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| **RESEARCH ARTICLE**

Government Management Strategy to Maintain the Quality of Local Government Financial Reporting in East Kalimantan Province, Indonesia

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| **ABSTRACT**

The objectives to be achieved from this research are to determine and examine the factors that can affect the quality of the financial reports of the regional government of the province of East Kalimantan. The approach method used in this study is descriptive quantitative, using Multiple Linear Regression. The results showed that the determinant test (R^2) results were 52%, and other variables outside this model influenced the remaining 48%. Furthermore, the partial results found that: 1) organizational commitment variables, 2) apparatus attitudes, 3) apparatus competence, 4) information technology, and 5) monitoring/evaluation partially had a positive and significant effect on the quality of the financial reports of the regional government of East Kalimantan province. The quality of these financial reports is reflected in the results of the BPK-RI audit, which shows that the province of East Kalimantan won the Unqualified Opinion (UQO) predicate. In conclusion, it shows that the test results, both partially and simultaneously, all independent variables have a positive and significant effect on the quality of the financial reports of the regional government of the province of East Kalimantan, which is indicated by the achievement of Opinion from BPK-RI, Unqualified Opinion (UQO).

| **KEYWORDS**

Government management strategy; report quality; UQO.

| **ARTICLE INFORMATION**

1. Introduction

The quality of a government's financial reports can be seen from the results of the audit by the Supreme Audit Agency of the Republic of Indonesia (BKP-RI). Hay & Cordery, 2018; Appelbaum et al. (2018); and Jeppesen (2018) state that an entity's financial reports are said to be good if they are prepared based on Government Accounting Standards. Regional financial accounting management is prepared based on legislation, followed by an increase in quality Human Resources (HR) (Azizkhani et al., 2018); (Umar, 2018); (Faculty & Province, 2018). Based on the explanation above, a robust theoretical foundation is needed to maintain the continuity of the quality of local government financial reports. The Regional Government of East Kalimantan almost every year wins the Unqualified Opinion (UQO), which is the best opinion among all the opinions given by BPB-RI (Climent-Serrano et al., 2018); (Garcia-Blandon et al., 2017). This statement is based on the phenomena shown in table 1, the BPK-RI audit results for 2013-2020. The results of this inspection show that the quality of the local government financial reports in the province of East Kalimantan has been good. This condition is the basis for researchers wanting to find out what strategy the Regional Government of East Kalimantan has adopted so that it achieves Unqualified Opinion (UQO) opinion every year.

Tabel 1 Daftar Hasil Pemerikaan BPK-RI Periode 2013-2020

No	Pemda Provinsi	Opinion on Financial Reports (Quality) of Provincial Government Financial Reports							
		2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
1	Provinsi	WDP	WTP	WTP	WTP	WTP	WTP	WTP	WTP
2	Berau	WDP	WTP	WTP	WDP	WTP	WTP	WTP	WTP
3	Kubar	WDP	WDP	WTP	WTP	WTP	WTP	WTP	WTP
4	Kukar	WTP	WTP	WTP	WTP	WDP	WTP	WTP	WTP
5	Kutim	WDP	WDP	WTP	WTP	WTP	WTP	WTP	WDP
6	Paser	WTP	WTP	WTP	WTP	WTP	WTP	WTP	WTP
7	PPU	WDP	WDP	WDP	WTP	WTP	WTP	WTP	WTP
8	Ulu	-	TMP	TMP	WDP	WDP	WDP	WTP	WTP
9	Balikpapan	WTP	WTP	WTP	WTP	WTP	WTP	WTP	WTP
10	Bontang	WDP	WTP	WTP	WTP	WTP	WTP	WTP	WTP
11	Samarinda	WDP	WTP	WTP	WTP	WTP	WTP	WTP	WTP

Sumber: Kaltim.bpk.go.id, 2021.

