

# The Impact of Financial Report Quality and Performance-Based Budget Implementation on the Accountability Performance of Government Agencies with Accounting Control as a Moderator.

## Empirical Study of Regional Government Work Units in Bogor City

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### ABSTRACT

This study aims to examine the influence of accounting controls in moderating the relationship between financial reporting quality, the implementation of performance-based budgeting, and performance accountability of government agencies in Local Government Work Units (SKPD) across Bogor City. The research employs a quantitative approach using Structural Equation Modeling (SEM) with PLS software and IBM Statistics SPSS 26.0. The unit of analysis consists of employees with specific criteria within the Regional Apparatus Organizations of Bogor City. The sample consisted of 144 respondents, and data collection was conducted through a questionnaire. The results of the study indicate that financial reporting quality and the implementation of performance-based budgeting have a positive impact on the performance accountability of government agencies in SKPD Bogor City. Furthermore, accounting controls positively moderate the relationship between financial reporting quality and the implementation of performance-based budgeting on the performance accountability of government agencies across SKPD in Bogor City.

**Keywords:** accounting control, quality of financial reports, implementation of performance-based budgeting, accountability for the performance of government agencies

### INTRODUCTION

The role of government agency performance builders is very important in producing quality and accountable government agency performance. This accountability is fulfilled through the preparation of RKA-SKPD by building a budgeting system that can combine performance planning with an annual budget that provides a link between available funding and expected results, or what is usually called a performance-based budget (Muhammad, 2019). The following is the budget data and realization of the government budget in the city of Bogor for 2022-2024 which can be shown in the following table:

**Table 1.1 Bogor City Government Budget and Realization (In Rupiah)**

Year	Budget	Realization	Target (%)	Achievements (%)
2021	2,841,609,070,361.00	2,637,726,570,905.00	100	92.83
2022	3,184,747,280,169.00	2,986,354,433,003.00	100	93.77
2023	3,174,692,757,946.00	3,029,015,680,109.00	100	95.41

Source: Bogor City Government Regional Revenue and Expenditure Budget Realization Report for 2021-2023

The Bogor City Government, like many other local governments in Indonesia, implements performance-based budgeting to increase efficiency and accountability in the use of public funds. Budget realization data from 2021 to 2023 shows that the Bogor City Government's budget achievements have not been optimal, with average achievements below the predetermined targets. Implementing performance-based budgeting should

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ensure that every rupiah budgeted is used optimally to achieve planned results. However, data shows that this has not been fully achieved in Bogor City.

On delivery report accountability Implementation Regional Budget and Expenditures (PP-APBD) year 2022 budget ahead leader and member of the Bogor City DPRD, Jatirin as spokesperson Bogor City DPRD factions conveyed that "Related Regional Shopping, we think should Bogor City Government remains endeavor increase quality planning and implementation budget area so that optimization implementation budget can materialized, which in the end will can zoom out the amount of SILPA in the year walk. Additionally, we provide note that Regional Shopping is not permitted too dominated by shopping Employee so that allocation budget not optimal for the programs that provide it impact direct to the people of Bogor City," he said. (<https://www.rri.co.id/keuangan/260799/realization-shop-region-pemkot-bogor-tahun-2022-capai-2-98-t>)

Jatirin suggests that the Bogor City Government improve quality planning and implementation budget For reach optimization implementation budget. Quality planning and implementation budget This related direct with quality report finance. If planning and implementation budget done with OK, then report generated finances will more accurate and reflective actual use of funds. Report quality finance tall need careful planning and proper implementation For ensure that the data presented truly describe realization budget and use of funds. Jatirin emphasized importance reduce the amount of the Budget Balance More (SILPA) and improve allocation budget for impactful programs direct to public. This matter related with budget based performance. Budget based performance aim For ensure that every Fund allocation contributes to achievement measurable and impactful results. If shopping area No too dominated by shopping employees and more focused on programs that provide benefit straight away, then budget will more effective and efficient. Quality report good finances will help in monitor and evaluate whether budget allocated and used in accordance with objective specified performance. Statement Jatirin also reflects worries to accountability in management budget. Accountability involve not quite enough answer in use of public funds and transparent reporting. With increase quality planning and implementation budget, as well ensure that shopping area No focused just shopping employees, the Bogor City Government can increase accountability. Report accurate and transparent finances will give clear picture about use of funds and achievements results, support principle more accountability Good.

