

Accountability of Financial Management in District Government in Banggai Regency

Retno Ridhawati¹, Yanti Aneta¹, Muchtar Ahmad¹

¹Master of Public Administration Study Program, Faculty of Social Sciences, State
University of Gorontalo

Email: retnoridhawati13@gmail.com

Received: March 4, 2025

Revised: April 27, 2025

Accepted: June 10, 2025

Abstract

This study examines the accountability of financial management in sub-district governments in Banggai Regency using a qualitative descriptive approach. Data were collected through observations and interviews with key informants and analyzed using the interactive model of Miles and Huberman. The findings show that financial accountability is demonstrated through governance improvements in planning, implementation, and reporting, as regulated in formal systems. However, the effectiveness of implementation varies across sub-districts. Some sub-districts show weaknesses in accountability, as indicated by poor performance and reporting, due to limited technical capacity and a lack of understanding of public accountability principles. Community participation has been facilitated through forums, but transparency in information dissemination remains insufficient. Decentralization has granted greater authority to sub-districts, making policies more responsive to local needs. However, implementation lacks systematic structure and consistent monitoring, risking misalignment with good governance standards. The study highlights four key findings: (1) Financial management shows procedural compliance through digital reporting, yet internal controls are weak due to low understanding of regulations. Strengthening legal awareness and supervisory roles is needed. (2) SOPs and the SIPD system regulate financial processes, but uneven implementation results from disparities in human resources and network infrastructure. (3) Some programs fail despite high budget absorption, often due to poor planning and mistimed execution. Community-based evaluation should be enhanced. (4) Perbup No. 49/2023 supports decentralization but has triggered legal-political issues. Policy monitoring and coordination among OPDs remain weak. Strengthening transparency, oversight, and stakeholder collaboration is crucial to improving financial accountability in sub-district governance.

Keywords: Accountability, Financial Management, Sub-district

Introduction

The implementation of regional autonomy in Indonesia aims to provide greater authority to local governments in organizing and managing their own households (Nadir, 2013). According to Windiasih (2019), this policy is designed to bring the government closer to the community, so that public services become more effective and efficient. Through Law Number 23 of 2014, the central government gives local governments the freedom to manage their resources, including in fiscal, political, and administrative aspects (Kusnadi, 2020). As a liaison between the district government and the community, the sub-district government must be able to ensure that regional autonomy policies are implemented in an accountable manner, especially in

financial management which is one of the key aspects of financial management (Satria et al., 2024).

Accountability is one of the main principles in good governance. Weak accountability is often the main cause of budget irregularities and declining public trust in the government (Firmansyah & Syam, 2021). The delegation of authority from the regent to the sub-district head has significant implications for the implementation of financial management. With greater authority, the sub-district head has the responsibility to ensure that budget management is carried out in an accountable and transparent manner. The sub-district government has an important role as a government organizer that is in the middle of the relationship between the district government and the village community (Ma'ruf, 2023).

As an extension of the regional government, the sub-district is responsible for implementing various development programs and public services (Halimah & Halik, 2019). However, with increasing autonomy, the sub-district government often faces challenges in ensuring that the managed budget can be accounted for transparently and in accordance with policy objectives. In the context of Banggai Regency, this is relevant considering the complexity of financial management in regions with diverse geographic and socio-economic characteristics (Puspitasari, 2012).

Banggai Regent Regulation Number 49 of 2023 concerning the Delegation of Part of the Regent's Authority to the Sub-district Head is a strategic step to strengthen the implementation of fiscal decentralization at the sub-district level. This Regent Regulation regulates the authority of the sub-district head in budget management, program planning, and performance evaluation. The aim is to increase the efficiency and effectiveness of regional financial management, especially in the sub-district. However, the implementation of this policy requires strict supervision to ensure that the delegation of authority is not misused. The data for the Government Agency Performance Accountability System (SAKIP) of Banggai Regency for 2020-2024 is presented as follows:

Table 1. Sakip Banggai Regency 2020-2024

No	Year	Sakip Value	Category
1	2020	81,74	A (Satisfactory)
2	2021	80,54	A (Satisfactory)
3	2022	80,02	A (Satisfactory)
4	2023	75,02	BB (Very good)
5	2024	75,74	BB (Very good)

Source: Banggai Regency Government, 2025

The Government Agency Performance Accountability System (SAKIP) of Banggai Regency during the period 2020 to 2024 showed variations in values that reflect the level of effectiveness and efficiency of governance in the region. Based on the data presented, the SAKIP value of Banggai Regency has decreased slightly from year to year. In 2020, the SAKIP value reached 81.74 with category A (Satisfactory), then decreased slightly in 2021 to 80.54 with the same category.

This decrease in value is still within the "Satisfactory" category range, which indicates that the government agency performance accountability system in Banggai Regency continues to run well, although there are slight fluctuations. However, in 2023, the SAKIP value decreased significantly to 75.02, so that the previous category "A (Satisfactory)" fell to "BB (Very Good)." This decrease indicates challenges or obstacles in governance that have an impact on the effectiveness of government agency performance accountability.

The significant decrease in the SAKIP score from category A to BB in 2023 could be caused by several factors, including policy changes, challenges in program implementation, or differences in performance evaluation methods. One factor that may influence this is a change in the administration system or resource management that causes a decrease in the effectiveness of achieving performance targets. In addition, external factors such as the COVID-19 pandemic which still has an impact in 2023 could also be the cause of the reduced effectiveness of government services.

Internal factors such as lack of coordination between agencies, limited human resources, or changes in budget policies can also affect SAKIP achievements. Although there was a decrease in 2023, in 2024 the SAKIP score increased slightly to 75.74, although it was still in the BB (Very Good) category. This shows that there have been efforts to improve the accountability system that have been carried out by the Banggai Regency Government, but it is not enough to return the assessment category to the "A (Satisfactory)" level.