Explanation of Table 1 above, related to Opinions given by BPK-RI for 8 (eight) consecutive years, can be explained as follows: 1) Unqualified Opinion (WTP) or (UQO) is a material aspect, the financial position, results of operations, and cash flows of the entity's financial statements are presented under generally accepted accounting principles in Indonesia. And the WTP opinion (UQO) is a dream and pride for both central and regional organizations because the organization concerned can demonstrate its responsibility as an entity to stakeholders (public/community); 2) Qualified Opinion (OP) is an opinion expressed when the financial statements are believed to be reasonable in all material respects, but incomplete in one respect the number of items that must be excluded, among these exceptions may occur, if: a) insufficient evidence, b) limited in scope, c) deviations from the application of Generally Accepted Accounting Principles in Indonesia. 3) Adverse Opinion (TW) or (Adverse Opinion) is an opposing opinion expressed in its entirety if the auditor needs to provide additional paragraphs to explain unusual matters in the financial statements, together with the impact of misstatement of the audit report.

The parties who benefit from the WTP Opinion (UQO) are all local government organizations in the province of East Kalimantan, including the district or city regional governments in East Kalimantan, so that the local government as a whole gain the trust of both the people in the regions, as well as the central government pay serious attention to local governments because the funds allocated so far have been well managed. Good management has proven that the achievement of WPT is based on several supporting aspects, namely:

1. Local government organizational commitment.
2. Competence of local government officials.
3. The positive attitude of apparatus.
4. Information technology support.
5. Monitoring and evaluation are carried out continuously.

These five aspects are essential to note to maintain the quality of local government financial reports
Based on this view, the authors are motivated to research to what extent these aspects affect the quality of local government financial reports.

1.1 Organizational Commitment
Poncian (2019); Nguyen & Sarker (2018) state that "organizational commitment is a condition in which an employee takes sides with the organization. Meanwhile (Hadi et al., 2020); (Jona & Soderstrom, 2017); (and Atmadja, 2018) state that organizational commitment is an attitude that reflects the extent to which a person knows and is bound to his organization. Moreover, research results (Poncian, 2019); (Nguyen & Sarker, 2018) explain that organizational commitment is formed from management, laying the foundations for an exemplary commitment from all components in the organization.

1.2 Government Organization Apparatus Competency
Zhou et al. (2017), Gul et al. (2020), Deslatte et al. (2018) state that competence is the ability to carry out a job based on skills and knowledge of the job. So knowledge and skills are causally related to fulfilling the criteria needed to occupy certain positions. From the understanding above, it can be concluded that competence is an ability that is inherent in a person. The same thing was stated

(Umar, 2018); (Indriasih, 2014), which explains that competence is an ability that is inherent in a person, but the competence possessed by each individual is different.

1.3 The attitude of Government Organization Apparatus

Zhou et al. (2017); Gul et al. (2020); Deslatte et al. (2018) state that attitude is a positive response from officials to carry out a job based on a desire, who carries out the work assigned to them. The attitude here is a positive response related to their duties and responsibilities as state apparatus. From the above understanding, it can be concluded that attitude is a willingness that is genuinely attached to a person. The same thing was stated (Umar, 2018); (Indriasih, 2014), which explains that attitude is a response that is always followed by one's actions, but this attitude is always associated with one's duties and responsibilities as a civil servant of the State.

1.4 Information Technology

(Cappiello, 2020) states that information technology is crucial and fundamental for various financial administration management needs, including funding information needs. Furthermore (Herlianti & Tawami, 2019); (Viete & Erdsiek, 2020) states that information and technology are service media that promise a global economy. (Kihara et al., 2016) Electronic archives have four management cycles: creation and storage, distribution and use, and maintenance and disposition.

1.5 Monitoring/Evaluation

(Wandi et al., 2019); (Al Hanini, 2018) states that evaluation is a follow-up to the monitoring stage, which includes the substance of the SOP that government officials have carried out. Furthermore, Dzomonda and Fatoki (2018) explain that monitoring is a routine activity carried out by apparatus according to their respective duties and functions. Meanwhile (Vakulich, 2014) argued that monitoring and evaluation is a form of control carried out by the government so that there is no misuse of local government financial accounting management.