By overall, statement Jatirin underline necessity improvement in planning, implementation, and reporting budget For ensure that budget can used optimally and provide desired impact to public. This matter related direct with quality report finance, implementation budget based performance, and accountability in management budget area.

In the case of Bogor City Government, data shows that achievement budget shopping still below target, with achievement range between 92.83% to 95.41%. Without report quality finance, difficult For identify whether difference This caused by error in planning budget, expenses that are not appropriate, or other factors (Mulyadi, 2020). Quality report Finances also have an influence ability manager and maker policy For make informational and data - based decisions. Report accurate and detailed financials provide clear picture about how about public funds used and what objective budget achieved (Gordon & Miller, 2019).

In context budget based performance, report quality finance tall important For evaluate whether budget allocated and used in a way efficient. If report finance No adequate, decision about fund allocation and assessment program performance can become No effective, so cause achievement budget that is not optimal as shown in the Report Realization Bogor City Budget. Quality report good finances possible For detection and analysis problem more early, as well give strong foundation For improvement and adjustment of budget strategies. Quality report finance is factor crucial in management budget, because quality reports tall give clear and accurate picture about

use of funds. Report good finances must reflect difference between planned budget and realization budget with transparency.

Quality report bad finances can cause inaccuracy in misreporting and understanding of efficiency use budget (Mulyadi, 2020). Therefore, clear and accurate reports are essential For identify reason from nonconformity this and for plan proper repair.

Quality report finance is variable key in management effective budget. In context Bogor City Government, report quality finance height is very important For transparency, retrieval effective decisions, control accounting, and accountability performance. Realization data the budget shows achievement below the target underlines necessity improvement in quality report finance For reach efficiency and effectiveness in use of public funds. Therefore that, fix quality report finance must become priority For ensure that budget based performance can implemented with more Good.

Although budget based performance has implemented, the data shows that realization budget No in accordance with set targets. Evaluation effectiveness system This become important For understand existing shortcomings in its implementation. Budget based performance designed For ensure that any funds allocated contribute to achievement results have been planned. However, failure in achieve achievement targets indicated that There is possibility weakness in measurement performance, target setting, or management budget (OECD, 2015).

Budget based performance is highly dependent on assignment indicator clear and measurable performance. Indicator This must relevant and capable reflect effectiveness use budget in reach desired result. In the case of Bogor City Government, achievements budget that is not optimal perhaps show that indicator performance used No adequate or No fully reflect expected results (Gordon & Miller, 2019). Study return to variable This important For ensure that indicators used relevant and possible measure performance in a way accurate, as well For repair system possible measurements No effective.

One of objective main from budget based performance is increase accountability and transparency in use of public funds. Failure in achieve achievement targets budget show necessity study more carry on For understand How accountability and transparency implemented in system existing budget. Study return to variable This important For ensure that system budget based performance truly support principle accountability and transparency, and for identify necessary steps taken For repair system this (Bouckaert & Halligan, 2008).

Implementation budget based performance in the Bogor City Government shows that although There is effort For increase efficiency and accountability in use of public funds, results achieved not optimal. Inability achieve budget targets in three year final reflect exists challenge in planning and implementation influencing budget accountability performance agency government. For increase accountability, the Bogor City Government needs do evaluation depth and improvement system budget based performance, ensuring that every rupiah budgeted can used optimally for reach expected results. Therefore that, research return variable This can help identify whether existing system Already in accordance with needs and expected goals.

Accountability believed capable change condition government that does not can give service public in a way good and corrupt going to a order democratic government. Maintenance accountable government will get support from public. There is trust public on what is organized, planned, and implemented by an oriented program to public. On the side organizer, accountability reflect commitment government in serve public. In order to create accountability performance, govt area as bearer answer management finance area sued For convey report accountability on activity and performance financial (Reni, 2017:56). System accountability performance agency government (SAKIP) is implementation management performance in the sector an aligned and consistent public with implementation of bureaucratic reform, which is oriented towards achieving outcomes and efforts For get more results Good. Institution the government is obliged apply system accountability performance and deliver reporting is agency from Central Government, Regency Regional Government or City. As for the guarantor answer

preparation Report Accountability for Agency Performance The government (LAKIP) is officials who functional responsible answer serve function administration in each agency. Next, leadership agency together team Work must accountability and explanation success failure level the performance achieved (Endrayani et al, 2016:43).

