

The influence of audit findings and opinions on expenditure performance with the size of regional government as a moderating variable in the Regency/City Governments in North Sulawesi Province for the Fiscal Year 2017-2021

Sri Kurnia Ramadhani

Corresponding author:

sriramadhani063@student.unsrat.ac.id

Sam Ratulangi University
Indonesia

David P. E. Saerang

Sam Ratulangi University
Indonesia

Heince R. N. Wokas

Sam Ratulangi University
Indonesia

Received 12 July 2024

Revised 2 August 2024

Accepted 3 August 2024

Published online 3 August 2024

DOI: 10.58784/cfabr.162

ABSTRACT

The annual expenditure of the district/city government of North Sulawesi Province tends to increase. These expenditures are accounted for and reported in the LKPD which is checked by the BPK. The audit report contains audit findings and opinions on the fairness of the LKPD. The aim of this study is to determine the influence of audit findings, audit opinions and the size of government on spending performance in district/city governments in North Sulawesi Province for the 2017-2021 fiscal year. Apart from that, the size of the government by looking at the assets owned by the Regional Government is a moderating variable in the research. The testing employs moderation analysis with multiple linear regression and absolute difference value tests. The test results show that audit findings, opinions and the size of government significantly influence expenditure performance. However, the size of the local government does not moderate the relationship between audit findings and audit opinions towards expenditure performance. This suggests that the magnitude of a local government does not strengthen or weaken the impact of audit findings and audit opinions on expenditure performance.

Keywords: audit findings; opinions; expenditure performance; local government size

JEL Classification: H11 & H72

©2024 Sri Kurnia Ramadhani, David P. E. Saerang, Heince R. N. Wokas



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

1. Introduction

The executive authority in autonomous regions is vested in the regional government, an institution responsible for the implementation of policies and

programs as stipulated in Regulation No. 23 of 2014 (or UU No. 23 Tahun 2014). Among its governmental responsibilities is the management of the State/Regional Revenue and Expenditure Budget (or

APBN/APBD) in accordance with regional needs. Financial statements must be meticulously prepared and submitted to the Audit Board of the Republic of Indonesia (or BPK) for examination, ensuring that both central and regional governments can be held accountable for the execution of APBN/APBD. The Audit Board of Indonesia (or BPK) is mandated to audit the management of state finances as prescribed by the UUD 1945. According to Regulation No. 17 of 2003 Article 2 (or UU No. 17 Tahun 2003 Pasal 2), the audit comprehensively covers all aspects of state financial management. The primary objective of annual audit by BPK on financial statements is to evaluate the impartiality and accuracy of financial reporting in accordance with Government Accounting Standards (or SAP).

The opinions provided by the BPK are included in the Audit Report (or LHP). In addition to opinions, the LHP, specifically the Regional Government Financial Statements Audit Report (or LHP LKPD), also contains findings identified by BPK auditors regarding discrepancies between actual conditions and established criteria during the audit process. According to BPK Regulation No. 1 of 2017, The State Financial Audit Standards (or SPKN), the components required in an audit finding depend on the context and objectives of the audit.

Furthermore, one of the most crucial aspects of regional growth and governance is the efficient management of regional finances. The concept of regional financial management is a significant part of the public policy discourse surrounding objectives. Data published by the Central Bureau of Statistics (or BPS) indicates that the realization of government expenditures by regencies/cities across Indonesia increased from 2021 to 2023, particularly in operational and capital expenditures. This increase in regional spending is expected to correlate with improved

government performance and enhanced public services for the community.

Moenek and Suwanda (2019) assert that regional governance faces several challenges, one of which is the suboptimal performance of local governments. The performance of both central and local governments is linked to their effectiveness in utilizing resources in expenditures funded by APBN and/or APBD. Thus, it is essential to measure the spending performance of the government based on the expenditures made. The performance of local governments can be assessed using the concept of value for money, with indicators including economy, efficiency, and effectiveness. The efficiency and efficacy of government programs or activities in utilizing allocated funds are known as spending performance. This encompasses the extent to which public funds are maximally used to achieve predetermined objectives, as well as compliance with applicable regulations and accounting standards.

