

# The Effect of Clarity on Budget Targets and Reporting Systems on Performance Accountability with Internal Control as Intervening Variables in SKPD Kotabaru District Government

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### Abstract:

#### Purpose

Financial Reporting System, In the public sector, financial reports have an important role in generating accountability. The financial information contained in the financial statements becomes the basis for considering decisions. Financial information as a tool to carry out public accountability as effectively as possible and is not included as the final goal of public sector accounting.

#### Methodology

This study aims to examine the clarity of budget targets and reporting systems that affect performance accountability. This study also examines whether the internal control system mediates the effect of the clarity of budget targets and the reporting system. This study is of the type of associative causality and is carried out through a survey method by distributing questionnaires to the compilers of the performance accountability report of government agencies in Kotabaru.

#### Findings

The population of this study was all SKPD in the Kotabaru Regency Government, totalling 30 SKPD consisting of 82 sample respondents. This study uses descriptive statistical analysis and partial least squares (SEM-PLS) analysis. Analysis powered by Smart-PLS 3.0.

#### Implication

The results of this study show that the clarity of budget targets and internal controls affect the performance accountability of government agencies, while the reporting system does not affect performance accountability. Clarity of budget targets, and reporting systems affect internal control. Internal control as an intervening variable can affect the clarity of budget objectives and reporting systems on performance accountability.

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## INTRODUCTION

Local government as an organization or institution that operates government with the community as a source of legitimacy. On this basis, people who trust the government need to find a balance through good performance so that services can be optimized effectively and reach citizens regardless of background. This matter has also been clarified through the implementation of a decentralization system in government, especially with regard to regional autonomy.

The Kotabaru Regency Government is included as an organization in the public sector that implements regional autonomy based on regulations and the authority of the autonomous region to carry out arrangements and management of community interests according to their own initiatives based on community aspirations. Implementation of Law no. 23 of the Year (2014) regarding Regional Government.

In general, local governments face problems controlling ineffectiveness, budget use, and waste. This can be seen through the performance accountability of Kotabaru Regency from 2017 to 2019. The evaluation value of the performance accountability system for government agencies (SAKIP) for the Kotabaru Regency Government for the 2017-2018 period was CC (good enough) and in 2019 the performance accountability of Kotabaru Regency Government agencies increased from CC (good enough) to B (good).

The problem of performance accountability within the Kotabaru Regency Regional Government from 2017 - 2019 reviews the clarity of budgeting targets and reporting systems for performance accountability since August 2020 describing the strategic achievements of the Kotabaru District Government SKPD in 2017, spending absorption is only 82.27%, spending plans are not realized 17.73%, in 2017 based on the Kotabaru District Government Financial Report (LKPD) for 2017 Kotabaru District has obligations in the form of short-term debt or regional obligations to third parties due to the inability of the local government to make payments due to regional treasury not being available.

The budget realization target that was not achieved and the increase in short-term debt is a form of performance accountability which is one of the factors in the problems studied. In 2017, expenditure realization was 82.27%, expenditure targets were not achieved 17.73%, while short-term debt in 2017 was IDR 31,802,772,834.47. In 2018 the short-term debt owned by Kotabaru Regency amounted to Rp.25,850,827,081.00 with a budget realization of 86.32% with an unrealized budget of 13.68%. In 2019, 13.67% of the budget was not realized with short-term debt of IDR 60,247,980,881.00, budget realization was 86.33%.

The description above shows that there is a phenomenon that requires further study regarding the performance accountability of SKPD Kotabaru District Government affected by the clarity of budget targets, the reporting system with internal control as an intervening variable. The study that will be carried out as a result of developing a study belonging to Kaltsum & Rohman, (2014) includes a reporting system that affects performance accountability as an update from previous studies. In the previous study, by analyzing the Effect of Budget Target Clarity on Performance Accountability of Government Agencies through the Internal Control System as an Intervening Variable (Empirical Study on Salatiga City Regional Work Units). The results of this study show that the clarity of budget targets affects the internal control system. The internal control system affects the performance accountability of government agencies. Clarity of budget targets affects government performance accountability. The clarity of budget targets affects government performance accountability through the internal control system which is the intervening variable.