The variables that influence accountability performance agency government of which are generally dominant in the Unit Bogor City Regional Work Units (SKPD) are quality report finance and implementation budget based performance. Domination second variable the can shown following This.

Variable first to get it influence accountability performance agency Bogor City government is quality report finance. Quality report good finances necessary in order to do so monitor and control performance manager in implement budget that has been set, each agency government obliged For give information finance and information others will used For taking decision economic, social and political by interested parties (Mardiasmo, 2017:159). General purpose reporting finance sector public is give information about position financial, performance, and cash flow of a company useful entity for a number big users (wide range users) for create and evaluate decision about allocation source power used a entity in his activities use reach goals (Bastian, 2017: 297).

Apart from quality report finance, implementation budget based performance influence accountability performance agency government. Budget based performance (Performance Based Budgeting) is system budgeting that is output and outcome oriented (Bawono, 2015:32). Budget based performance (Performance Based Budgeting) is system budgeting is oriented towards organizational output and is very closely related with vision, mission, and plans strategic organization. A budget that doesn't effective and not performance oriented will can thwart planning that has been done arranged. Measurement performance in a way sustainable will give bait back, so effort repair in a way Keep going continuously will reach future success (Bastian, 2017 :35).

Implementation budget based performance present a challenge that is not light, esp Because change fundamental in system budgeting. In the past, measurements performance Indonesian government more focuses on input and output, while aspect like the results (outcomes), benefits (benefits) and impacts (impact) are lacking get attention. Frequent challenges faced by organizations sector public is disconnection connection between planning, budgeting, and implementation in the field.

Ideally, it should There is clear continuity start from vision, mission, goals, policies, and implemented strategies through the proposed activity program and budget. However, that is often the case happen is proposed activity program and budget from each work unit No in line with vision, mission, goals, policies and strategies that have been set. Most of the Unit More Regional Apparatus Work (SKPD). focus on effort For raise budget for the work unit. Document proper planning become reference, like Long Term Development Plan (RPJP), often No followed with consistency. Condition like This can cause inefficiency, waste, and ineffectiveness in implementation development (Mediawati and Kurniawan, 2012:47).

Quality report finance relate direct with control accounting and reporting. Control effective accounting need information accurate and precise financials time For monitor and control use budget (Schick, 2007). Report bad finances can result lack in supervision and control, which in turn can influence achievement results budget. Inability achieve target realization budget often reflects weakness in system internal controls, such as lack supervision or non-compliance to procedures that have been done determined (Mardiasmo, 2018). Effective control possible every transaction finance For tracked and verified, so risk misuse of funds can minimized. Failure to achieve target realization budget during three year final show necessity strengthening system control accountancy use ensure that public funds used in a way efficient and appropriate with goals that have been established (Arens, Elder, & Beasley, 2017). Therefore that is, control accounting is very important For increase transparency and accountability in use of public funds. In the case of Bogor City Government, achievements shows that the budget is not yet optimal exists possibility nonconformity in control accountancy. Report quality finance tall will

help identify areas where control is required need improved For achieve budget targets. Control accountancy hold role crucial in ensure accuracy report financial and suitability use budget with established plan. Apart from that, control accountancy can moderate connection between quality report finance, implementation budget based performance, and accountability performance (Arens, Elder, & Beasley, 2017).

## METHODS

This Research design use quantitative approach and through method associative. Population in this study is all over employee Unit Regional Apparatus Work (SKPD) throughout the City of Bogor from a total of 36 SKPD. The sample consists from 144 respondents. Internal data sources study This use primary data source. Primary data is source of research data obtained with method direct from source original (Indiantoro & Supomo, 2019:147). Primary data inside study This obtained in a way direct through spread questionnaire to employees in each SKPD who have set the criteria.

The data collection techniques used were literature studies and questionnaires. The literature study for this research is in the form of technical literature and non-technical literature (Straus & Corbin, 2019:39). Technical literature, such as reports on research studies and professional or disciplinary written works in the form of research journals, theses and dissertations. Meanwhile, non-technical literature such as: Books that are relevant to research.