Looking at the trend of SAKIP scores in Banggai Regency in the last five years, it can be concluded that despite the decline in the last two years, the local government still has a strong accountability system with a BB category that is still considered good. However, to increase the category back to level A, a more effective strategy is needed to improve governance, strengthen the monitoring and evaluation system, and improve the competence of the apparatus in implementing more efficient work programs. In addition, it is important for the Banggai Regency government to identify the main factors that caused the decline in the SAKIP score and make more comprehensive improvements.

Align with research from Iqbal & Nurdin (2019), The accountability of government performance in Banggai Regency is increasingly optimal and has a positive impact on regional development and community welfare. This problem shows the need to improve the regional financial management system and increase the capacity of sub-district governments to support the implementation of more accountable fiscal decentralization. Improvement efforts can be made through strengthening regulations, training for government officials, and increasing community participation in budget supervision (Aithan et al., 2025).

Thus, the Banggai Regency Government is expected to be able to restore its accountability predicate to a better level. Budget ceiling data from 2023 to 2025 shows significant variation between sub-districts in Banggai Regency. Several sub-districts such as Luwuk, Nambo, and South Luwuk received much larger budget allocations compared to sub-districts such as Toili Jaya, Mantoh, and Lobu. This inequality raises questions regarding the principles of fair fiscal distribution and objective considerations in budget determination. In addition, several sub-districts experienced a very large increase in a period of three years, such as Nambo which increased from IDR 10.9 billion in 2023 to IDR 11.9 billion in 2025, but sub-districts such as Toili Jaya remained far behind with an allocation of less than IDR 300 million. This inequality can have implications for differences in the quality of public services and unequal regional development, as well as raise doubts about an accountable and transparent budgeting system.

Methods

This research was conducted at the Banggai Regency Government from February 2025 to May 2025. The research approach used was a qualitative method with a descriptive research method and the research procedure was carried out by observation and interviews with informants. The data analysis technique used was interactive analysis of the miles and huberman models.

Results and Discussion

Exposure to Financial Management Accountability in Sub-District Governments in Banggai Regency Reviewed From The Aspects Of Honesty Accountability And Legal Accountability.

Financial Management Based on the Values of Honesty and Mitigation of Deviations from the Law

Financial management in the sub-district government in Banggai Regency has attempted to uphold the principles of honesty and compliance with the law. This is reflected in the participatory planning system that involves the community through deliberation forums and the implementation of activities based on official documents and legal instruments such as RKA, DPA, and SPJ. The entire process is directed to be based on a digital system through the Ministry of Home Affairs' SIPD platform to prevent deviations from the rules. This system not only functions as a technical aid, but also as an administrative filter to reject activities that are not in accordance with regulations. This effort is strengthened through the involvement of certified technical officers who minimize the opportunity for deviations in the procurement process and budget implementation.

However, in practice, there are still serious challenges in maintaining the consistency of the application of the principles of legal accountability and integrity in the field. The findings of the Audit Board of Indonesia (BPK) regarding excess payments of IDR 1.8 billion in 15 sub-districts indicate that the system that has been built is not fully effective in controlling the risk of deviations, especially in the management of Self-Estimated Prices (HPS) and the realization of procurement of goods. Supervision that should be carried out in layers by TPAD and the Inspectorate has indeed been running, but has not been able to comprehensively prevent weaknesses in internal control. This shows the importance of strengthening process transparency, increasing the capacity of financial management apparatus, and improving digital verification mechanisms so that honesty-based accountability is not only procedural, but also substantive and has an impact on public trust.

Implementation of SOPs and Legal and Ethical Development of Financial Management

The sub-district government in Banggai Regency has implemented standard operating procedures (SOPs) in regional financial management, from planning to reporting. The implementation of financial activities has followed a structural path involving technically appointed and certified procurement and PPTK officials. Although regulatory tools and applications such as SIPD have been available to support the implementation of SOPs, implementation in the field still faces substantial challenges in implementing the principles of accountability and mastery of bureaucratic ethics as a whole. The role of the sub-district head as a budget user is often purely administrative, without being accompanied by an understanding of legal risks and deep ethical responsibilities for the implementation of activities. After the delegation of large authority through Perbup No. 49 of 2023 which had an impact on the significant increase in the workload of sub-districts, without being balanced by the intensity and quality of adequate technical guidance.

Although routine technical guidance has been carried out by the Regional Government and the Inspectorate, limited human resources, accessibility of training, and scope of substance are the main obstacles in forming the ideal competency of sub-district officials. Findings in BPK audits and law enforcement investigations show weak internal controls and a gap between formal procedures and substantive understanding of financial responsibility. Therefore, in the future, a more comprehensive training design and strengthening of technical certification requirements for sub-district officials are needed as part of preventive measures to build a culture of accountability that is not only procedural, but also based on integrity and legal compliance.

Transparency of Information and Follow-Up on Violations or Misuse of Budget

Efforts to enforce legal accountability and honesty in financial management in the sub-districts of Banggai Regency have been built with a tiered mechanism, starting from structural internal handling through technical officials, to escalation to external supervision if a resolution is not achieved. The reporting system for indications of violations flows from the treasurer level, subdivision head, to the sub-district head as the person responsible for the budget. However, the success of this mechanism still depends heavily on the effectiveness of coordination between levels, the ethical sensitivity of officials, and transparency in opening access to information on the follow-up process to the public. This shows that transparency has not been fully internalized as a culture, but is procedural and limited to the internal bureaucratic space.