2. Literature Review

The theory included in this study aims to justify and strengthen the findings of the research that has been done. Of course, the theory used in this paper is the theory and results of empirical studies from previous studies. This empirical study is related to the UQO Unqualified Opinion (Y); Regional Government Organizational Commitment (KO/X1); Regional Government Organization Apparatus Competency (KA/X2); Attitude of Regional Government Organization Apparatuses (SA/X3); Local Government Organization Information Technology (TI/X4); and Monitoring/Evaluation of Regional Government Organizations (ME/X5).

2.1 Unqualified Opinion (UQO/Y)

Climent-Serrano et al. (2018), Garcia-Blandon et al. (2017), and Hay & Cordery (2018) state that UQO is the best opinion. In this study, UQO is the variable to be examined as the dependent variable.

2.2 Organizational Commitment (KO/X1)

The study's results (Hadi et al., 2020) found that organizational commitment positively affects the system formed within the organization. Based on the empirical studies above, the proposed hypothesis formulation, firstly, states that the Commitment of Local Government Organizations (KO/X1) has a significant effect on Unqualified Opinion (UQO) so that the Organization Regional Government commits to minimizing fraud in the management of financial accounting in each Regional Government Organization (OPD). Based on this statement, the hypothesis in this study is.

H1: (KO/X1) has an effect on (UQO/Y)

2.2.1 Apparatus Competency (KA/X2)

The results of research conducted (Faculty & Province, 2018); (Indriasih, 2014); (Figueroa-Rodríguez et al., 2012) state that apparatus competency is the ability to carry out a job that is based on skills and knowledge of the job. So knowledge and skills are causally related to fulfilling the criteria needed to occupy certain positions. From the explanation above, it can be concluded that competence is an ability that is inherent in a person. Based on several empirical studies above, the formulation of the hypothesis proposed is as follows:

H2: (KA/X2) has a positive and significant effect on (UQO/Y).

2.2.2 Apparatus Attitude (SA/X3)

Attitudes can be divided into 2 (two) main parts, namely negative attitudes and positive attitudes (Hasiara et al., 2019). But a positive attitude in research becomes the main thing because the research that becomes the target is a positive attitude. A positive attitude is a person's willingness to carry out specific work that benefits the interests of many people (Hasiara, Sudarlan, 2019); (Azizkhani et al., 2018) and (Shahzad et al., 2018). Based on some of the empirical studies above, the formulation of the third hypothesis states that the Attitude of Regional Government Organizational Apparatuses (SAOPD/X3) influences Unqualified

Opinion (UQO) opinion, so with what attitude apparatus (PA/X3) can minimize the emergence of fraud in the management of regional financial accounting in each OPD. According to the statement above, the hypothesis in this study is as follows:

H3: (SA/X3) has a positive and significant effect on (UQO/Y).

2.2.3 Information Technology (IT/X4)
Kihara et al. (2016), Cappiello (2020) and Viete & Erdsiek (2020) state that information technology is fundamental and vital for various financial administration management needs, including information on funding. Furthermore (Herlianti & Tawami, 2019) states that information and technology are media services that promise a global economy. While (Tilahun, 2019) states that electronic archives have four good management cycles: creation and safer storage, distribution, use, maintenance, and disposition. Based on several empirical studies above, Information Technology (IT/X4) can facilitate the management of an entity's financial administration so that achieving an Unqualified Opinion (UQO) opinion is easy. According to this statement, the research hypothesis is:

H4: (TI/X4) has a positive and significant effect on (UQO/Y).

2.2.4 Regional Monitoring/Evaluation (ME/X5)
Vakulich (2014), Wandi et al. (2019), Al Hanini (2018), and Dzomonda & Fatoki (2018) state that monitoring is a follow-up to the evaluation stage, which includes the substance of Standard Operating Procedures (SOP). Furthermore, the SOP is a provision that becomes a joint commitment. Based on the theoretical and empirical studies above state that Monitoring and Evaluation (ME/X5) has a significant effect on Unqualified Opinion (UQO), so Monitoring and Evaluation can minimize fraud in the management of regional financial accounting in each Regional Government Organization (OPD). According to this statement, the hypothesis in this study is:

H5: (ME/X5) has a positive and significant effect on (UQO/Y).