Mahmudi (2016) explains that the comparison between actual spending and budgeted spending is performed when measuring spending performance using the expenditure efficiency ratio. Ariadi (2021) notes that the efficiency ratio yields a relative value, not an absolute one. It has been demonstrated that local governments have utilized their funds more effectively this year compared to previous years. According to this evaluation, if the efficiency ratio is less than 100%, the local government has successfully prioritized budget efficiency. Conversely, if the ratio exceeds 100%, it indicates budget wastage.

The case in Bali Province, Masdiantini and Erawati (2016) find that audit findings, specifically internal control system (or SPI) findings, did not affect the financial performance of the local governments. This is because state losses are not always caused by SPI weaknesses. However, the financial performance of regency and city governments in Bali

Province is significantly influenced by BPK audit opinions. This means that the financial performance of local governments will improve and directly correlate with the quality of BPK audit opinions they receive. Otherwise, Ditasari and Sudrajat (2020) show that BPK audit findings significantly affected the performance of local governments in the regencies and cities of East Java from 2014 to 2017.

Virgasari (2009) proves that the financial performance of East Java provincial government is significantly correlated with BPK audit opinions. However, Sumawan and Sukartha (2016) show that opinions by BPK did not affect the spending performance of regency and city governments in Bali Province. BPK opinions on regencies and cities vary depending on the appropriateness of their presentation. BPK has audited financial statements and provided an Unqualified Opinion (or WTP) indicating that local governments have better performance. Putra (2021) and Putra (2022) state that BPK opinions can influence the financial performance of local governments. The research reveals that local governments in North Sulawesi Province that received an WTP from BPK had a lower efficiency ratio for their financial performance compared to local governments that received opinions other than WTP.

Expenditure performance, proxied by the efficiency ratio, is utilized to assess the degree of spending realization by local governments against their allocated budgets. This performance is influenced by various factors. Sumawan and Sukartha (2016) explain that factors affecting expenditure performance in regencies/cities in Bali Province include local own-source revenue such as taxes and levies, as well as the opinions provided by the BPK.

Machmud et al. (2014) indicate that the North Sulawesi Provincial Government continues to demonstrate average financial

performance that is relatively unstable and unsatisfactory. This is attributed to suboptimal management of available resources and revenues generated within the region. For instance, the study by Liando and Elim (2016) on expenditure performance in the Government of Sangihe Regency for the fiscal years 2011 to 2014 reveals that annual expenditure increases due to population growth and inflationary impacts necessitated expenditure reductions by the Sangihe Regency Government. Additionally, Palilingan et al. (2015) find that the efficiency ratio from 2009 to 2013 showed the City Government of Manado successfully implemented expenditure efficiencies, resulting in satisfactory expenditure performance. Based on the background, this study aims to examine the influence of audit findings and opinions on expenditure performance in regencies/cities in North Sulawesi Province.

2. Literature review

Agency theory

The agency theory posits that an individual (principal) enters into an agreement (written or oral) with another person (agent) with the expectation that the agent will perform desired actions on behalf of the principal (Jensen & Meckling, 1976). Bendickson et al. (2016) emphasize that the agency relationship focuses not only on agents and principals but also explores and emphasizes the mechanisms of governance. Principals can delegate tasks to agents, who then carry out these tasks as requested by the principal. Subsequently, there are costs or expenses that the principal must incur according to the contract established beforehand.

Agency theory applied to the public sector suggests that the relationship between citizens and the government is best understood in this manner. A formal agreement between the public and the

government establishes a partnership aimed at providing beneficial services for the people's interests. Schillemans and Bjurström (2020) explain that effective measures are needed for governments to direct and monitor governmental institutions, relying on public trust. The government acts as an agent serving the principal, which is the public. Regular financial reporting is a requirement for the government to be accountable for the management of entrusted resources, as part of the oversight conducted by the people. This oversight is mandated to the legislative branch, namely the Regional People's Representative Council (or DPRD) as representatives of the people.

The Local Government Financial Statements (or LKPD) are prepared by regional governments to clearly and comprehensively describe their financial and other relevant information, as a demonstration of accountability for activities undertaken on behalf of the public. These LKPD reports undergo auditing by the BPK, and the results are compiled into the LHP, which provides an assessment of the regional government's performance. The LHP is also submitted to the legislative branch as the principal entrusted by the people. The LHP serves as a means to fulfill information needs among stakeholders, ensuring that users of the LHP are satisfied and can perceive the success of the regional government in meeting their responsibilities.