In addition to the study phenomena that have been described, there are research gaps from several previous studies. Kusumaningrum, (2009) through the results of his study shows that the clarity of budget targets has a positive and meaningful impact on government performance accountability. In contrast to Jumiri's, (2012) which explained that the clarity of budget targets is not significantly related to performance accountability. Herawati, (2011) examined the clarity of budget targets that affect the performance accountability of the Jambi City local government. Give a conclusion if the clarity of budget targets has a negative impact and can be noticed through the level of significance: without meaning for performance accountability. Paramitha, (2016) said that if the influence of budget targeting accuracy, public sector managerial control systems, and reporting systems on performance accountability, that reporting system has a positive and meaningful impact on SKPD performance accountability. Setiawan (2013) added that the clarity of budget targets, accounting controls, and reporting systems affect accountability for the performance of government agencies. The results of the study explain that the clarity of budget targets has a significant impact on government performance accountability, accounting controls have a significant impact on government agency performance accountability, and reporting systems without affecting government performance accountability.

Based on previous studies which showed that there was no consistency in each study, it was explained if there were opportunities for other variables to act as intermediaries between the clarity of budget targets for government performance accountability and the reporting system for performance accountability. Ghozali, (2014) explained that there is no integral from the results of budget studies because the link between budgeting and managerial performance depends on certain factors or often referred to as contingency variables. The study model intends to examine the contextual factors that influence the interrelationship of control systems and performance accountability. The control system, including the budget and the contingency approach, has the opportunity to bring up other variables that act as intervening variables.

Based on the phenomenon mentioned above and the existence of research gaps from several previous studies, the researcher raised the study title The Effect of Clarity of Budget Targets and Reporting Systems on Performance Accountability with Internal Control as Intervening Variables in SKPD Kotabaru District Government. This study aims to:

1. Test and analyze the clarity of budget targets that affect the performance accountability of the Kotabaru District Government SKPD.

2. Test and analyze the reporting system that affects the performance accountability of the Kotabaru District Government SKPD.
3. Testing and analyzing the clarity of budget targets that affect the internal control of the Kotabaru District Government SKPD.
4. Testing and analyzing the reporting system that affects the internal control of the Kotabaru District Government SKPD.
5. Testing and analyzing internal controls that affect SKPD performance accountability in the Kotabaru District Government.
6. Test and analyze the clarity of budget targets that affect performance accountability with internal control as an intermediary variable in the Kotabaru District Government SKPD.
7. Testing and analyzing reporting systems that affect performance accountability with internal control as an intermediary variable for SKPD Kotabaru District Government.

## METHODS

The scope of this study is that all SKPDs within the Kotabaru District Government are 30 (thirty) SKPDs, including 19 Agencies, 6 Agencies, Inspectorates, Hospitals, Satpol PP, and 2 Secretariats. This study focuses on the performance accountability of the Kotabaru District government with the variables studied namely performance accountability, budget clarity, reporting systems, with internal control intervening variables. The approach in this study is a quantitative approach. This study analyzes quantitative data in the form of numbers from the calculation of each variable measurement attribute (Chandarin, 2018).

This study is an associative quantitative type. Studies with a quantitative approach emphasize the analysis of numerical data obtained through statistical procedures. Research according to the level of explanation aims to explain the position of the variables being analyzed and the relationship/influence or to compare each variable. Daulay & Murni (2010) suggests that associative study is a study with the aim of finding out the relationship between two or many variables. The linkage in question is a causal linkage that describes and analyzes the influence of variables on other variables. This study can be grouped into survey research, which is a study carried out in a population with observed data coming from a sample of Sugiyono (2015). The data used is primary data as data obtained by researchers directly (first-hand). This data was obtained through a questionnaire which was distributed via the WhatsApp messaging application by filling out the Google Form <https://forms.gle/S9uUCjmZW46G2PXXK6>

## RESULT AND DISCUSSION

The process of collecting data in this study was carried out through various procedures, namely distributing 82 questionnaires to respondents via the WhatsApp messaging application with Google Forms to the SKPD of the Kotabaru District Government, totalling 30 SKPD. Each type A SKPD received 3 questionnaires: the head of the SKPD, the head of the planning sub-division and the head of the finance sub-division and the type B SKPD received 2 questionnaires: the head of the SKPD and the head of the planning and finance sub-division. Based on the set time limit, the questionnaire is sent via WhatsApp by filling out the Google Form questionnaire. Of the 82 questionnaires sent, all questionnaires returned (100%).