Dzomonda & Fatoki (2018) State that evaluation is a follow-up to the monitoring phase, which includes substances from SPI. Furthermore (Vakulich, 2014) states that all activities carried out by the government must be informed to the public. (Al Hanini, 2018) states that evaluation is part of the control. The same thing Dzomonda & Fatoki (2018) state is that activity evaluation is a series of monitoring of activity implementation. The organization's evaluation of activities is carried out with the hope of improving existing weaknesses. Here the author shows the quality of financial reporting audit results of the Supreme Audit Agency of the Republic of Indonesia (BPK-RI).

Based on this information, the authors first conducted this research to provide information on the quality of financial reports, as shown in table 1 above. Second, the formulation of the problems encountered in this study are 1) organizational commitment, 2) apparatus competence, 3) apparatus attitudes, 4) information technology, and 5) monitoring/evaluation affects the quality of financial reports.

3. Methodology
The method used in this study is quantitative, emphasizing the accuracy of the data, tools, and analysis methods. The materials described in this method are (a) the study population; (b) data type; (c) quantitative data collection techniques; (d) data analysis methods; (e) test the validity of research instruments; (f) research instrument reliability test; and (g) classic assumption test.

3.1 Population and Sample
Wandi et al. (2019) furthermore, (Hasiara, Suyudi, & Sailawati, 2022), (Jogiyanto Hartono, 2008), and (Sugiyono, 2009) state that the population is the entire object of research. Furthermore, the object of this research is four districts/cities plus the Province of East Kalimantan. The population in this study were heads of offices, secretaries, heads of fields, heads of sections, heads of sub-sections, and employees specializing in finance and accounting in the OPD working area of East Kalimantan province.

3.2 Data collection techniques
The data used in this research is a questionnaire obtained from the respondents' answers to the questionnaire that has been distributed previously. The questionnaire was collected by one of the staff appointed by superiors in certain OPDs. The questionnaire was made in the form of a Likert scale with alternative answers: strongly agree, agree, disagree, and strongly disagree, with intervals 1-4. The number of respondents in the study was 750; from the questionnaires, 712 respondents were obtained, back and can be processed. Questionnaire representation is as much as 90.77% by using the Likert scale measurement.

4. Results and Discussion

4.1 The results of the classical assumption test

The classical assumption test is a statistical requirement that must be met in multiple linear regression analysis (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022) explaining that the classic assumption test includes normality tests, heteroscedasticity tests, multicollinearity test, and linearity test. Based on the series of classical assumption tests, each test result can be seen in the graphic below.

4.1.1 Normality test

Based on the results of the normality test that has been carried out, it shows a normal value because seen from the Normal P-P Plot of Regression Standardized Residual shows that the zero points shift up and down alternately around the diagonal line. This shows that the results of the normality test are normal (multiple (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022).
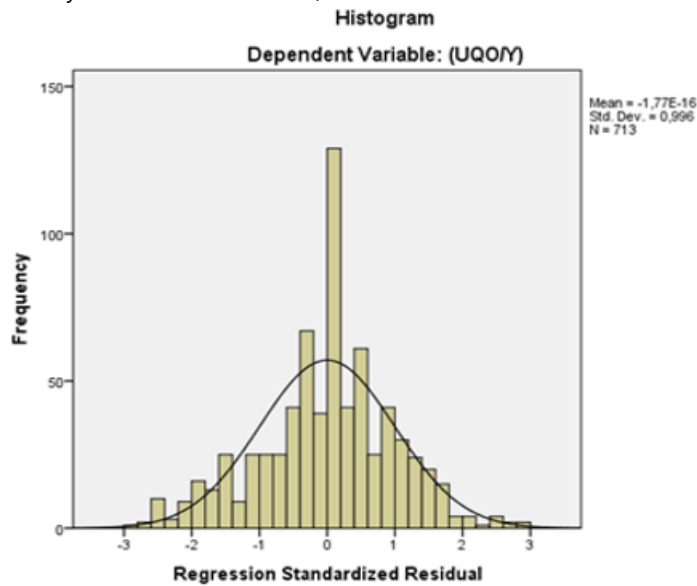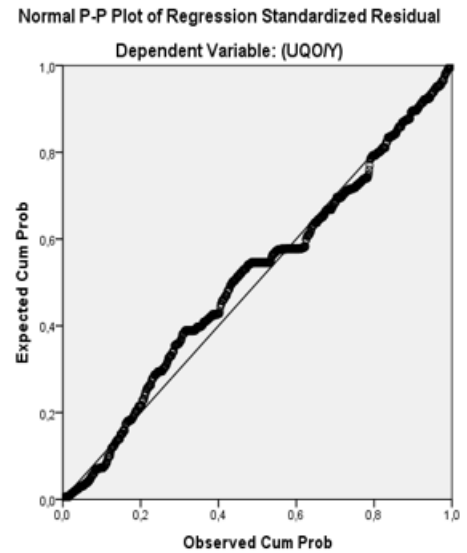