The theory of public expenditures

Expenditure involves the effort to allocate resources to achieve objectives. In the theory of public expenditure, Adams (1895) emphasizes that expenditure must be differentiated between individual and public service contexts. For individuals, expenditure entails spending money earned from income or wages to meet living needs and attain happiness. In contrast, public expenditure operates on a larger scale, utilizing local revenues for

activities that broadly fulfill societal needs through public services or infrastructure projects. Public expenditure is also constrained by the political, social, and industrial conditions of a region. Unlike individual or private spending, public expenditure is heavily influenced by the income and investments flowing into a region. Local revenues, investment returns, and revenue sharing serve as resources for regional expenditures. Public spending must also consider the political, social, and industrial direction of a region. Development planning is crucial so that public expenditures align with objectives and are carried out effectively and efficiently. As proponent of public expenditure theory, Adams (1895) explains based on his observations that several ratios regarding public expenditure compared to private expenditure are crucial considerations. First, government gross income, which funds public activities, depends on the stage of industrial development achieved. Second, public expenditure is closely related to political issues in society. Third, public expenditure depends on the social relationships adopted by society and how people follow these practices.

Ridwan and Nawir (2021) state that government expenditures, in the context of public spending, refer to the procurement of goods and services organized by the government to fulfil its function in achieving welfare. For example, operational goods and investment procurement used by the public. Additionally, some expenditures do not involve the exchange of goods or services, such as transfer payments. At January 24, 2024, BPS shows that the realization of expenditures by regencies/cities throughout Indonesia shows an increase, ranging from 5% to 8% for the fiscal years 2021 to 2023. Operational expenditures, particularly under the payroll sub-account, constitute the largest expenditure for regencies/cities across Indonesia.

Good governance

Generally, good governance refers as encompassing the establishment of legal and political frameworks, enforcement of budget discipline, and prevention of corruption at all levels of government. It also involves responsible and strong development management that adheres to democratic and efficient market principles as a means to expand commercial operations (Mardiasmo et al., 2008). To enhance performance and accountability, good governance includes controlling aspects used by the board to run companies and get the right results (Eysink & Paape, 2016). As decisions regarding the distribution of development funds are made with consideration for the poorest and most vulnerable groups in society, it signifies good governance because community consensus underpins political, social, and economic agendas. Bureaucratic reform aimed at creating good governance through enhanced accountability and transparency is one of the government's initiatives to improve service delivery and strengthen the state apparatus. Corporate governance must adhere to specific standards, including accountability and transparency. State financial reports, especially those of Regional Governments (or Pemda) should reflect sound financial management.

Performance of local government expenditures

Government expenditures are believed to significantly impact their role in serving the community, and government performance is evaluated based on the budgets they establish, according to agency theory in the public sector. Listari et al. (2022) show that one method to measure the performance of local government expenditures is through the use of expenditure efficiency ratios. This performance can be calculated using efficiency expenditure ratios, which

involve comparing actual expenditures to budgeted amounts. Governments can utilize expenditure efficiency ratios to assess how much money they save and the success of their budgets. By multiplying the difference between actual expenditures and the budgeted amount by 100%, the expenditure efficiency ratio can be obtained.

The efficiency ratio in local governments impacts the delivery of public services. Regional expenditures become more efficient when the efficiency ratio of a region decreases. Efficiency is also defined as the ability to achieve results or outputs with minimal inputs or costs through the implementation of activities.

Based on the explanation above, it is common to observe the performance of local government expenditures, with the community using Audited Local Government Financial Reports to calculate efficiency ratios of government spending. Ariadi (2021) explains that the level of government budget savings is measured by expenditure efficiency ratios. The figures produced are relative, not absolute. It is clear that there is no set standard for this ratio, and the only conclusion that can be drawn is that the local government is relatively more efficient in this fiscal year compared to previous years. To determine whether the local government has achieved budget efficiency, the efficiency ratio should be less than 100%. Conversely, if it exceeds 100%, it indicates unnecessary expenditures have occurred.