The characteristics of the respondents in this study were budget users, planning and financial managers of the Kotabaru District SKPD. Through the data collected from the description of the participants, it is divided into gender, age of the respondent, last education of the respondent, educational background, class in employment, position, and years of service.

Table 1: Characteristics of Respondents

No.	Characteristic	Sum	Percentage (%)
1	Gender		
	Male	49	59,80
a.	Female	33	40,20
		82	100,00
2	Age		
	a. 25 - 35 years	0	00,00
	b. 36 - 45 years	15	18,30
c.	> 45 years	67	81,70
		82	100,00
3	Recent Education		
	a. Diploma III	0	00,00
	b. Bachelor	39	47,50
	c. Postgraduate	34	41,50
d.	Others	9	11,00
		82	100,00
	Accountancy	24	29,30
	Management	21	25,60
4	Educational Background		
	Social	12	14,60
	a. Other	25	30,50
		82	100,00

Table 1 (continued) Characteristics of Respondents

No.	Characteristic	Sum	Percentage (%)
5	Rank/Group		
	Group III	47	57,30
a.	Group IV	35	42,70
		82	100,00
6	Position		
	Head of Service/Agency	30	30,60
	Head of Subdivision of Finance	22	26,80
	Head of Subdivision Planning	22	26,80
	a. Head of Subdivision of Planning and Finance	8	9,80
		82	100,00
7	Period of Service		
	6 - 10 years	1	1,20
	11 - 15 years	12	14,60
a.	> 15 years	69	84,20
		82	100,00

Statistical Description of Research Variables. Descriptive test results can be seen through the following table and description.

Table 2. Description of Statistics

Variable	N (Statistic)	Min	Max	Mean		Std. Deviation	Variance
				Statistic	Std. Error		
Clarity of Budget	82	2	5	4.30	,067	,065	,366
Reporting System	82	2	5	4.43	,055	,498	,248
Internal control	82	2	5	4.47	,066	,599	,359
Performance_Accountability	82	2	5	3.75	,083	,755	,570
Valid N (listwise)	82						

Source: Data processed in 2021

The results of the descriptive statistical analysis in this study describe the maximum, minimum, mean and standard deviation values. The variable clarity of budget goals has the lowest score from the respondents' answers, namely 2, while the maximum score from the participants' answers is 5, so the mean (mean) total score of the answers is 4.30 with a standard error of 0.067 and a standard deviation value of 0.605. The reporting system variable has the lowest score (minimum) of the respondent's answers, namely 2 and the maximum score

of the participants' answers is 5, so that the mean total score of the answers is 4.43 with a standard error of 0.055 and a standard deviation value of 0.498. The internal control variable has a minimum score of the participants' answers, namely 2 and the maximum score of the participants' answers, which is 5, so that the mean total score of the answers is 4.47 with a standard error of 0.066 and a standard deviation value of 0.599. The performance accountability variable has a minimum score from the participants' answers which is 2 and the highest maximum score from the participants' answers is 5 so that the mean total score of the answers is 3.75 with a standard error of 0.083 and a deviation value of 0.755.

**Measurement Model Data Analysis (Outer Model)**

The hypothesis testing in this study uses PLS analysis with the smartPLS 3.0 program, and is based on the following description.