This condition is increasingly relevant in the context of findings of irregularities by the BPK and the involvement of law enforcement officers in the 2024 political year, where the process of delegating authority actually creates loopholes for budget misuse. The regional government has normatively been open and encouraged the return of state losses through administrative mechanisms, but in cases of criminal indications, the resolution is handed over to external legal institutions. This fact reflects that supervision is still reactive and has not been fully able to prevent irregularities from the start. Thus, it is necessary to strengthen the early detection system, sharper internal audits, and provide public transparency channels that allow public participation in monitoring sub-district financial management in a more open and preventive manner.

Exposure to Financial Management Accountability in Sub-District Governments in Banggai Regency Reviewed From the Aspect of Process Accountability.

Effectiveness and Suitability of Regional Financial Management Planning and Implementation Procedures

The planning and implementation procedures for financial management at the sub-district level have a strong formal basis, referring to national regulations such as the Permendagri and integrated application systems such as the SIPD of the Ministry of Home Affairs of the Republic of Indonesia. The planning process runs in stages from village to sub-district level deliberations, and is finalized through district budgeting approved by the DPRD. Each sub-district is required to prepare a verified Renja document to ensure synchronization with the district RKPD. However, the effectiveness of implementation is still not uniform, especially in maintaining the substance of accountability and the quality of technical verification. There is a tendency that the fulfillment of procedures is only administrative in nature without guaranteeing that the process is truly free from errors or deviations from technical policies in the field.

Furthermore, although technical SOPs are available from budget preparation to financial accountability reporting, the effectiveness of their implementation still requires a comprehensive evaluation. Field phenomena, such as the discovery of excess payments by the BPK of IDR 1.8 billion in 15 sub-districts and the investigation process by Tipikor against 24 sub-district heads, indicate gaps in internal control, especially in the procurement and formation stages of HPS. This indicates that the planning and implementation procedures for financial management still face serious challenges, not only in technical aspects, but also in terms of the integrity of the apparatus. In other words, procedures that appear formal and systematic do not fully guarantee substantial accountability if they are not accompanied by active supervision, increasing the capacity of sub-district human resources, and fostering ethics in the implementation of public financial management.

Participation and Involvement of Various Parties in the Preparation of Programs and Documentation of Financial Management Stages.

Formally, participation in program preparation at the sub-district level in Banggai Regency has involved various elements, both from government, community, academics, and technical institutions (Aduba, 2023). This collaborative approach shows an awareness of the importance of inclusivity in the planning process. However, this participatory implementation does not always run optimally, especially when faced with dynamic operational conditions, such as the run-up to the regional elections or the piling up of activities. Administrative and logistical challenges, such as delays in procurement of goods or implementation of activities, indicate that the involvement of many parties does not fully guarantee the effectiveness of activity realization, especially if it is not accompanied by adequate technical coordination and time supervision.

Meanwhile, in terms of documentation and reporting, the use of information systems such as SIPD has indeed become a national standard and has been implemented in all sub-districts. However, at the technical level, there are still significant challenges, such as limited human resources who understand SIPD operations and network constraints that hinder timely reporting. As a result, even though the system is available, several sub-districts experience input errors and data delays that impact transparency and accountability. These limitations show a gap between the established procedural standards and the reality of their implementation. Amidst the intensity of activities leading up to the regional political agenda, these gaps in weaknesses have become a critical spotlight on the extent to which the existing financial management system truly reflects the principle of substantial accountability, not just an administrative formality.

Stages of Financial Management in Accordance With the Principles of Good Governance

The stages of financial management in the sub-district government in Banggai Regency have formally referred to the principles of good governance, with the obligation of periodic administrative documentation and reporting, both quarterly and annually. Reporting activities include the Budget Realization Report (LRA), LKPJ, and SPJ which are verified by BPKAD and the Inspectorate. This reflects the existence of a systemic structure in controlling and accounting for budget use. However, the effectiveness of its implementation is still influenced by variations in the level of compliance and readiness of sub-districts, especially in terms of the completeness of supporting documents and active participation in the consultation and verification process. Several sub-districts experience administrative obstacles that slow down the evaluation cycle.

On the other hand, the use of information technology to support the principle of accountability is still partial. Efforts to integrate digital systems for real cost and SPJ verification show a positive policy direction, but not all sub-districts have been able to adapt optimally due to limited technical capacity and digital infrastructure. In addition, the practice of monitoring and evaluation (monev) which is carried out routinely shows the district's commitment to supervision, although the results still show disparities between regions. The involvement of the Inspectorate through risk-based audits or thematic investigations is crucial to follow up on public and media reports, especially after the emergence of various BPK findings and the spotlight on alleged budget irregularities amidst regional political dynamics. This evaluation is expected to be a corrective basis for improving the planning system and implementation of sub-district finances in the future.

Exposure to Financial Management Accountability in Sub-District Governments in Banggai Regency Reviewed from the Aspect of Program Accountability

Measuring Program Success Through Performance Indicators and Direct Benefits for the Community.

The sub-district government in Banggai Regency has prepared performance indicators as a basis for evaluating the success of the program, both in short-term documents such as the Renja and Renstra. The indicators used include outputs such as the volume of work or the amount of assistance, and outcomes such as direct benefits felt by the community. This approach shows an awareness of the importance of results orientation in financial management, not just limited to physical or administrative implementation. However, the accuracy of the measurement still depends on the consistency of reporting and the validity of the initial data, including the basis of community needs and participation in planning. In practice, some activities have limitations in reaching the target benefits, indicating that although indicators are prepared, they have not yet become a strong control tool.

On the other hand, program implementation has not been completely free from the influence of political dynamics. There is an important note that some physical activities and distribution of assistance occurred ahead of the 2024 campaign period, which raises doubts about the neutrality of implementation and the effectiveness of outcome evaluation. This indicates weak enforcement of the principles of clean and accountable governance, where the implementation of activities should be directed entirely at the objective needs of the community, not electoral interests. Therefore, although efforts to measure indicators have been made, their effectiveness as an accountability tool still needs to be strengthened with data transparency, periodic field verification, and a clear separation between development planning and political agendas.