Figure 1. Data normality test results

Figure 2. Data normality test results.

4.1.2 Heteroscedasticity test

Based the results of the heteroscedasticity test that has been carried out show good results because, from the Scatterplot, it appears that the points spread randomly, either at the top of the zeros or at the bottom of the zeros from the vertical axis or Y axis, the points distributed randomly, this shows doubling does not occur (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022) heteroscedasticity test results can be seen in figure 3 squares per length below.
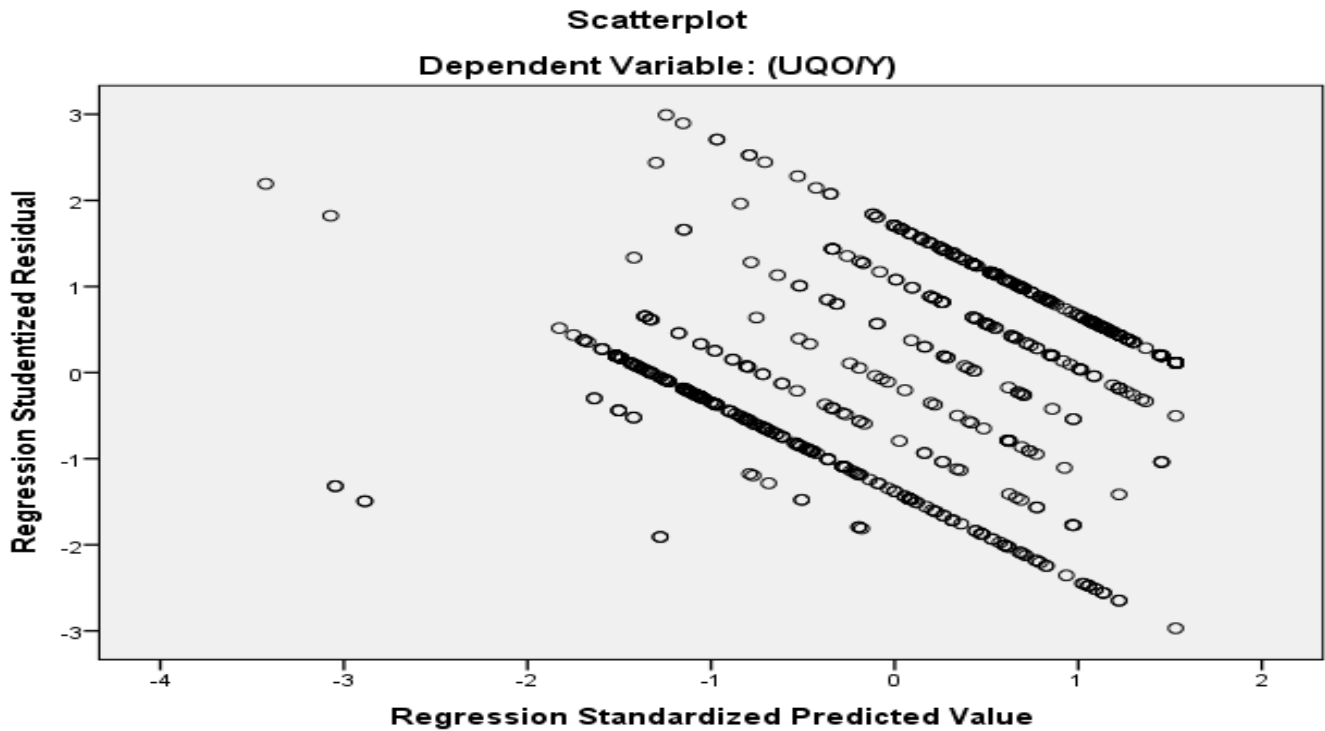
Figure 3. Rectangle image of heteroscedasticity test results