A questionnaire is a written question that has been prepared beforehand and respondents are asked to answer it (Ghozali, 2018:107). The questionnaire presented in this research contains four research variables, namely the Financial Reporting System ( $X_1$ ), Performance-Based Budget Implementation ( $X_2$ ), Accounting Control (M), and Performance Accountability of Government Agencies (Y). In each statement for each variable in the questionnaire, closed alternative answer choices will be given, namely Strongly Agree (SS), Agree (S), Neutral (N), Disagree (TS) and Strongly Disagree (STS). Then the respondents' answers will be quantified using a Likert Scale, which can be shown in the table as follows:

**Table 3.1 Likert Scale for Research Variables**

No.	Alternative	Score
1	Strongly Agree (SS)	5
2	Agree (S)	4
3	Neutral (N)	3
4	Disagree (TS)	2
5	Strongly Disagree (STS)	1

Source: Sugiyono (2022).

## RESULTS AND DISCUSSION

### Data analysis

#### 1) Convergent Validity Test

The convergent validity test used in this research is based on the *loading factor value*. The *loading factor value* must be above the *rule of thumb* of 0.5. The results of calculations using SmartPLS software obtained the following *Outer Loading results*:

**Table 4.9 Outer Loading Model**

Variable	Indicators/Statements	Loading Factor	Rule of Thumbs	Information
Quality of Financial Reports ( $X_1$ )	X1.01	0.856	0.5	Valid
	X1.02	0.811	0.5	Valid
	X1.03	0.821	0.5	Valid
	X1.04	0.827	0.5	Valid
	X1.05	0.820	0.5	Valid
	X1.06	0.802	0.5	Valid
	X1.07	0.819	0.5	Valid

Variable	Indicators/Statements	Loading Factor	Rule of Thumbs	Information
	X1.08	0.811	0.5	Valid
	X1.09	0.806	0.5	Valid
	X1.10	0.826	0.5	Valid
	X1.11	0.815	0.5	Valid
	X1.12	0.816	0.5	Valid
	X1.13	0.846	0.5	Valid
	X1.14	0.801	0.5	Valid
	X1.15	0.823	0.5	Valid
	X2.01	0.805	0.5	Valid
	X2.02	0.819	0.5	Valid
	X2.03	0.821	0.5	Valid
	X2.04	0.812	0.5	Valid
	X2.05	0.833	0.5	Valid
	X2.06	0.808	0.5	Valid
	X2.07	0.834	0.5	Valid
	X2.08	0.772	0.5	Valid
Implementation of Performance Based Budgeting (X2)	X2.09	0.827	0.5	Valid
	X2.10	0.820	0.5	Valid
	X2.11	0.845	0.5	Valid
	X2.12	0.818	0.5	Valid
	X2.13	0.803	0.5	Valid
	X2.14	0.837	0.5	Valid
	X2.15	0.823	0.5	Valid
	M.01	0.856	0.5	Valid
	M.02	0.837	0.5	Valid
	M.03	0.817	0.5	Valid
Accounting Control (M)	M.04	0.843	0.5	Valid
	M.05	0.846	0.5	Valid
	M.06	0.825	0.5	Valid
	M.07	0.824	0.5	Valid
	Y.01	0.835	0.5	Valid
	Y.02	0.784	0.5	Valid
	Y.03	0.810	0.5	Valid
	Y.04	0.796	0.5	Valid
	Y.05	0.824	0.5	Valid
	Y.06	0.833	0.5	Valid
	Y.07	0.835	0.5	Valid
Accountability Performance Institution Government (Y)	Y.08	0.814	0.5	Valid
	Y.09	0.802	0.5	Valid
	Y.10	0.835	0.5	Valid
	Y.11	0.788	0.5	Valid
	Y.12	0.825	0.5	Valid
	Y.13	0.801	0.5	Valid
	Y.14	0.774	0.5	Valid
	Y.15	0.843	0.5	Valid
	Y.16	0.794	0.5	Valid
	Y.17	0.794	0.5	Valid
	Y.18	0.821	0.5	Valid

Source: SmartPLS Results Ver. 4.0

Based on Table 4.9, the results show that all *loading factor indicator values* for the four variables are above 0.5. This shows that all indicators can be used to measure each variable.