Audit findings

The conclusions drawn from the thorough review of data and information related to the management and accountability of state funds are the audit findings of BPK. These findings reflect the truth, credibility, and reliability of the data. Based on the LHP by BPK, this evaluation is conducted neutrally, professionally, and independently in accordance with the State

Financial Audit Standards (or SPKN). The LHP of BPK, as stipulated in Regulation No 15 of 2004 (or UU No. 15 Tahun 2004), also emphasizes that the results of audit by BPK are opinions and notes of audit findings. SPKN also states that audit findings are one of the components of LHP. The audit findings disclosed by BPK auditors occur when there is a discrepancy between conditions and criteria. SPKN outlines the less specific explanation in the LHP regarding audit results that include early signs of fraud. According to the test objectives, auditors explain the results with a greater focus on their impact on the main issues. LHP must include responses from the responsible government authorities regarding conclusions, recommendations, and audit findings. Elements that can be adjusted to the audit objectives are used to communicate audit conclusions. Findings are categorized into findings of non-compliance with legal provisions, weaknesses in the internal control system, and findings 3E-based (economy, efficiency, and effectiveness).

Audit opinions

The audit report on local government financial statements includes an opinion. In managing regional assets and funds, the view of the BPK serves as the primary benchmark. Zamzami et al. (2014) assert that audits of government financial reports are conducted to evaluate administrative order and financial accountability, aiming to provide opinions on the fairness of the information disclosed. The audit opinion is issued following the financial audit, and BPK's assessment adheres to SAP, SPKN, and relevant statutory regulations. The professional statement assessing the objectivity of information in financial reports is governed by UU No. 15 of 2004. BPK issues opinions including Unqualified Opinion (or WTP), Qualified Opinion (or WDP), Adverse Opinion (or TW), and Disclaimer of Opinion (or

TMP), each reflecting varying degrees of compliance with auditing standards.

The size of government

In the context of local government, both municipalities and cities vary in their size and organizational structure. The size of an organization typically reflects its magnitude or scale. According to Runtuwene et al. (2023), and Prang et al. (2024), the size of an entity is often measured by the logarithm of its total assets, indicating its magnitude. Similarly, when discussing the size of local governments in the context of public sector organizations, it can be understood in terms of the total wealth or assets owned by the local government. The larger a local government, the greater the amount of wealth it possesses. This measure helps gauge the scale and capacity of local governments to carry out their administrative and developmental functions.

Hypothesis development

- ***Audit findings and the performance of local government expenditures.*** Audit findings as results from the audit by BPK on LKPD reveal vulnerabilities in the SPI and non-compliance with legal regulations. Presenting financial accountability reports by adhering to SAP principles is a cornerstone of good governance in public financial management. Anto et al. (2022) indicate that audit findings significantly and positively impact the performance of local governments in the provinces of South Sulawesi during 2016 until 2018. Consistently, Ditasari and Sudrajat (2020) explain that audit findings significantly influence the performance of local governments in East Java during 2014 until 2017. Therefore, the hypothesis of this study is written as follows.

H1: audit findings significant on the performance of local government expenditures

- ***Audit opinions and the performance of local government expenditures.*** Audit opinions reflect the assessment by auditors of the fairness of the financial statements presented. These opinions also serve as a benchmark for assessing the performance of local governments. Therefore, the opinion by BPK can serve as a reflection of the performance of a regional government. Masdiantini and Erawati (2016) explain that a BPK opinion positively and significantly influences the performance of city/district governments across Bali. Conversely, Sumawan and Sukartha (2016) find the significance of the opinion on expenditure performance exceeded the predetermined threshold, indicating that the opinion does not influence spending performance. Therefore, the hypothesis of this study is written as follows.

H2: audit opinions significant on the performance of local government expenditures

- ***The size of government and the performance of local government expenditures.*** The size of the government facilitates the implementation of local government activities and employment programs aimed at improving the welfare of the community. Masdiantini and Erawati (2016), Mulyani and Wibowo (2017), and Putri and Amanah (2020) show that the size of the local government (proxied by total assets) influences local government performance. Therefore, the hypothesis of this study is written as follows.

H3: the size of government significant on the performance of local government expenditures

- ***Audit findings and the performance of local government expenditures with size of government as moderator.*** The size of government facilitates the implementation of local government activities and employment programs to enhance community welfare. Masdiantini and Erawati (2016) demonstrate that the size of local governments significantly and positively influences the performance of city/regency governments across Bali. Meanwhile, Sari and Mustanda (2019) find that the size of local governments negatively affects the performance of the Badung Regency Government during 2013 to 2017. This fluctuation in total assets is attributed to assessments of the Tax Object Sales Value (or NJOP). Therefore, the hypothesis of this study is written as follows.

