0,592

Source: Processed Data (2023)

The coefficient of determination (R²) describes the ability of exogenous constructs to provide strengths or weaknesses to a research model, while predictive relevance (Q²) is used to evaluate the

extent to which observational results can be used to predict. Based on the results of table 5 above, the accountability variable for village fund management has a coefficient of determination and relevance of 0.59, indicating that 59% of these variables can be explained by the role of village apparatus, the competence of village apparatus, and the internal control system involved in the research. The remaining 41% were influenced by other factors not studied.

Table 6. Test the Research Model

	Value	Ideal
APC	0,265	≤ 0,05
ARS	0,587	≤ 0,05
AARS	0,574	≤ 0,05
AVIF	2,138	≤ 3,3
AFVIF	2,232	≤ 3,3
GoF	0,660	> 0,36

Source: Processed Data (2023)

Model fit tests are used to evaluate the degree of conformity of the model to existing data. A good research model will reflect the exact relationship between the variables studied. Overall, shown in table 6, the model fit test shows strong or high categories, with values on each indicator showing ideal results even moderate to large values. This indicates that the model created has a corresponding relationship.

To verify the accuracy of the research claim or hypothesis, hypothesis testing is used. The level of significance (p-value), will be compared with the significance level used in this study. hypothesis is supported if p-value under 5%. Here are the calculation results of WrapPLS 7.0:

Table 7. Summary of Research Results

	P-value	Koef.	Ideal	Result
H ₁	0,189	-0,076	<0,05	Not Supported
H ₂	<0,001	0,531	<0,05	Supported
H ₃	<0,001	0,350	<0,05	Supported
H ₄	0,110	0,105	<0,05	Not Supported

Source: Processed Data (2023)

From the summary results of the research results in table 7, it can be seen that H₂ has been supported and H₁ is not supported. While related to hypotheses that use moderation, only H₃ is supported and some others are not supported. Both supported hypotheses have shown the direction of the corresponding coefficients and the P values in these two hypotheses are above the value of the

accepted hypothesis criterion which is below 0.05. In the unsupported hypothesis has a p-value above 0.05 so that the variables in the hypothesis do not have an influence and the value of the given path coefficient also becomes meaningless.

Discussion

The apparatus role has no effect on accountability of village fund in Kedu sub-district, as indicated by the results of P-value analysis higher than 0.05 (0,189) and a negative path coefficient (-0.076). The results of observations and questionnaires show the emphasis on technical aspects in village fund management that have been determined in the rules. The suboptimal implementation process is also affected by the limitations of direct ideas and the lack of supporting facilities and infrastructure. Overall, the role of village apparatus in Kedu sub-district has no impact on the accountability of village fund management, which contradicts the Stewardship Theory. According to the theory, the principal will be more motivated by achieving the main results that benefit the organization than personal interests, so they work together with staff (stewards) to achieve these goals (Agustina, 2019). The results of this study are different from previous research which also shows a lot of the role of village apparatus in creating accountability (Krismiaji, 2015). This different outcome is possible because the involvement of the apparatus is in accordance with its predetermined role. In other words, to create accountability, the role of village apparatus is to technically perform tasks in accordance with the specified tasks (Hariyadi et al., 2023).

The hypothesis result, this study shows that the village apparatus competence affect on the accountability of village fund management positively, in Kedu sub-district (p-value <0.001)). Village apparatus in Kedu sub-district possess adequate competence in managing village funds, which helps promote accountability (Julianto & Dewi, 2019). The positive effect on accountability is caused by the competence of village apparatus, including knowledge, skills, and attitudes. The village government in Kedu sub-district already has competencies that cover these aspects to encourage the achievement of village government goals and accountability. Regular responsibility and training can further help reduce errors in budgets and accountability (Hendaris & Romli, 2021; Wahyudi et al., 2021). This is in line with the principle of stewardship that motivates village governments to act responsibly, with integrity and honesty,

reflecting competence through attitudes, knowledge, and skills of apparatus to realize in village fund accountability.

The influence of the apparatus role on the village fund management accountability is moderated by the internal control system, as indicated by a p-value significance under 0.05 (< 0.001). The internal control system is found to strengthen the relationship between the village apparatus role and accountability for village fund management, with a path coefficient of 0.350. However, the results of studies also show that there is no influence on the role of village apparatus on village fund accountability, which is moderated by the internal control system. This result shows that although the internal control system can strengthen or weaken the influence of the role of apparatus on accountability, increasing the role of village apparatus has not been able to increase accountability for village fund management in Kedu sub-district. This result also showed that the average SPI variable, which is lower than other variefl, is 3,213 (Table 1). Therefore, the practice of the internal control system needs to be improved effectively in Kedu Sub-district, in order to increase the impact of the village apparatus role toward the village fund management accountability.

A well-functioning internal control system will support the role of village apparatus in carrying out their duties, because the role of village apparatus is an important part in supporting the implementation of good village government organizational governance (Badan Pengawasan dan Keuangan Pembangunan, 2012). The system, which includes guidelines for creating a control environment, risk evaluation, control activities, information and communication, and surveillance, can encourage the achievement of accountability, even though it has not been directly proven to have an impact on the relationship between the village apparatus role and accountability for village fund management. Regular and periodic implementation of control activities can increase the accountability of government agencies' performance. Therefore, an effective internal control system can promote accountability, and it is an essential factor in ensuring that village apparatus can manage village funds effectively (Tiasari, 2019). Based on stewardship theory, a good internal control system is believed to support the village apparatus role which can help realize accountability in managing village funds in Kedu District. Therefore, accountability of government agency performance can be achieved with an internal control system that can

minimize fraud and control all the smallest units of the organization in accordance with existing policies and procedures (Tiasari, 2019).

On the other hand, this study show that the internal control is not moderating variable for connection between the of village apparatus competence and the accountability of village fund management, as indicated by a p-value of > 0.05 (0.110). This finding shows that the internal control system does not strengthen or weaken the relationship. This finding indicates that increasing the effectiveness of internal control does not affect the relationship between the apparatus competence and the village fund management accountability (Savitri & Herliansyah, 2022). This condition can be possible because the element of competence is part of the internal control component (Peraturan Pemerintah Republik Indonesia No. 60, 2008). Thus, it is possible that internal control can be a variable that mediates the influence of apparatus competence on improving accountability (Herlina et al., 2021; Ridwan et al., 2023). In this context, internal control needs to be more effective to improve the role of village apparatus in Kedu District, so as to achieve accountability in managing village funds to support community welfare.

CONCLUSION

Although the role of village apparatus does not increase accountability in village fund management, the results of this study show that internal control has the effect of strengthening the village apparatus role in creating village fund management accountability. Thus, it can be interpreted that SPI is an important element in creating accountability that can be in order to realize community welfare through the village apparatus role.

This study has several limitations, namely on the results of hypotheses that are not supported, especially in the apparatus role, but on the other hand, internal control can increases the influence between the role of village apparatus on accountability. This finding is need to support with the other study about the internal control role in the village government. However, this research can make a significant contribution in understanding the role of SPI in accountability. Therefore, future research can examine the internal control as amediation between the role and competency of village apparatus in influencing accountability.

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