These results are strengthened by the AVE values. The AVE value must be greater than *the rule of thumb* 0.5. The following are the calculation results using SmartPLS software :

**Table 4.10 Construct Reliability and Validity (AVE)**

Latent Variables	AVE	Rule of Thumbs	Information
Accounting Control (M)	0.698	0.5	Support
Quality of Financial Reports (X1)	0.673	0.5	Support
Implementation of Performance Based Budgeting (X2)	0.670	0.5	Support
Government Agency Performance Accountability (Y)	0.659	0.5	Support

Source: SmartPLS Results Ver. 4.0

The results in Table 4.10 show that the AVE value for all latent variables is greater than 0.5, so it can be concluded that all indicators are declared capable of being used to represent the latent variables constructed by each indicator.

## 2) Discriminant Test

Discriminant validity aims to determine whether a reflective indicator is truly a good measure of its construct based on the principle that each indicator must only be highly correlated with its construct. Measures of different constructs should not be highly correlated. In this research, the discriminant test uses the Fornell-Larcker *Criterian*, namely by making a comparison of the square root value of the AVE (*Average Variance Extracted*) for each construct with the correlation value between the constructs in the model.

The results of discriminant validity can be seen to what extent the latent construct is truly different from other constructs. A high discriminant validity value provides an indication that a construct is unique and able to explain the phenomenon being measured.

The following are the results of the discriminant validity test using *Fornell-Larcker Criterian analysis* :

**Table 4.11 Discriminant Validity Test Results (Fornell-Larcker Criterian)**

Latent Variables	Accounting Control (M)	Quality of Financial Reports (X1)	Implementation of Performance Based Budgeting (X2)	Government Agency Performance Accountability (Y)
<b>m</b>	<b>0.836</b>			
<b>X1</b>	0.741	<b>0.820</b>		
<b>X 2</b>	0.647	0.767	<b>0.819</b>	
<b>Y</b>	0.645	0.701	0.766	<b>0.812</b>

Source: SmartPLS Results Ver. 4.0

The results of the analysis using SmartPLS *software* as shown in Table 4.11 show that the square root value of AVE for each construct is greater than the correlation value between constructs (latent variables) in the model. This shows that the discriminant validity requirements for the model using *the Fornell-Larcker Criterian* are met.

## 3) Structural Model Analysis Determinant Coefficient (R<sup>2</sup>)

R-Square value (R<sup>2</sup>) is a value that describes how much influence the exogenous latent variable has on the endogenous latent variable. The R<sup>2</sup> value is in the range 0 (zero) – 1 (one). The criteria used for *inner model analysis* are as follows:

- a. R<sup>2</sup> greater than 0.75 indicates that the model is strong (*substantial*).
- b. R<sup>2</sup> greater than 0.50 indicates that the model is moderate.
- c. R<sup>2</sup> greater than 0.25 indicates that the model is weak

**Table 4.12 R<sup>2</sup> value (R- Square)**

Variable	R- Square	R- Square Adjusted	Model Indication
Accounting Control (M)	0.907	0.906	<i>Substantial</i> (Strong)
Government Agency Performance Accountability (Y)	0.956	0.955	<i>Substantial</i> (Strong)

**Source:** SmartPLS Results Ver. 4.0

The results shown in Table 4.12, the R- Square value obtained for the Accounting Control (M) variable is 0.907 (greater than 0.75) which indicates that the model used is included in the *substantial (strong) category*. Thus, the Accounting Control variable (M) can be explained by the variables Quality of Financial Reports (X1) and Implementation of Performance-Based Budgeting (X2) in the model of 90.7% which is included in the *substantial (strong) category*.

Then, the R- Square value obtained for the Government Agency Performance Accountability variable (Y) was 0.956 (greater than 0.75) which indicated that the model used was in the *substantial (strong) category*. Thus, the Government Agency Performance Accountability variable (Y) can be explained by the Accounting Control variable (M), Financial Report Quality (X1). and Implementation of Performance-Based Budgeting (X2) in the model is 95.6% which is included in the *substantial (strong) category*.

From the results of the Coefficient of Determination test (R<sup>2</sup>) it can be seen that the model formed is robust.

#### Direct Influence Analysis

Table 4.1 3 shows that the path shows a positive relationship. This means that the relationship between the exogenous latent variable and the endogenous latent variable is positive (in the same direction). Table 4.13 It also shows that all path coefficients are acceptable as shown by the p-value of the seven paths, all of which are above 0.05. This shows that there is a positive and significant influence of the exogenous variable on the endogenous variable.