H4: audit findings significant on the performance of local government expenditures with size of government as moderator

- ***Audit opinions and the performance of local government expenditures with size of government as moderator.*** Ayuningrum and Ofasari (2021) explain that audit opinions significantly moderate the relationship between Local Own-Source Revenue (or PAD) and Inter-Governmental Transfers (or Dana Transfer) on Regional Financial Management Report (or RKKD), indicating increased transparency and financial accountability encouraged by audit opinions of BPK. Tarihoran (2019) shows that both audit opinions and the size of government significantly influence local government performance. A larger government size facilitates the implementation of government programs aimed at enhancing public service delivery.

Therefore, the hypothesis of this study is written as follows.

H5: audit opinions significant on the performance of local government expenditures with size of government as moderator

3. Research method

The variables consist of independent variables, moderating variables, and dependent variables. Independent variables

are audit findings (X1), audit opinion (X2), and government size (X3) while dependent variable is regional government spending performance (Y). In addition, government size (X3) will play as moderating variable. Moderating variable is the variable that strengthen or weaken the correlation between independent and dependent variables. Table 1 presents the operational definition and measurement for each variable.

Table 1. Operational definition and measurement

| Variable | Operational definition | Measurement |
|----------|--|---|
| X1 | In the event that the conditions and criteria of the LHP are not appropriate, the BPK auditor will identify this as an audit finding. The value used is the audit finding value listed in the BPK LHP. | Ratio of audit findings over total budget |
| X2 | Opinion is a professional statement that represents the auditor's assessment of the fairness of the information presented in the LHP. | WTP is 2; WDP is 1; TMP and TW are 0 |
| X3 | Government Size is the size of an organization that can be calculated by the total assets owned using the logarithm of total assets. | Ln of total asset |
| Y | As a measure of success in regional finance, "Regional Government Expenditure Performance" compares actual expenditure against the regional budget based on financial indicators set by policy or law. | Ratio of realization of regional expenditure over regional budget |

This study employs data specifically derived from LKPD spanning the period 2017 to 2021, supplemented by relevant supporting data. Secondary data, accessed from LKPD, includes audited financial statements of local governments. The study focuses on the entire population of

local governments within North Sulawesi Province. The testing employs multiple linear regression with moderating variable. The model used for hypothesis testing is written as follow.

$$Y = \alpha + \beta_1.X_1 + \beta_2.X_2 + \beta_3.X_3 + \beta_4.|X_1-X_3| + \beta_5.|X_2-X_3| + \varepsilon$$

4. Result and discussion

Result

This study runs the analysis in two models which are: (1) model without interactions (independent and moderator variables); and (2) model with interactions. In term to run the regression with moderating variable, this study

standardizes all variables with z-score. Table 2 presents the classic assumption tests for both models. The results of normality, heteroscedasticity, multicollinearity, and autocorrelation tests show that the two models do not experience problems with classical assumptions.

Table 2. Classic assumption tests

| | Model 1 | | Model 2 | |
|--------------------------------|------------|------------------|------------|------------------|
| | Statistic | Sig. | Statistic | Sig. |
| <i>Normality test</i> | | | | |
| Shapiro-Wilk | 0.973 | 0.115 | 0.982 | 0.386 |
| Kolmogorov-Smirnov | 0.078 | 0.726 | 0.077 | 0.744 |
| Anderson-Darling | 0.603 | 0.113 | 0.376 | 0.404 |
| <i>Heteroskedasticity test</i> | | | | |
| Breusch-Pagan | 0.184 | 0.980 | 6.100 | 0.297 |
| Goldfeld-Quandt | 1.260 | 0.252 | 1.100 | 0.400 |
| Harrison-McCabe | 0.434 | 0.219 | 0.455 | 0.311 |
| <i>Autocorrelation test</i> | | | | |
| Durbin-Watson | 1.770 | 0.282 | 1.840 | 0.468 |
| <i>Collinearity test</i> | | | | |
| | VIF | Tolerance | VIF | Tolerance |
| X1 | 1.03 | 0.975 | 1.77 | 0.566 |
| X2 | 1.00 | 0.998 | 3.62 | 0.277 |
| X3 | 1.02 | 0.977 | 1.44 | 0.693 |
| X1-X3 | - | - | 2.79 | 0.358 |
| X2-X3 | - | - | 3.95 | 0.253 |

Furthermore, multiple regression analysis was carried out on both models to determine the impact of the independent variables on the dependent variable. Table 3 presents the results of multiple regression analysis for both models. On first model, all independent variables are significant on dependent variable.