4.1.3 Multicollinearity test

Based on the results of the multicollinearity test that has been carried out show good results because the Variance Inflation Factor (VIF) is not more than 10, because the results obtained from the Variance Inflation Factor (VIF) with the lowest value = 1.178 and the highest value = 1.515 means; accordingly, the results of the Variance Inflation Factor (VIF) indicate that there are no symptoms of multicollinearity (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022).

Table 2. Coefficients Multiconierity Test Results

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. | Collinearity Statistics | |
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	-,710	,721		-,984	,326		
(KO/X1)	,130	,029	,129	4,427	,000	,805	1,243
(KA/X2)	,149	,032	,148	4,675	,000	,683	1,464
(SA/X3)	,145	,031	,150	4,658	,000	,660	1,515
(TI/X4)	,156	,034	,129	4,545	,000	,849	1,178
(ME/X5)	,447	,034	,422	13,353	,000	,682	1,467

a. Dependent Variable: (UQO/Y)

4.1.4 Linearity test

Based on the results of the linearity test that has been carried out shows good results because the values obtained are in the position of the values of the four independent variables tested, showing an average value = 0.000 <0.0500. This value indicates a good linear line (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022).

Table 3. Linearity Test Results for Variable X1 against Y ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
(UQO/Y) * (KOPD/X1)	Between Groups	(Combined)	847,965	12	70,664	16,274	,000
		Linearity	645,725	1	645,725	148,711	,000
		Deviation from Linearity	202,240	11	18,385	4,234	,240
	Within Groups		3039,502	700	4,342		
	Total		3887,467	712			

Table 4. Linearity Test Results for Variable X2 against Y ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
(UQO/Y) * (KAOPD/X2)	Between Groups	(Combined)	992,328	11	90,212	21,843	,000
		Linearity	903,419	1	903,419	218,745	,000
		Deviation from Linearity	88,909	10	8,891	2,153	,019
	Within Groups		2895,139	701	4,130		
	Total		3887,467	712			

Table 5. Linearity Test Results for Variable X3 against Y ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
(UQO/Y) * (SAOPD/X3)	Between Groups	(Combined)	1253,757	10	125,376	33,418	,000
		Linearity	958,307	1	958,307	255,431	,000
		Deviation from Linearity	295,450	9	32,828	8,750	,112
	Within Groups		2633,710	702	3,752		
	Total		3887,467	712			

Table 6. Linearity Test Results for Variable X4 against Y ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
(UQO/Y) * (TIOPD/X4)	Between Groups	(Combined)	618,553	8	77,319	16,652	,000
		Linearity	576,667	1	576,667	124,192	,000
		Deviation from Linearity	41,886	7	5,984	1,289	,253
	Within Groups		3268,914	704	4,643		
	Total		3887,467	712			

Table 7. Linearity Test Results for Variable X5 against Y ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
(UQO/Y) * (MEOPD/X5)	Between Groups	(Combined)	1636,437	8	204,555	63,974	,000
		Linearity	1607,066	1	1607,066	502,603	,000
		Deviation from Linearity	29,371	7	4,196	1,312	,241
	Within Groups		2251,030	704	3,197		
	Total		3887,467	712			

4.1.5 Testing the coefficient of determination (R2)

Testing the accuracy of the multiple linear regression model in estimating values in this study was carried out in three stages, namely: 1) test the coefficient of determination (R2), 2) partial test (t test), and 3) simultaneous test (f test), the test results can be seen in table 8. Regression analysis is an analytical tool used to measure the effect of independent variables on the dependent variable through the classical assumption test (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi & Susilawati, 2022).