The results of the analysis of direct influence testing using the PLS algorithm based on the previously designed research model are as follows:

**Table 4.13 Results of Direct Influence Analysis**

Path (Path)	Original Sample (Path)	T-Statistics	P-Values	Decision
X1 →Y	0.574	8,017	0,000	Positive
X2 →Y	0.411	5,715	0,000	Positive

**Source:** SmartPLS Results Ver. 4.0

**Information:** X1 (Quality of Financial Reports) and Y (Accountability of Government Agency Performance)

Based on Table 4.13 above, all paths show a *supportive* (positive) relationship. This means that the relationship between the exogenous latent variable and the endogenous latent variable is unidirectional (positive) and acceptable.

#### Indirect Effect Analysis

The following are the results of the indirect influence analysis based on the Path Diagram model that has been previously determined using SmartPLS software.

**Table 4.14 Results of Indirect Effect Analysis**

<i>Path (Path)</i>	<b>Original Sample (<i>Path</i>)</b>	<b>T-Statistics</b>	<b>P-Values</b>	<b>Decision</b>
X1 →M →Y	0.065	2,322	0.021	Positive
X2 →M →Y	0.095	2,170	0.030	Positive

*Source:* SmartPLS Results Ver. 4.0

Based on Table 4.14 above, the indirect path shows a *supportive* (positive) relationship. This means that the relationship between the exogenous latent variable and the endogenous latent variable is in the same direction (positive).

## Discussion

### The Influence of Financial Report Quality on Performance Accountability of Government Agencies

The quality of financial reporting has a positive effect on the accountability of government agency performance, with a t-value of 14.134 with a p- *value* of 0.000. The p- *value* is smaller than the real level of 0.05, which illustrates that there is a positive and significant influence on the quality of financial reporting on the accountability of government agency performance. Test results using SmartPLS software showed that the quality of financial reports had a significant and positive effect on the accountability of government agency performance. These results are in line with a number of studies conducted by previous researchers which concluded that the quality of financial reports influences the accountability of government agency performance.

From the description above, it is in line with previous research conducted by Tran, et al. (2021), Haliah and Nirwana (2019), Wang, et al. (2015), D'Onofrio & De Luca (2017), Chen, C., & Zhu, Y. (2018), Baldwin, A., & Glaum, M. (2019), Lee, J., & Kim, S. (2021), D'Aquila, J., & Rodriguez, M. (2017), Gordon, L.A., & Miller, D. (2018), Higgins, J., & Tatum, M. (2019), Becker, B., & Morrow, R. (2020), O'Reilly, M., & Evans, S. (2021), Peilouw, et al. (2023), which states that the quality of financial reports has a positive and significant effect on the accountability of government agency performance. From these results it can be concluded that the financial reporting system has a positive effect on the accountability of government agency performance in the Bogor City SKPD.

### The Effect of Implementing Performance-Based Budgeting on Performance Accountability of Government Agencies

The implementation of performance-based budgeting has a positive effect on the accountability of government agency performance, with a t-value of 9.835 with a p- *value* of 0.000. The p- *value* is smaller than the real level of 0.05, which illustrates that there is a positive and significant influence of the implementation of performance-based budgeting on the accountability of government agency performance.

Test results using SmartPLS software showed that the implementation of performance-based budgeting had a significant and positive effect on the accountability of government agency performance. These results are in line with a number of studies that have been conducted by previous researchers which concluded that there is an influence of implementing performance-based budgeting on the accountability of government agency performance. The relationship between the implementation of performance-based budgeting and accountability for the performance of government agencies can be seen from the explanation put forward by Mardiasmo which states that accountability is public responsibility, which means that the budgeting process starts from planning, preparing and implementing activities that can be reported and accounted for to the DPRD and the public for expenditures. and these results (Abdallah and Carolina, 2018). The implementation of government activities is linked to the budget that has been determined, so the budget should be of high quality and realistic. The realization of effective financial

management allows budget implementation to run better so as to increase accountability for public performance (Abdallah and Carolina, 2018).

From the description above, it is in line with previous research conducted by Miller, GJ, & Whitford, AB (2016), Yesyan, et al. (2021), Elmore, RF (2018), Schick, A. (2020), Bouckaert, G., & Halligan, J. (2021), which states that the implementation of performance-based budgeting has a positive effect on the Performance Accountability of Government Agencies. From these results it can be concluded that the implementation of performance-based budgeting has a positive effect on the accountability of government agency performance in SKPD throughout Bogor City.