Implementation of Routine Program Monitoring and Evaluation by Various Parties

The implementation of monitoring and evaluation (monev) of programs at the sub-district level in Banggai Regency has been carried out periodically, but its effectiveness is greatly influenced by the quality of human resources and synergy between work units. Many sub-districts still face limited technical personnel, especially for physical-based activities that require certain expertise. Therefore, the existence of Sub-district Assistance Personnel (TPK) with a technical background is crucial to ensure that physical activities are in accordance with the planned specifications. On the other hand, cross-sector coordination such as the involvement of technical UPTD (for example agriculture) also contributes to measuring the success of outcome-based programs, which reflect real benefits for the community.

At the district level, the Inspectorate together with Bappeda and BPKAD have built a more structured monitoring system with instruments such as output-based checklists and field evaluations of the role of TPK. The data obtained is used to compile sub-district accountability reports as evidence-based performance measurement tools. However, although this system runs administratively, in the field there are still technical obstacles such as late reporting, data input errors, and lack of responsiveness to monitoring results. This shows that monitoring has not fully become a functional managerial tool for quick decision making. It is necessary to strengthen the technical guidance aspect and data integration between regional devices so that the evaluation truly reflects the real conditions of program implementation in the sub-district.

Follow-Up on the Success or Failure of the Program and the Provision of Space for the Community to Provide Input.

The implementation of programs at the sub-district level in Banggai Regency has a direct impact on the community, especially in the economic empowerment sector such as MSMEs. Several forms of assistance, such as small business tools and household production needs, are considered successful because they directly target recipient groups in the sub-district work area without having to go through the district bureaucracy. This reflects the connection between the

program and the needs of the community. However, this kind of success is not always evenly distributed. The feedback mechanism from the community is not fully structured, and is often only informal. In fact, the space for public participation in evaluating the success of the program is an important component in regional financial accountability. On the other hand, from the internal supervision side, a number of sub-districts were found with program achievements that did not match the volume of activities and the use of funds.

Corrective follow-up from the local government was carried out through recommendations for the return of funds, administrative sanctions to the PPK or implementing community groups, and reporting to the government's internal supervisory apparatus (APIP). In more serious cases, including manipulation of accountability documents or significant differences between realization and physical conditions, reports were forwarded to law enforcement officers (APH). This is in line with the findings of the BPK and the investigation by the Central Sulawesi Regional Police, which highlighted the low validation of needs and weak documentation of SPJ. Therefore, the evaluation system and follow-up of program success need to be strengthened comprehensively, both in terms of technical supervision and community participation in providing input on the effectiveness of government programs.

Exposure to Financial Management Accountability in Sub-District Governments in Banggai Regency Reviewed from the Aspect of Policy Accountability.

Preparation of Budget Policies Based on Community Needs and Applicable Regulatory Provisions.

The formulation of budget policies by sub-district governments in Banggai Regency has largely followed a participatory approach based on real needs in the community. Mechanisms such as Musrenbang from the RT to sub-district levels, as well as technical input from UPTD and the results of DPRD recesses are the main sources in formulating program priorities. This reflects the awareness that planning that is responsive to real conditions in the field is an important prerequisite for process accountability. However, the formulation process still faces challenges in terms of technical verification and adjustment to financial planning regulations. Integration between community proposals and normative provisions needs to be continuously strengthened, so that budget plans are not merely based on desires but are directed at the effectiveness of regional development.

On the other hand, the dynamics of the implementation of the delegation of authority in 2024 have given rise to legal and ethical contradictions in government. Although the regulation through Perbup No. 49/2023 is intended to strengthen sub-district autonomy and accelerate services, its implementation earlier than the provisions of Article 30 has given rise to serious legal implications. This not only creates administrative confusion, but also contributes to local political instability, as seen in the Constitutional Court's decision that the implementation of the sub-district program has an impact on ASN neutrality and the results of the Pilkada. Therefore, it is important to evaluate the fiscal transfer mechanism in political years and the role of technical OPDs in tightening the verification of sub-district proposals, to ensure that the direction of policy remains within the regulatory corridor and is not exploited for electoral interests.

Delegation of Authority to Sub-Districts and Space for Accountable Policy-Making

The delegation of some authority to sub-district governments through regional regulations has had a positive impact in terms of the effectiveness of public services and the proximity of programs to community needs. The authority given makes sub-district governments more responsive in handling citizen aspirations, especially in the microeconomic sectors. This creates efficiency, because the community no longer needs to access district-level technical

agencies for local needs. This tendency shows an increase in decision-making space at the sub-district level, which can strengthen service autonomy and accelerate the resolution of social needs. However, there needs to be a guarantee that this authority not only accelerates services, but also maintains accountability for budget management. However, on the other hand, the main weakness still lies in the aspect of evaluating and controlling the implementation of this authority.

Although the delegation of authority has strengthened the position of sub-districts as technical implementers, the process of monitoring policies and the effectiveness of the delegation has not been carried out systematically and in an integrated manner. Evaluation of implementation is still partial and has not unified the views of cross-supervisory OPDs such as the Inspectorate, Bappeda, and BPKAD. As a result, there is a risk of decision-making that is not objectively verified, especially during sensitive periods such as political years. In this context, it is important to establish a special unit to evaluate the delegation of authority that not only assesses the administrative aspects, but also the substance of the program's benefits and the potential for deviations, as reflected in several external audit findings and the results of the Constitutional Court's decision regarding the electoral impact of the implementation of regional programs.