Table 8 Results of the coefficient of determination (R2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,720ᵃ	,519	,515	1,62668

a. Predictors: (Constant), (ME/X5), (TI/X4), (KO/X1), (KA/X2), (SA/X3)
b. Dependent Variable: (UQO/Y)

The test results in table 8 above show that the determination of the coefficient (R2) aims to measure the extent to which the model can explain the variation of the independent variable to the dependent variable. The test results for the Coefficient of Determination in this study show a value (R2) of 52%. This value means that the dependent variable can only obtain 52% of the independent variable, and other variables outside this study influence the rest. Furthermore, the authors present the simultaneous test results in this study. The test results can be seen in table 9 below.

Table 9 Simultaneous Test Results (Test F) ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2016,686	5	403,337	152,428	,000ᵇ
	Residual	1870,781	707	2,646		
	Total	3887,467	712			

a. Dependent Variable: (UQO/Y)
b. Predictors: (Constant), (MEOPD/X5), (TIOPD/X4), (KOPD/X1), (KAOPD/X2), (SAOPD/X3)

Based on the test in table 9 above, it shows that the value obtained is smaller than 0.050, namely 0.000 <0.050. This value can be interpreted that simultaneously the variables (KO/X1), (KA/X2), (SA/X3), (ME /X5) has a simultaneous effect on the Unqualified Opinion (UQO) variable. Then proceed with partial testing, which can be seen in table 10 below,

Table 10. Partial Test Results (t-test) Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,710	,721		-,984	,326
	(KO/X1)	,130	,029	,129	4,427	,000
	(KA/X2)	,149	,032	,148	4,675	,000
	(SAX3)	,145	,031	,150	4,658	,000
	(TI/X4)	,156	,034	,129	4,545	,000
	(ME/X5)	,447	,034	,422	13,353	,000

a. Dependent Variable: (UQO/Y)

Based on the test results, as shown in table 10 above, it shows that all independent variables (KO/X1), (KA/X2), (SA/X5), (ME/X5) in this study have a positive and significant effect on the dependent variable (Y).

4.2 Discussions
4.2.1 Coefficient of determination (R2)
Based on the determination test, the R2 value = 52%. This value can be interpreted that the independent variable can only influence 52% of the dependent variable. The remaining 48% is influenced by other variables outside this research model (Gendro Wiyono, 2011) and (Jogiyanto Hartono, 2008) and (Hasiara, Suyudi, & Susilawati, 2022).

4.2.2 Proof of partial and simultaneous tests
The first hypothesis (H1) states that the Commitment of Local Government Organizations (KO/X1) has a significant effect on UQO so that the commitment of local government organizations can maintain UQO by minimizing fraud in financial management areas in the province of East Kalimantan. The test results show that the t-count is 4.427 with a significant 0.000 <0.050. It can be concluded that the variable Local Government Organizational Commitment (KO/X1) has a significant effect on Unqualified Opinion (UQO). The results of this study are in line with the results of research conducted (Nguyen & Sarker, 2018); (Tambingon et al., 2018); (Hadi et al., 2020) and (Hasiara, Suyudi, & Sailawati, 2022) state that Government Organizational Commitment has a positive and significant impact on Unqualified Opinion (UQO). This means that the better the organizational commitment of the local government, the better the quality of the financial reports of the regional government of East Kalimantan province, as shown by the results of the BPK-RI examination with Unqualified Opinion (UQO) as shown in table 1 above.