Conversely, on second model, only government size (X3) is consistent significant and negative on regional government expenditure performance. On second model, this study shows that government size fails to role as moderating variable.

Table 3. Multiple regression

| | Model 1 | | Model 2 | |
|----------------------------|----------|-------|----------|-------|
| | Estimate | Sig. | Estimate | Sig. |
| Intercept | -1.70e-6 | 1.000 | -0.1396 | 0.463 |
| X1 | 0.212 | 0.037 | 0.0931 | 0.479 |
| X2 | 0.403 | 0.001 | 0.2723 | 0.150 |
| X3 | -0.280 | 0.006 | -0.3696 | 0.003 |
| X1-X3 | - | - | 0.2352 | 0.164 |
| X2-X3 | - | - | -0.1360 | 0.472 |
| R | 0.560 | | 0.577 | |
| R2 | 0.314 | | 0.333 | |
| F-test (significant at 1%) | 10.8 | | 6.89 | |

Discussion

- ***Audit findings and the performance of local government expenditures.*** On first model, this study accepts H1 and finds that audit findings positively significant on performance of expenditures. This finding implies that better audit findings then better the performance of expenditures. However, on second model, the finding shows insignificant as the model includes the interaction variables. On first model, this finding is consistent with Ditasari and Sudrajat (2020), and Anto et al. (2022). Furthermore, the result also aligns with the public expenditure theory as suggested by Ridwan and Nawir (2021) and the good governance theory as suggested by Mardiasmo et al. (2008).
- ***Audit opinions and the performance of local government expenditures.*** On first model, this study finds that audit opinion has a positive and significant impact on the performance of local government expenditure thus H2 is accepted. This finding is consistent with Masdiantini and Erawati (2016) and Tarihoran (2019). However, on second model, this study finds that audit opinion is insignificant on the performance of local government expenditure.
- ***The size of government and the performance of local government expenditures.*** On first and second models, this study finds that government size consistently negative and significant on the performance of local government expenditure thus H3 is accepted. This finding is supporting Masdiantini and Erawati (2016). The finding implies that increasing the size of government will be followed by decreasing of performance of local government expenditure. Notice the finding of Mulyani and Wibowo (2017), and Putri and Amanah (2020), this finding indicates that increasing

the size of the government somehow has a relationship with inefficiency.

- ***Audit findings and the performance of local government expenditures with size of government as moderator.*** This study finds that the size of the local government does not strengthen or weaken the influence of audit findings on the expenditure performance of local governments. Therefore, H4 is rejected.
- ***Audit opinions and the performance of local government expenditures with size of government as moderator.*** The result of the study indicates that the size of the local government cannot moderate the influence of audit opinions on the expenditure performance of local governments in districts/cities in North Sulawesi Province. Therefore, H5 is rejected.

5. Conclusion

Based on first model, the findings of this study indicate that audit findings, audit opinions and the size of local government significantly influence the expenditure performance of district and city governments in North Sulawesi Province from 2017 to 2021. Specifically, based on first model, an increasing for audit findings and opinions are reference points to increase the expenditure performance. Moreover, the finding also implies that increasing the government size tends to lead to inefficiency. However, based on second model, as those variables interact with government size the effects on expenditure performance are disappear. The findings show that the size of the local government cannot plays as moderator for other variables on expenditure performance. It suggests that the magnitude of local government size does not strengthen or weaken the audit findings and audit opinions on expenditure performance.