Evaluation and Reporting of Policies and Involvement of Various Parties in Supervision

The implementation of policy evaluation and reporting at the sub-district level has involved a coordinating mechanism with technical agencies in the district. The delegation of authority from 21 regional apparatuses requires close connectivity between sub-districts and technical OPDs so that program implementation runs according to standards. Sub-districts act as program implementers and aspiration collectors, but still rely on technical guidance from the district in compiling reports and evaluations of activity implementation results. In addition, community involvement in the evaluation process has also begun to be accommodated through informal forums such as digital communication groups and RT/RW level meetings that facilitate the channeling of complaints or suggestions regarding sub-district policies.

Even so, the practice of community involvement in supervision has not been fully optimal. Several audit findings indicate that community groups (Pokmas) are still less transparent in implementing activities and do not all reach target groups fairly. This shows that the process of policy evaluation and reporting is not yet systematically open enough. The DPRD does carry out its supervisory function through commissions and budget agencies, but strengthening participatory and digital-based social audits is still an urgent need. A more open online reporting system and regularly facilitated community forums are needed to assess the effectiveness of policy implementation as well as a form of social accountability for public policies that have been implemented at the sub-district level..

Research Findings

The findings regarding the SAKIP value per sub-district in Banggai Regency during 2022-2023 are presented as follows:

Table 2. SAKIP Sub-districts in Banggai Regency 2022-2023

No	Subdistrict	SAKIP 2022			SAKIP 2023		
		Value	Category	Predicate	Value	Category	Predicate
1	Kintom District	71.93	BB	Very Good	71.13	BB	Very good
2	Masama District	70.98	BB	Very Good	69.14	B	Good
3	Lamala District	61.43	B	Good	68.75	B	Good
4	South Luwuk District	70.98	BB	Very Good	68.6	B	Good
5	Bualemo District	71.73	BB	Very Good	68.29	B	Good
6	Lobu District	70.25	BB	Very Good	66.92	B	Good

7	South Batui District	74.42	BB	Very Good	66.52	B	Good
8	South Balantak District	61.96	B	Good	63.75	B	Good
9	Bunta District	65.01	B	Good	63.22	B	Good
10	Moilong District	71.49	BB	Very Good	63.18	B	Good
11	Luwuk District	63.24	B	Good	62.85	B	Good
12	Toili District	60.22	B	Good	62.05	B	Good
13	West Toili District	63.46	B	Good	61.72	B	Good
14	Batui District	61.41	B	Good	60.71	B	Good
15	North Luwuk District	60.97	B	Good	60.2	B	Good
16	Nuhon District	60.46	B	Good	59.51	CC	Pretty good
17	Mantoh District	60.11	B	Good	58.13	CC	Pretty good
18	Nambo District	62.14	B	Good	58.7	CC	Pretty good
19	Balantak District	60.85	B	Good	57.56	CC	Pretty good
20	East Luwuk District	60.24	B	Good	54.43	CC	Pretty good
21	Simpang Raya District	53	CC	Good	53	CC	Pretty good
22	Pagimana District	48.84	C	not enough	52.77	CC	Pretty good
23	North Balantak District	48.71	C	not enough	50.63	CC	Pretty good

Source: Banggai Regency Government, 2025

Based on the 2022 and 2023 government agency performance accountability system (SAKIP) data for sub-district governments in Banggai Regency, there are performance dynamics that reflect the quality of financial management and development program planning. In 2022, the composition of the SAKIP value showed relatively good performance, with 7 sub-districts in the "Very Good" category, 13 sub-districts "Good", 1 sub-district "Quite Good", and 2 sub-districts still at the "Poor" level. This composition provides an illustration that most sub-districts have implemented the principles of accountable governance, such as the conformity of planning with implementation, program effectiveness, and performance reporting based on clear accountability documents.

However, the achievement of SAKIP in 2023 showed a decline in quality in several aspects of governance. Sub-districts with the predicate "Very Good" only left 1 area, while the proportion of sub-districts with the predicate "Good" increased to 14 sub-districts, and 8 other sub-districts decreased to "Quite Good". There are no more sub-districts in the "Less" category, which shows improvements in some areas, but at the same time also indicates that the burden of delegation of authority and the complexity of activities during the 2024 political year presents significant challenges in maintaining the stability of accountability quality. This change can be attributed to the additional burden after the delegation of authority through Perbup No. 49 of 2023 and the broader fund management process, which has not been adequately balanced by technical capacity and ongoing supervision.

Discussion

The results of the analysis found that accountability for financial management in sub-district governments in Banggai Regency reflects efforts to improve governance through planning, implementation, and reporting mechanisms that have been formalized in systems and regulations. However, the effectiveness of its implementation has not been evenly distributed across sub-districts. Several sub-districts showed a decline in the quality of accountability as reflected in performance and reporting achievements that still require strengthening technical capacity and understanding of the principles of public accountability. Community involvement has been facilitated through participatory forums, but has not been fully accompanied by adequate information transparency. Meanwhile, the delegation of authority to sub-districts has opened up space for policy-making that is closer to the needs of the community, although its implementation requires more systematic restructuring and monitoring to avoid potential

inconsistencies with the principles of good regional financial governance. The results of each sub-focus on accountability for financial management in sub-district governments in Banggai Regency are described below:

Accountability of Financial Management in Sub-District Governments in Banggai Regency is Reviewed from the Aspects of Honesty Accountability and Legal Accountability.

The results of the analysis of the honesty aspect in financial management at the sub-district level show that the implementation of budget integrity has not been carried out fully and consistently. The procurement process for goods and services tends not to be fully transparent and open, because the authority to determine the provider of goods is often controlled by certain parties without strong technical justification. This contributes to the potential for conflicts of interest and irregularities. This phenomenon indicates that the values of integrity and transparency have not become common practice in a number of sub-districts. The administrative approach is more dominant than the value-based approach. This finding is relevant to the study by Saputra & Setiawan (2021) which states that accountability contributes to reducing regional losses even though it does not directly reduce indications of corruption. In the context of honesty, moral responsibility is very important as an effort to strengthen fiscal accountability in the regions.