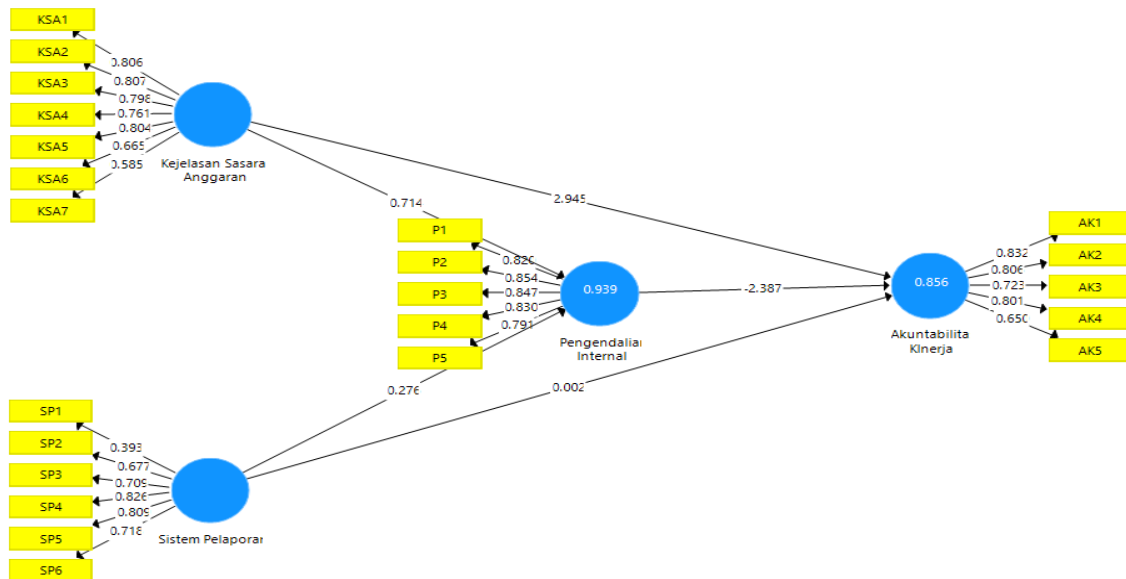


Figure 1 Outer Loading Scheme Model 1

This model details the relationship between latent variables and their indicators. It can be said that if the measurement model describes each variable indicator related to its latent variable, the tests carried out in the outer model include:

**Convergent Validity.** In order to test convergent validity, we use the outer loading value or loading factor. The indicator turns out to be in accordance with convergent validity in the good category if the outer loading value is more than 0.7. Ghozali, (2014) said that if the outer loading value is in the range of 0.5 to 0.6 it is assumed that it meets the requirements of convergent validity. Attached are the outer loadings values of each indicator in the study variables:

Table 3:1st Outer Loading Result

Variable	Indicator	Outer Loading
Clarity of the Budget System	KSA1	0,806
	KSA2	0,807
	KSA3	0,798
	KSA4	0,761
	KSA5	0,804
	KSA6	0,665
	KSA7	0,585
Reporting System	SP1	0,393
	SP2	0,677
	SP3	0,709

	SP4	0,826
	SP5	0,809
	SP6	0,718

Table 3 (continued) 1st Outer Loading Result

Variable	Indicators	Outer Loading
Internal Control	P1	0,820
	P2	0,854
	P3	0,847
	P4	0,830
	P5	0,791
Performance Accountability	AK1	0,832
	AK2	0,806
	AK3	0,723
	AK4	0,801
	AK5	0,650

Source: SmartPLS 3 output, data will be processed in 2021

According to the description above, it is clear if each indicator of the study variable has a majority outer loading value of less than 0.7. However, there are still indicators in the variable that have an outer loading of more than 0.7. Ghozali, (2014) said that if the outer loading value ranges from 0.5 to 0.6, it is assumed that it meets the requirements of convergent validity. In Table 3, a value of <0.5 is obtained for the SP1 reporting system indicator, the indicator for SP1 is 0.393 invalid, so it is not suitable as an indicator that describes reporting system variables, so SP1 is dropped from the reporting system variable indicator section, so that the outer loading results go to -2 got:

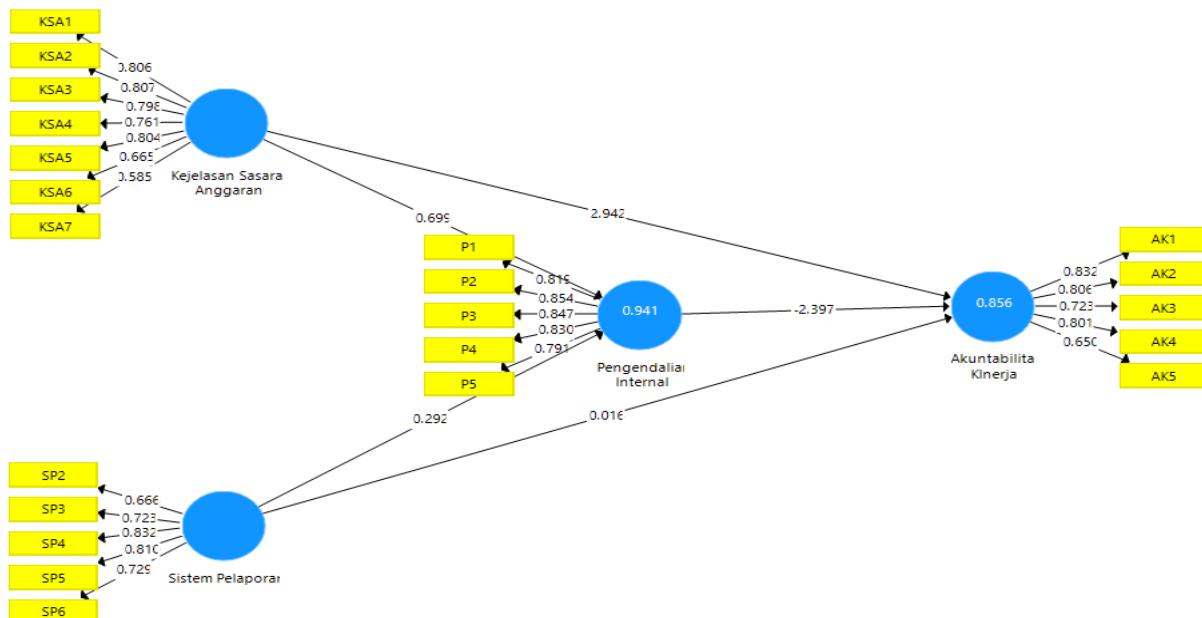


Figure 2. The 2<sup>nd</sup> Outer Loading Schematic Model

Table 4. The 2<sup>nd</sup> Outer Loading Results

Variable	Indicators	Outer Loading
Clarity of the Budget System	KSA1	0,806
	KSA2	0,807
	KSA3	0,798
	KSA4	0,761
	KSA5	0,804
	KSA6	0,665
	KSA7	0,585
Reporting System	SP2	0,666
	SP3	0,723
	SP4	0,832
	SP5	0,810
	SP6	0,729
	Internal Control	P1
P2		0,854
P3		0,847
P4		0,830
P5		0,791
Performance Accountability	AK1	0,832
	AK2	0,806
	AK3	0,723
	AK4	0,801
	AK5	0,650

Source: SmartPLS 3 output, data will be processed in 2021

Based on the description above, the outer model value is sufficient  $> 0.5$  so that it can be said to meet the requirements of convergent validity.

**Discriminant Validity** Testing discriminant validity using cross loading values. The indicator turns out to be in accordance with discriminant validity if the cross-loading value of the indicator in the variable is the largest compared to other variables. Attached is a description regarding the cross-loading values for each indicator:

Table 5: The 2<sup>nd</sup> Outer Loading Results

Indicators	Variable			
	Clarity of the Budget System	Reporting System	Internal Control	Performance Accounting
KSA.1	0,806	0,456	0,473	0,391
KSA.2	0,807	0,412	0,385	0,360
KSA.3	0,798	0,205	0,202	0,333
KSA.4	0,761	0,327	0,293	0,257
KSA.5	0,804	0,237	0,264	0,488
KSA.6	0,665	0,456	0,473	0,488
KSA.7	0,585	0,412	0,385	0,412
SP.2	0,525	0,666	0,487	0,377
SP.3	0,626	0,723	0,566	0,448
SP.4	0,807	0,832	0,804	0,360
SP.5	0,798	0,810	0,807	0,333

Table 5 (continued) Results of the 2nd Outer Loading

Indicators	Variable			
	Clarity of the Budget System	Reporting System	Internal Control	Performance Accounting
SP.6	0,564	0,729	0,627	0,198
P1.1	0,806	0,706	0,819	0,391
PI.2	0,807	0,832	0,854	0,360
PI.3	0,798	0,810	0,847	0,333
PI.4	0,761	0,733	0,830	0,257
PI.5	0,709	0,723	0,791	0,488
AK.1	0,665	0,473	0,456	0,832
AK.2	0,585	0,385	0,412	0,806
AK.3	0,334	0,202	0,205	0,723
AK.4	0,419	0,293	0,205	0,801
AK.5	0,362	0,264	0,237	0,605

Source: SmartPLS 3 output, data will be processed in 2021

According to the description above, it is concluded that the cross-loading value of the indicators in the variable is the greatest compared to other variables. This explains if the indicators used in this study already have good discriminant validity when compiling each variable.

**Composite Reliability** Composite reliability is a part to test the value of the reliability of indicators in a variable. The variable turns out to be in accordance with composite reliability if the value of composite reliability is more than 0.6. Attached is the composite reliability value of each variable in this study:

Table 6 Composite Reliability Results:

Variable	Composite Reliability
Performance Accountability	0,875
Clarity of Budget Goals	0,899
Internal Control	0,916
Reporting System	0,868

Source: Data processed in 2021

Based on this presentation, it can be explained if the composite reliability value for all variables in this study is more than 0.6. This shows that each variable is in accordance with composite reliability, so it can be concluded that all variables have a fairly high reliability value.