References

- Adams, H. C. (1895). The theory of public expenditures. *Publications of the American Economic Association*, 10(3), 87–95. <https://www.jstor.org/stable/2485646>
- Anto, A. S. U., Kusumawati, A., & Nirwana. (2022). Pengaruh temuan audit BPK dan tindak lanjut hasil pemeriksaan terhadap kinerja Pemerintah Kabupaten/Kota, Provinsi Sulawesi Selatan. *Jurnal Pendidikan Tambusai*, 6(2), 10183–10190. <https://jptam.org/index.php/jptam/article/view/4027>
- Ariadi, W. (2021). *Manajemen belanja daerah dalam konsep dan analisis*. Deepublish.
- Ayuningrum, N., & Ofasari, D. (2021). Determinasi kinerja pemerintah daerah dengan opini audit sebagai variabel pemoderasi di Sumatera Selatan. *Jurnal Riset Terapan Akuntansi*, 5(2), 94–106. <https://jurnal.polsri.ac.id/index.php/jrtap/article/view/3267>
- Bendickson, J., Muldoon, J., Liguori, E., & Davis, P. E. (2016). Agency theory: the times, they are a-changin'. *Management Decision*, 54(1), 174–193. <https://doi.org/10.1108/MD-02-2015-0058>
- Ditasari, R. A., & Sudrajat, M. A. (2020). Pengaruh opini audit dan temuan audit BPK terhadap kinerja pemerintah daerah pada Kabupaten/Kota di Provinsi Jawa Timur. *Inventory: Jurnal Akuntansi*, 4(2), 104–117. <https://doi.org/10.25273/inventory.v4i2.7668>
- Eysink, W., & Paape, L. (2016). *Good governance driving corporate performance? A meta-analysis of academic research & invitation to engage in the dialogue*. <https://www2.deloitte.com/content/dam/Deloitte/nl/Documents/risk/deloitte-nl-risk-good-governance-driving-corporate-performance.pdf>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Liando, G. Y., & Elim, I. (2016). Analisis kinerja belanja dalam Laporan Realisasi Anggaran (LRA) pada Dinas Pendapatan Pengelolaan Keuangan dan Aset Daerah Kabupaten Kepulauan Sangihe. *Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 4(1), 1473–1484. <https://ejournal.unsrat.ac.id/index.php/emba/article/view/12369>
- Listari, I. I., Harianto, K., & Widuri, T. (2022). Analisis rasio efektivitas, rasio efisiensi, dan rasio kemandirian dalam pengelolaan keuangan alokasi dana desa (2018-2021). *Jurnal Mahasiswa: Jurnal Ilmiah Penalaran dan Penelitian Mahasiswa*, 4(3), 129–140. <https://doi.org/10.51903/jurnalmahasiswa.v4i3.396>
- Machmud, M., Kawung, G., & Rompas, W. (2014). Analisis kinerja keuangan daerah di Provinsi Sulawesi Utara tahun 2007-2012. *Jurnal Berkala Ilmiah Efisiensi*, 14(2), 1–13. <https://ejournal.unsrat.ac.id/v3/index.php/jbie/article/view/4181>
- Mahmudi. (2016). *Analisis laporan keuangan pemerintah daerah*. Unit Penerbit dan Percetakan Sekolah Tinggi Ilmu Manajemen YKPN.
- Mardiasmo, D., Barnes, P., & Sakurai, Y. (2008). Implementation of good governance by regional governments in Indonesia: The challenges. *Twelfth Annual*