On the other hand, legal accountability also shows a number of structural weaknesses, especially related to the delegation of fiscal authority and the implementation of regulations. Many technical implementers in sub-districts still do not fully understand the regulations for procurement and budget management, so they are vulnerable to violations of both administrative and criminal laws. Implementation of Perbup No. 49 of 2023, for example, raised the issue of premature implementation in a political year that drew criticism of ASN neutrality. Alfandi's study (2021) shows that the delegation of authority to sub-district heads without adequate human resource readiness and technical support tends to create inconsistencies in implementation. In this case, the absence of strengthening the supervisory system and weak coordination between regional apparatuses are factors that weaken legal compliance.

This situation is in line with Dubrow's warning (2020), which emphasizes that fiscal decentralization without mature political decentralization will cause regional governments to be more obedient to the center than responsible to local communities, weakening accountability substantively. The above findings strengthen the opinion of Nasution (2018) in his research which states that weak public financial accountability often stems from low personal integrity and non-compliance with regional financial management regulations. A similar thing was also conveyed by Darlis and Rozi (2017), who found that low competence and legal control in regional budget management had a significant impact on the accountability of regional government performance. Thus, efforts to strengthen honesty and legal accountability in Banggai Regency cannot be separated from the need to increase HR capacity and consistent enforcement of the legal system.

Accountability of Financial Management in Sub-District Governments in Banggai Regency Viewed from the Aspect of Process Accountability.

Accountability of the process in financial management at the sub-district level shows that although most sub-district governments have formalized financial management systems and procedures, their implementation is not yet even and consistent. Most sub-districts experience obstacles in implementing procedures due to weak human resource capacity and lack of technical training in the use of financial information systems such as SIPD. This results in sub-optimal data input, late reporting, and minimal conformity between planning and budget

realization. This problem is exacerbated by cross-unit coordination within the sub-district which is still administrative, not collaborative. A study by Astriana and Khoirunurrofik (2024) emphasized that the impact of fiscal decentralization on governance is highly dependent on the readiness of regional human resources and infrastructure, especially in areas outside Java. A study by Santoso et al. (2022) proved that the effectiveness of public services and accountability is largely determined by the apparatus' understanding of regulations and their ability to implement appropriate information and communication systems.

Therefore, the big challenge for sub-districts is to improve the quality of documentation and digital management systems so that the principle of process accountability is truly realized. This finding is in line with the opinion of Fahlevi et al. (2020) who stated that process accountability in public financial management depends on the integration between work units and the quality of human resources in understanding the principles of good financial governance. In their study entitled "Accountability and Performance of Local Government in Indonesia", it is stated that weak technical understanding often causes deviations even though regulations are available. Similar research was also conducted by Sari & Susanto (2018) in the Journal of Public Administration Science, which highlighted that although regional apparatuses already have SOP and Renja documents, not all of them are able to implement them consistently due to operational limitations and minimal cross-functional coordination.

Accountability of Financial Management in Sub-District Governments in Banggai Regency Viewed from the Aspect of Program Accountability

Several sub-districts have prepared indicators in planning documents, but the link between budget targets and real community needs is still not strong. This shows that some planning is not based on actual data or community aspirations as a whole. Research by Christia & Ispriyarso (2019); Astriana and Khoirunurrofik (2024) shows that the impact of fiscal decentralization on government performance will be effective if accompanied by performance-based governance that is responsive to districts and outside Java. Research by Ahmad et al. (2018) highlights that managerial capacity in managing program accountability, both in terms of financial reports and implementation effectiveness, plays an important role in creating quality governance at the local level. Therefore, increasing managerial capacity and implementing benefit-based outcome measurements must be a focus in strengthening program accountability. On the other hand, the financial reporting and accountability process at the sub-district level still faces major challenges in terms of accuracy and transparency.

There are indications that the preparation of financial reports, including evidence of real costs, does not always reflect the real conditions that occur in the field. This is evident from the significant corrections to the report by external auditors who found discrepancies between transaction values and market prices. The internal monitoring mechanism is also considered not to be running optimally. Many sub-districts rely on technical officials who have not been provided with outcome-based financial management training. The weak performance evaluation process for budget use means that process accountability does not touch on the quality control aspect of program results. In fact, process accountability is not only related to the implementation of procedures, but also the control and evaluation of activity effectiveness.

These results are in line with the findings of Hardiningsih and Srimindarti (2019) which explain that process accountability in regional financial management is greatly influenced by HR capacity, internal control systems, and openness of public information. Weaknesses in the planning and realization processes will have a direct impact on the level of local government accountability. A similar thing was stated by Putri et al. (2017), that strong process accountability requires participatory, transparent, and adaptive governance to local dynamics. Therefore, strengthening the process through increasing institutional capacity and improving

the reporting system is crucial in building accountability for sub-district financial management in Banggai.

Accountability of Financial Management in Sub-District Governments in Banggai Regency Viewed from the Aspect of Policy Accountability.

Policy accountability in the context of financial management at the sub-district level focuses on accountability for fiscal policies made and their impact on public services. Based on research findings, the implementation of the policy of delegating authority to sub-districts has not been fully structured in an accountable manner. Although Regent Regulation Number 49 of 2023 has given space to sub-district heads to make budget decisions, many policies taken are not based on data and comprehensive community participation. In addition, there is still a gap between the direction of policy and the structural capacity of sub-districts in responding to needs. This reflects that the social and technocratic legitimacy of fiscal policy is not optimal. As stated by Ferry et al. (2024), the lack of integrity, competence, and transparency in reporting and formulating financial policies can reduce the level of public trust in a democratic government system. Furthermore, the minimal involvement of the community in formulating budget policies in sub-districts shows that the formulation process is still predominantly top-down and tends to be administrative.