**Average Variance Extracted (AVE)** The construct is considered to have high reliability if the AVE is more than 0.50. A description of the AVE values for all variables is presented.

Table 7 Average Variance Extracted (AVE)

Variable	Composite Reliability
Performance Accountability	0,586
Clarity of Budget Goals	0,564
Internal Control	0,686
Reporting System	0,569

Source : Data processed 2021

In accordance with this description, it is explained that if the AVE value for all variables is above 0.50, it means that all variables are called reliable.

### Collinearity Statistics (VIF)

Collinearity statistics testing is carried out to find out the relationship between indicators where multicollinearity occurs, namely through the VIF value. If the VIF value is less than 5, it can be said that there is no collinearity. If the VIF value is more than 5, it means that there is collinearity. Attached VIF test results:



**Table 8:** Results Collinearity Statistics (VIF)

Indicators	VIF
KSA.1	2,166
KSA.2	2,470
KSA.3	2,552
KSA.4	2,521
KSA.5	2,118
KSA.6	1,836
KSA.7	1,654
SP.2	1,522
SP.3	1,558
SP.4	2,012
SP.5	1,919
SP.6	1,586
PI.1	2,063
PI.2	2,442
PI.3	2,373
PI.4	2,436
PI.5	1,879
AK.1	1,792
AK.2	1,661
AK.3	1,820
AK.4	2,347
AK.5	1,619

Source: Data processed in 2021

In accordance with this description, it explains if all indicators in this study are worth less than 5 or without multicollinearity problems.

**Measurement Model Evaluation Inner Model** The structural model test was carried out in order to be able to observe the relationship between the constructs, the significance value, and the R-square of the study model. The structural model is evaluated using the R-square for the construct bound to the t test and significance through the structural path indicator coefficients.

**Patch Coefficient Test**, evaluating the path coefficient aims to show whether the independent variable influences the dependent variable. The use of the determination coefficient intends to determine the extent to which endogenous variables are affected by other variables. Ghozali, (2014) explained that if the results of the coefficient determination were more than 0.67 for the endogenous latent variables in the structural model, it gives an indication if the exogenous variables affect the endogenous variables and are in a good enough category. If the results obtained are 0.33 to 0.67 in the moderate category, and if the results are 0.19 to 0.33 it is in the weak category.