#### **The Effect of Accounting Controls in Moderating the Quality of Financial Reports on the Performance Accountability of Government Agencies**

The effect of accounting control in moderating the quality of financial reports on the accountability of government agency performance was obtained by a t-value of 11.798 with a p- value of 0.000. The p- value is smaller than the significance level of 0.05, which illustrates that accounting control is strengthening The influence of the quality of financial reports on the accountability of government agency performance. The results using SmartPLS software showed that accounting control had a significant and positive effect in moderating the quality of financial reports on the accountability of government agency performance. These results are in line with a number of studies that have been conducted by previous researchers.

Financial reports are a form of government accountability to the public, and also a means of monitoring and assessing the efficiency and effectiveness of public managers' performance and the use of organizational resources (Mahsun, et al., 2019). Therefore, the better the quality characteristics of financial reports prepared by the government, the better the accountability of the performance of the government agency, and vice versa (Riyani and Widajantie, 2022). To be able to maintain the relationship between the quality of financial reports and the accountability of government agency performance, accounting controls are required. This means that if the quality of the financial reports prepared by the government is good, then supported by good accounting controls, it will further increase the accountability of the performance of government agencies. From these results it can be concluded that accounting control strengthens The influence of the quality of financial reports on the accountability of government agency performance in SKPD s e-Bogor City.

#### **The Effect of Accounting Control in Moderating the Implementation of Performance-Based Budgeting on the Performance Accountability of Government Agencies**

The influence of accounting control in moderating the implementation of performance-based budgeting on performance accountability of government agencies obtained a t-value of 4.447 with a p- value of 0.000. The p-value is smaller than the significance level of 0.05, which illustrates that accounting control is strengthening The influence of implementing performance-based budgeting on performance accountability of government agencies. Test results using SmartPLS software showed that accounting control had a significant and positive effect in moderating the implementation of performance-based budgeting on performance accountability of government agencies. These results are in line with a number of studies that have been conducted by previous researchers.

Performance-based budgeting was implemented to correct the weaknesses of the previous budgeting system. This aims to improve community services in terms of policy, planning, budgeting and implementation. Performance-based budgeting is an inseparable part of the process of improving financial management (government budgeting) which aims to increase transparency and accountability of public services in the effectiveness of implementing policies and programs. The success of performance-based budgeting is proven by improving public services and welfare, increasingly advanced democracy, justice, equality, and harmonious relations between the center and regions and between regions. This situation is achieved through the support of better accounting controls within the organization so that the level of success of local government accountability

increases. The results of this research show that the Makasar City performance-based budget is running well, supported by integrated accounting controls (Sutriani *et al.*, 2022). From these results it can be concluded that accounting control strengthens The influence of implementing performance-based budgeting on performance accountability of government agencies in SKPD throughout Bogor City.

## CONCLUSIONS

There are four conclusions that can be put forward as follows: The quality of financial reports has a positive effect on the accountability of government agency performance in the Bogor City SKPD. The implementation of performance-based budgeting has a positive effect on the accountability of government agency performance in SKPD throughout Bogor City.

Accounting controls have a positive effect in moderating the quality of financial reports on the performance accountability of government agencies in SKPD throughout Bogor City. Accounting controls have a positive effect in moderating the implementation of performance-based budgeting on the accountability of government agency performance in SKPD throughout Bogor City.

Based on the research conclusions above, the following are suggestions or recommendations that researchers can convey, namely: In terms of quality report finances, the Bogor City Government should should make report finance can understood by the public with naturally follow standard applicable accounting. For That The Bogor City Government can involve experts accounting and policy public in make report finances of each SKPD. In terms of budget based performance, the Bogor City Government should instruct all SKPDs in compile budget must based performance and in matter This need done control external as well as internal so that the inside budgeting and its use accountable.

In terms of control accounting, Bogor City SKPD should be in use budget can comply provision applicable laws and regulations. This means, for example, always consulting with experts law. In terms of accountability performance agency government, should develop programs in an appropriate manner accountable and implementing the program with Good in accordance with those who have planned. That matter can done with involve public in programming and also in its implementation.

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