Forums such as Musrenbang and Pokmas have not been fully utilized as deliberative vehicles to ensure that budget priorities truly reflect the aspirations of local communities. As a result, a number of programs funded by devolution funds are not fully relevant to the needs of the community in the field. Research by Aneta et al. (2022) confirms that local culture-based accountability that prioritizes community participation can improve the quality of public policy at the village level. Therefore, sub-districts as institutions that are close to residents need to integrate participatory approaches and local wisdom into every fiscal policy-making process so that the resulting policies are more sustainable and accountable. In terms of monitoring, there is still no special unit in Banggai Regency that comprehensively monitors and evaluates the effectiveness of the implementation of the policy of devolution of authority to the sub-district level. Although regulations regulate reporting and coordination obligations, the policy audit mechanism is still partial and more administrative in nature.

The results of this study are in line with the findings of Suyanto (2024) who stated that budget policy accountability must pay attention to aspects of public legitimacy, implementation capabilities, and fair and transparent policy evaluation mechanisms, especially when policy implementation intersects with regional political interests. Meanwhile, Rosyid et al. (2023) also emphasized that effective regional financial management accountability policies can only be achieved if supported by an integrated government accounting system and digital-based monitoring mechanisms that are responsive to the real needs of the community. These results are in accordance with the opinion of Iznillah and Mutia (2018) that the effectiveness of public financial accountability is highly dependent on local actors' understanding of formal control and reporting functions.

Within the framework of the principal-agent theory, the sub-district government as an "agent" has an obligation to convey information and be accountable for the use of public resources to the community as the "principal". However, in reality, the disparity in capacity between sub-districts causes inconsistent application of this principle. The findings of Purnama and Nurhayati (2020) also confirm that the weak technical capacity of the apparatus and the lack of regular training hinder the preparation of accurate and timely financial reports, thereby weakening the fiscal accountability system at the local level.

The implementation of financial management accountability at the sub-district level cannot be separated from the aspect of public information transparency which is the main pillar in the theory of good governance. Lasdi (2021) emphasized the importance of budget transparency and community involvement in the planning to evaluation cycle, to ensure the legitimacy of financial decisions at the administrative level that are closer to the community. This was emphasized by Goo and Sanda (2022) who showed that sub-districts with technology-based reporting systems had better accountability achievements because monitoring efficiency increased. In practice, weak public communication channels and minimal socialization of regulations often create a distance between sub-districts and local communities, which ultimately weakens public trust in the local government.

Meanwhile, the delegation of authority that is not accompanied by strengthening the internal supervision and control system creates the potential for maladministration. Basuki (2019) highlighted how the fragmentation of fiscal responsibility without integration of the vertical control system can weaken the effectiveness of the delegation. In addition, Nafidah and Anisa (2017) stated that the perception of sub-district officials regarding accountability is more administrative than substantive, so that the focus is more on document preparation than on the actual results of public services. Therefore, the delegation of authority must be accompanied by technical assistance, performance-based incentives, and the application of digital-based audit technology to ensure truly accountable regional financial governance. As emphasized by Santoso et al. (2022), the ability to understand regulations and technical skills greatly determine the quality of public services and accountable financial processes. Aneta et al. (2022) showed that the involvement of local culture and communities in the policy formulation process has been shown to increase the acceptance and effectiveness of public policies, which are relevant to be applied to sub-district-level fiscal policies.

Conclusion

Accountability of financial management in sub-district governments in Banggai Regency reflects efforts to improve governance through planning, implementation, and reporting mechanisms that have been formalized in systems and regulations. However, the effectiveness of its implementation has not been evenly distributed across sub-districts. Several sub-districts show a decline in the quality of accountability as reflected in performance and reporting achievements that still require strengthening technical capacity and understanding of the principles of public accountability. Community involvement has been facilitated through participatory forums, but has not been fully accompanied by adequate information transparency. Meanwhile, the delegation of authority to sub-districts has opened up space for policy-making that is closer to the needs of the community, although its implementation requires more systematic restructuring and monitoring to avoid potential inconsistencies with the principles of good regional financial governance. Sub-district financial management reflects procedural compliance through digitalization and reporting, but is still weak in internal control. Low understanding of regulations, so it is necessary to strengthen ethics and law and involve supervisors to prevent deviations. The financial process is regulated by SOP and SIPD, but implementation is not evenly distributed due to HR inequality and network constraints. Routine evaluations are carried out, but integrity is not fully guaranteed. Digital supervision and technical guidance need to be improved for effectiveness. Program achievements are measured through Renja and Renstra, but some have failed even though the budget is absorbed high. The main problem is weak planning and inappropriate implementation time. Community participation in evaluation must be strengthened as a needs-based social control. Decentralization through policies in Perbup No. 49/2023 encourages sub-district authority, but its implementation gives rise to legal-political dynamics. Policy monitoring is not optimal.

Coordination between OPDs and public participation need to be strengthened so that policies are more accountable and on target.