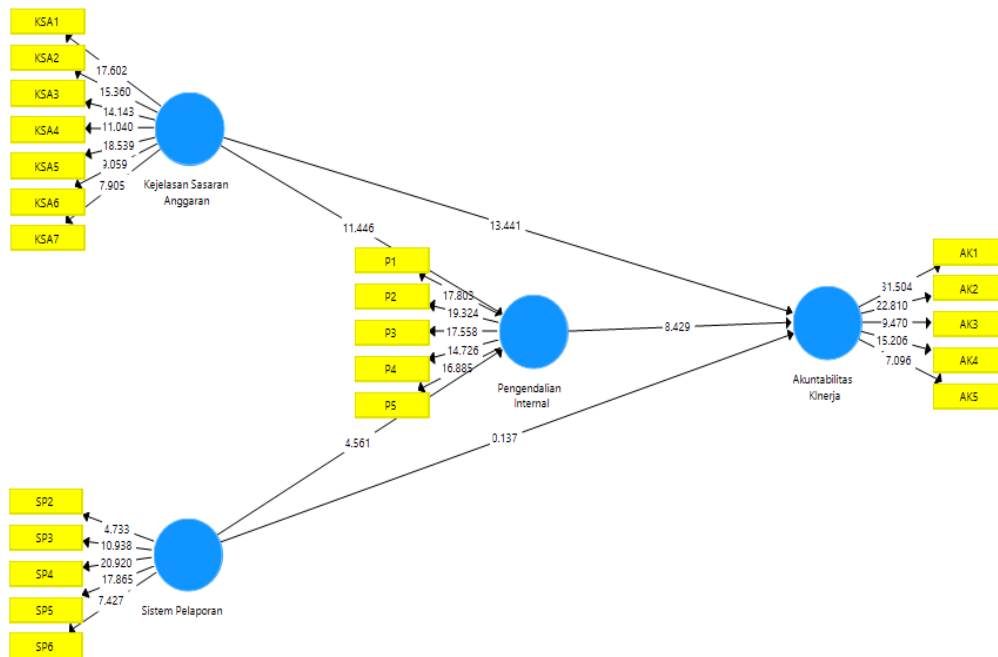


Figure 6 Patch Coefficient Value

In accordance with this description, it explains that if the highest path coefficient value is shown through the clarity of budget targets that affect performance accountability of 13.441, then the smallest path coefficient value is indicated by a reporting system that affects performance accountability of 0.137. According to the picture above, it is clear if all the variables in this model have a positive numbered path coefficient. This shows that the greater the value of the path coefficient in one independent variable on the dependent variable, the stronger the independent variable influences the dependent variable.

**Coefficient Determination**, based on data processing, there is a translation of the value interpretation:

Table 9 R Value Interpretation Tabulation

No.	Interval Coefficient	Relationship Level
1	0,800-1,000	Very High
2	0,600-0,799	High
3	0,400-0,599	Low
4	0,200-0,399	average
5	0,00-0,1999	Very Low

Source: Sugiyono (2009)

The value of the interpretation of the R-Square value is obtained using smartPLS 3.0, resulting in an R-Square value, namely:

Table 10 R-Square Value Results

Variable	R-Square
Performance Accountability	0,856
Internal control	0,941

Source: Data processed 2021

Based on the explanation above, it shows that the R-Square value of the performance accountability variable is 0.856. This value describes if the percentage of performance accountability variables clarified by the variable clarity of budget targets, reporting systems, and internal control is 85.6%, then the R-Square value is in the very high or good category. The internal control variable obtains an R-square value of 0.941, meaning that

the R-Square value is in the very good category. This value shows that the percentage of internal control variables clarified by the clarity of budget targets and reporting systems is 94.1%, while the rest is influenced by other variables.

The goodness of fit value is obtained through the Q-Square value as the same value as the R-Square in the regression analysis. The higher the Q-Square, it means that the model can be said to be getting better/fit with the data. Based on the calculation above, a R-Square value of 0.941 is obtained, clarifying the diversity of study data clarified by the study model of 94.1%. The remaining 5.9% is explained by other factors that are outside the model of this study. On that basis, the results reveal that the study model has a good goodness of fit.

### Hypothesis Testing Results

According to data processing, the results obtained are to provide answers to the hypotheses in this study, namely looking at the T-Statistics values and P-Values values. Acceptance of the hypothesis in this study if the P-Values are less than 0.05. Attached is testing the hypothesis obtained from the inner model:

Table 11 Hypothesis Test Results

Variable	Original Sample	Sample Mean	Standard Deviation (STDEV)	T-Statistic (O/STDEV)	P-Value
Clarity of Budget Goals -> Performance Accountability	2,942	2,949	0,219	13,441	0,000

Table 11 (continued) Hypothesis Test Results

Variable	Original Sample	Sample Mean	Standard Deviation (STDEV)	T-Statistic (O/STDEV)	P-Value
Reporting System -> Performance Accountability	0,016	0,012	0,114	0,137	0,891
Clarity of Budget Objectives -> Internal Control	0,699	0,692	0,061	11,446	0,000
->Internal Control Reporting System	0,292	0,300	0,064	4,561	0,000
Internal Control -> Performance Accountability	-2.397	-2,408	0,284	8,429	0.000

Source: Data processed in 2021

The tests in the PLS were carried out statistically for each hypothesized relationship through simulation: the implementation of the bootstrap procedure on the sample. Testing using bootstrap intends to reduce the problem of abnormal study data. The test results using bootstrapping through PLS analysis are broken down according to the following points:

**H1:** The clarity of budget targets has a significant effect on accountability for the performance of the Kotabaru District Government. The test results for the variable clarity of budget targets on performance accountability obtain a p-value of 0.000 less than 0.05 or clarify if the clarity of budget targets has a positive and meaningful effect on performance accountability, the magnitude of the effect a number of 2.942, then the first hypothesis decision is accepted. These results also make it clear that increasing the clarity of budget targets can trigger an increase in accountability for the performance of the Kotabaru District Government.

**H2:** The reporting system has a significant impact on the performance accountability of the Kotabaru District Government. The results of testing the budget reporting system variable on performance accountability obtained a p-value of 0.891 > 0.05 or clarified that if the reporting system is not significant for performance accountability, the second hypothesis is rejected. This explains that if the reporting system has a negative impact it is not meaningful for performance accountability. These results explain if the reporting system to the local government does not function to optimize accountability to the Kotabaru District Government.