- Conference of the International Research Society for Public Management*, 1–36.
<https://eprints.qut.edu.au/14727/>
- Masdiantini, P. R., & Erawati, N. M. A. (2016). Pengaruh ukuran pemerintah daerah, kemakmuran, intergovernmental revenue, temuan dan opini audit BPK pada kinerja keuangan. *E-Jurnal Akuntansi Universitas Udayana*, 14(2), 1150–1182.
<https://garuda.kemdikbud.go.id/documents/detail/1916789>
- Moenek, R., & Suwanda, D. (2019). *Good governance: Pengelolaan keuangan daerah*. Remaja Rosdakarya.
- Mulyani, S., & Wibowo, H. (2017). Pengaruh belanja modal, ukuran pemerintah daerah, intergovernmental revenue dan pendapatan asli daerah terhadap kinerja keuangan (Kabupaten/kota di Provinsi Jawa Tengah, tahun 2012-2015). *Kompartemen: Jurnal Ilmiah Akuntansi*, 15(1), 57–66.
<https://jurnalnasional.ump.ac.id/index.php/kompartemen/article/view/1379>
- Palilingan, A. F., Sabijono, H., & Mawikere, L. (2015). Analisis kinerja belanja dalam Laporan Realisasi Anggaran (LRA) pada Dinas Pendapatan Kota Manado. *Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 3(1), 17–25.
<https://ejournal.unsrat.ac.id/index.php/emba/article/view/6558>
- Prang, B. B. H., Warongan, J. D. L., & Mintalangi, S. S. E. (2024). Pengaruh profitabilitas dan ukuran perusahaan terhadap tax avoidance pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia. *Manajemen Bisnis dan Keuangan Korporat*, 2(1), 42–51.
<https://doi.org/10.58784/mbkk.100>
- Putra, S. A. (2021). *Opini BPK bisa mempengaruhi kinerja keuangan pemerintah daerah*.
<https://djpb.kemenkeu.go.id/kanwil/sulut/id/data-publikasi/artikel/3004-opini-bpk-dapat-mempengaruhi-kinerja-keuangan-pemerintah-daerah.html>
- Putra, S. A. (2022). Analisis kinerja keuangan pemerintah daerah lingkup Provinsi Sulawesi Utara tahun 2014-2020. *Jurnal Manajemen Perbendaharaan*, 3(1), 1–13.
<https://doi.org/10.33105/jmp.v3i1.388>
- Putri, R. A. R., & Amanah, L. (2020). Pengaruh ukuran pemerintah daerah, pendapatan asli daerah, dan dana perimbangan terhadap kinerja keuangan pemerintah daerah. *Jurnal Ilmu dan Riset Akuntansi*, 9(8), 1–20.
<http://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/3620>
- Ridwan, & Nawir, I. S. (2021). *Buku Ekonomi Publik*. Pustaka Pelajar.
[http://eprints2.ipdn.ac.id/id/eprint/721/1/Ekonomi%20publik.print.2%20\(2\).pdf](http://eprints2.ipdn.ac.id/id/eprint/721/1/Ekonomi%20publik.print.2%20(2).pdf)
- Runtuwene, E. N., Sondakh, J. J., & Walandouw, S. K. (2023). Pengaruh perputaran modal kerja, pertumbuhan penjualan dan ukuran perusahaan terhadap profitabilitas (Studi pada perusahaan properti yang terdaftar di Bursa Efek Indonesia tahun 2019-2022). *Riset Akuntansi dan Portofolio Investasi*, 1(2), 114–124.
<https://doi.org/10.58784/rapi.70>
- Sari, N. M. D. P., & Mustanda, I. K. (2019). Pengaruh ukuran pemerintah daerah, pendapatan asli daerah dan belanja modal terhadap kinerja keuangan pemerintah daerah. *E-Jurnal Manajemen*, 8(8), 4759–4787.
<https://www.neliti.com/id/publicati>

- [ons/382940/pengaruh-ukuran-pemerintah-daerah-pendapatan-asli-daerah-dan-belanja-modal-terha](https://doi.org/10.1080/10967494.2018.1553807)
- Schillemans, T., & Bjurstrøm, K. H. (2020). Trust and verification: balancing agency and stewardship theory in the governance of agencies. *International Public Management Journal*, 23(5), 650–676.
<https://doi.org/10.1080/10967494.2018.1553807>
- Sumawan, I. W., & Sukartha, I. M. (2016). Faktor-faktor yang berpengaruh pada kinerja belanja pemerintah daerah kabupaten/kota di Provinsi Bali. *E-Jurnal Akuntansi Universitas Udayana*, 14(3), 1727–1754.
<https://garuda.kemdikbud.go.id/documents/detail/1917705>
- Tarihoran, S. N. (2019). *Pengaruh temuan audit BPK, opini audit BPK, ukuran pemerintahan dan belanja daerah terhadap kinerja pemerintah daerah tahun 2016* [Universitas Sumatera Utara].
<https://repository.usu.ac.id/handle/123456789/13514>
- Virgasari, A. (2009). *Hubungan antara opini Audit pada laporan keuangan daerah, Pendapatan Asli Daerah (PAD) dan Dana Alokasi Umum (DAU) dengan kinerja keuangan Daerah* [Universitas Brawijaya].
<https://repository.ub.ac.id/id/eprint/104295/>
- Zamzami, F., Mukhlis, & Pramesti, A. E. (2014). *Audit keuangan sektor publik untuk laporan keuangan pemerintah daerah*. Gajah Mada University Press.