Suggestion

The Banggai Regency Government needs to strengthen the sub-district financial governance system by forming a cross-OPD coordinating unit that focuses on technical assistance, planning verification, and supervision of the implementation of activities based on the delegation of authority. The preparation of future budget policies must be based on validated real needs data and avoid policy intervention in political years. A review of Perbup No. 49 of 2023 is needed so that the delegation of authority remains within the legal corridor, is transparent, and free from potential conflicts of interest. The district government also needs to ensure that each sub-district has certified financial management human resources who understand the principles of public accountability. Sub-district governments throughout Banggai Regency are expected to improve discipline in documenting planning and reporting activities through real-time optimization of SIPD, ensuring completeness of SPJ and accurate real costs. Strengthening the role of PPTK and certified procurement officers must be an internal priority for the sub-district. Program implementation needs to refer to outcome-based performance indicators so that program success is not only measured by budget absorption, but also real benefits in the community. Sub-districts are also expected to open wider public information spaces, such as utilizing digital information boards, and routinely activating community forums to collect aspirations and channel feedback on the performance of sub-district governments. The Inspectorate needs to expand the supervision model from merely document audits to risk-based supervision and thematic field testing. It is recommended to form an electronic reporting system based on real cost evidence that is directly connected to SIPD procurement data and BPKAD devices. Strengthening accountability literacy through ongoing training should also be focused on sub-district heads, PPK, and PPTK, especially in understanding financial regulations and mitigating legal risks. The Inspectorate also needs to collaborate closely with external supervisory institutions, such as BPK and central APJP, and build a social audit platform based on public participation as an alternative form of supervision from civil society. The Ministry of Home Affairs through the Directorate General of Regional Administration Development and the Directorate General of Regional Financial Development is expected to conduct a comprehensive evaluation of the practice of delegating authority to sub-district heads, by formulating more rigid technical regulations regarding the requirements for fiscal and operational devolution. It is necessary to prepare minimum accountability indicators for sub-districts receiving authority, including the requirement for certified human resources, an electronic reporting system, and transparency of budget data. The Ministry of Home Affairs also needs to expand the scope of technical guidance through online platforms periodically for all sub-district heads and financial managers in areas that receive delegation of authority to ensure uniformity of implementation in accordance with the principles of good public financial governance. Communities and NGOs are expected to be more active in overseeing the financial management process at the sub-district level by utilizing existing participatory channels, such as Musrenbang, RT/RW forums, and village-based digital communication groups. Community leaders can act as a liaison between residents' aspirations and the sub-district government in the program planning process. It is also recommended that local NGOs encourage the implementation of community-based social audits and provide a space for public discussion to assess program achievements, spending transparency, and the effectiveness of delegation of authority. Active community involvement is an important social control to maintain accountability and prevent irregularities in the financial management of sub-district governments.

References

- Aduba, R. (2023). *Analisis Akuntabilitas Dana Desa di Desa Abason Kecamatan Totikum Kabupaten Banggai Kepulauan* (Doctoral dissertation, Universitas Islam Negeri Datokarama Palu).
- Aithan, I., Frinaldi, A., & Putri, N. E. (2025). Analisis Kinerja Keuangan Daerah Pemerintahkabupaten Solok Berdasarkan Apbd Tahun 2024. *Jurnal Ekonomi dan Administrasi Modern*, 9(2).
- Firmansyah, V. Z., & Syam, F. (2021). Penguatan Hukum Administrasi Negara Pencegah Praktik Korupsi dalam Diri Pemerintahan Indonesia. *Integritas: Jurnal Antikorupsi*, 7(2), 325-344. <https://doi.org/10.32697/integritas.v7i2.817>
- Halimah, H., & Halik, H. (2019). Fungsi Keuchik Dalam Pelayanan Publik Di Kecamatan Glumpang Baro Kabupaten Pidie. *Warta Dharmawangsa*, 13(3). <https://doi.org/10.46576/wdw.v0i61.436>
- Iqbal, M., & Nurdin, A. T. (2019). Pengaruh Alokasi Dana Desa (Add) Dan Sasaran Anggaran Terhadap Akuntabilitas Kinerja Pemerintahan Desa Pada Pemerintahan Desa Jagabaya Kecamatan Cimaung Kabupaten Bandung. *AKURAT| Jurnal Ilmiah Akuntansi FE UNIBBA*, 10(3), 1-16.
- Kusnadi, I. H. (2020). Implikasi, Urusan Dan Prospek Otonomi Daerah. *Kebijakan: Jurnal Ilmu Administrasi*, 11(1), 36-46. <https://doi.org/10.23969/kebijakan.v11i1.2233>
- Ma'ruf, Z. (2023). Peran Dewan Perwakilan Rakyat Daerah Kabupaten Dalam Pengawasan Pemerintahan Desa Ditinjau Dari Aspek Politik Hukum. *JIM: Jurnal Ilmiah Mahasiswa Pendidikan Sejarah*, 8(3), 1793-1810. <https://doi.org/10.24815/jimps.v8i3.25321>
- Nadir, S. (2013). Otonomi daerah dan desentralisasi Desa: Menuju pemberdayaan masyarakat desa. *Jurnal Politik Profetik*, 1(1). <https://doi.org/10.24252/profetik.v1i1a7>
- Puspitasari, D. C. (2012). Modal sosial perempuan dalam peran penguatan ekonomi keluarga. *Jurnal Pemikiran Sosiologi*, 1(2), 69-80. <https://doi.org/10.22146/jps.v1i2.23445>
- Satria, R., Islam, N., & Sari, T. M. (2024). Optimalisasi Peran Bumdes dalam Pengembangan Ekonomi Masyarakat di Tiyuh Suka Jaya Kecamatan Gunung Agung Kabupaten Tulang Bawang Barat Tahun 2023. *Civics Education and Social Science Journal (CESSJ)*, 6(2), 133-151. <https://doi.org/10.32585/cessj.v6i2.5812>
- Windiasih, R. (2019). Komunikasi Pembangunan di Era Digital melalui e-Government dalam Pelayanan Publik dan Pemberdayaan. *Journal of Extension and Development*, 1(1), 14-21. <https://doi.org/10.23960/jsp.v1i1.6>