**H3:** The clarity of budget targets has a significant effect on internal control of the Kotabaru District Government. The test results for the variable clarity of budget targets on internal control obtained a p-value of

0.000 less than 0.05 or the clarity of budget objectives has a positive and significant effect on internal control, the magnitude of the effect is 0.699, the third hypothesis is accepted. These results make it clear that an increase in the clarity of budget targets can trigger an increase in internal control by ensuring that operations are carried out properly, structured and successively in the Kotabaru District Government.

**H4:** The reporting system has a significant influence on the internal control of the Kotabaru District Government. The results of testing the variable internal control on performance accountability obtained a p-value of  $0.000 < 0.05$  or clarified that if internal control has a significant effect on performance accountability, it was decided to accept the fourth hypothesis. This result indicates that internal control ensures that operations can be carried out properly, in a structured and sequential manner in order to increase the accountability of the Kotabaru District Government.

**H5:** Internal control has a significant impact on the performance accountability of SKPD Kotabaru District Government, the results of the test results of the budget reporting system variable on internal control obtained a p-value of 0.000 more than 0.05 or the budget reporting system has a positive and significant influence on internal control, the magnitude of the influence is a number 0.292, it can be said that the fifth hypothesis is accepted. These results also clarify that a good reporting system plays a very important role in improving internal control in the Kotabaru District Government. The results of the PLS Bootstrapping test to test the hypothesis of target clarity on performance accountability through internal control as an intervening variable and reporting systems on performance accountability through internal control which become intervening variables are:

Table 12 Results of Hypothesis Testing through Intervening Variables

Variable	Original Sample	Sample Mean	Standard Deviation (STDEV)	T-Statistic (O/STDEV)	P-Value
Clarity of Budget Objectives -> Performance Accountability -> Internal Control	1,675	1,670	0,280	5,987	0,000
Reporting System -> Performance Accountability -> Internal Control	0,701	0,716	0,154	4,560	0,000

Source: Data processed in 2021

**H6:** Internal control acts as an intermediary for the effect of clarity on budget targets having a significant impact on performance accountability at the Kotabaru District Government SKPD. According to this description, conclude if the p-value is 0.000 less than 0.05 or the variable clarity of budget objectives has a significant effect on performance accountability through internal control variables as intervening variable of 1.675. This means that the sixth hypothesis is accepted. Explain if internal control is able to mediate the influence between the clarity of budget targets on the performance accountability of the Kotabaru District Government.

**H7:** Internal control mediates the influence of the reporting system which has a significant impact on performance accountability at the Kotabaru District Government SKPD. According to this description, concludes that if the p-value is 0.000 less than 0.05, it means that the reporting system variable has a significant effect on performance accountability through the internal control variable which becomes the variable intervening of 0.701, meaning that the seventh hypothesis is accepted. This matter explains that internal control can mediate the reporting system that affects the performance accountability of the Kotabaru District Government.

## CONCLUSION

The clarity of budget targets has a significant effect on accountability for the performance of government agencies, so that H1 is accepted. The reporting system has no significant effect on performance accountability, so H2 is rejected. The clarity of budget targets has a positive and meaningful influence on internal control, so that H3 is accepted. Internal control has a significant effect on accountability for the performance of government agencies, so that H4 is accepted. The reporting system has a significant influence on internal control, so H5 is accepted. Internal control as an intermediary for the clarity of budget targets that affects the performance

accountability of government agencies, it can be concluded that internal control as an intermediary variable has a positive and meaningful influence in mediating the relationship between the clarity of budget targets variables on the performance accountability of government agencies, so that H6 is accepted. Internal control acts as an intermediary for the reporting system that influences government agency performance accountability, concluding that internal control as an intermediary variable has a positive and significant influence in mediating the linkage of the reporting system to government agency performance accountability, so that H7 is accepted. Internal control can act as an intermediary reporting system for good performance accountability. SKPD leaders as internal controllers play a role in controlling all activities in achieving the programs and activities to be achieved.

The researcher suggests that future research expand the object of study so that it is not just an SKPD, but can be implemented in the private sector, such as companies. Not only that, but future researchers can also improve this study by analysing factors that further influence performance accountability, such as accounting controls, budget participation, and public accountability.

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