The second hypothesis, (H2), states that the competence of the local government apparatus (SA/X2) has a significant effect on the Unqualified opinion (UQO), so the competence of the local government organizational apparatus (SA/X2) can minimize the level of fraud in the management of local government financial accounting. The results of the calculations show that the t-count is 4.675 with a significant level of 0.000 <0.05, so it can be concluded that the competence variable of the local government apparatus (KA/X2) has a positive and significant effect on the quality of the financial reports of the Kalimantan provincial government East. Furthermore, the quality of local government financial reports is reflected in the results of BPK-RI audits. If the quality of financial reports is good, then UQO is easy to achieve. The results of this study are supported by the results of research conducted (Faculty & Province, 2018); (Indriasih, 2014); (Figueroa-Rodríguez et al., 2012), which states that apparatus competency can improve the quality of financial reports for the regional government of East Kalimantan province.

The third hypothesis (H3) states that the Attitude of Regional Government Organizational Apparatuses (SA/X3) significantly affects the quality of local government financial reports. The calculation results show that the t-count is 4.658 with a significant level of 0.000 <0.05, so it can be concluded that the variable Attitude of Local Government Organizational Apparatuses (SA/X3) has a positive and significant effect on the quality of the financial reports of the Kalimantan provincial government East. The results of the BPK-RI inspection are shown in table 1 above. Furthermore, the results of this study are in line with the results of research conducted (Hasiara et al., 2019); (Azizkhani et al., 2018) and (Shahzad et al., 2018), which state that the positive attitude of officials can improve the quality of regional financial reports. This means that the better the positive attitude possessed by the apparatus, the better the quality of the financial reports of the East Kalimantan provincial government. It is proven that the Unqualified Opinion (UQO) can be maintained every year.

The fourth hypothesis (H4) states that Information Technology for Local Government Organizations (TI/X4) has a positive and significant effect on the quality of local government financial reports. It can be measured based on the results of the BPK-RI examination that the Unqualified Opinion (UQO) is achieved yearly. The results of the calculations show that the t-count is 4.545 with a significant level of 0.000 <0.05, so it can be concluded that the Information Technology variable (TI/X4) has a positive and significant effect on the quality of the financial statements of the local government of East Kalimantan province. The results of this study are supported by the results of research conducted (Kihara et al., 2016); (Cappiello, 2020) and (Viete & Erdsiek, 2020); (Herlianti & Tawami, 2019) and (Tilahun, 2019) stated that Information Technology greatly supports the implementation of local government financial accounting.

The fifth hypothesis (H5) states that Monitoring and Evaluation (ME/X5) has a positive and significant effect on the quality of financial reports. The quality of financial reports can be measured by obtaining UQO. The results of the calculations show that the t-count is 13.353 with a significant level of 0.000 <0.05, so it can be concluded that the variable Monitoring and Evaluation (ME/X5) has a positive and significant impact on the quality of the financial reports of the regional government of East Kalimantan province. The results of this study are in accordance with the results of research conducted (Vakulich, 2014) and (Wandi et al., 2019); (Al Hanini, 2018) and (Dzomonda & Fatoki, 2018). It means that the better the technology owned by the local government, the better the financial accounting management of the regional government of East Kalimantan province. It can be proven as shown in table 1 above.

In conclusion, the determination test (R2) result is 0.549. It shows that the independent variables have a simultaneous effect of 54.90%, and variables outside this model influence the rest at 45.10%. All independent variables have a significant impact on the dependent variable.

4.3 Implications

The results of this study are beneficial for implementing local financial government accounting. If the government maintains the area where the audit of government financial accounting is carried out, the funds saved from acts of corruption can improve the welfare, health, and education of the people in the area. This is important because the funds held from acts of corruption can be used to: (a) improve the welfare of the people in the regions, (b) improve the quality of human resources in the field of education in the regions, (c) improve the health of the people in the regions. Regions, (d) improving services in the social sector.

5. Conclusion

First, it is stated that all classical assumption tests are met, for example: 1) the normality test results show the data are displayed normally, 2) the heteroscedasticity test results show the data are spread evenly, 3) the multicollinearity test results show the VIF value is below 10, so nothing happens the presence of multicollinearity, 4) the results of the linearity test show the relationship of each independent variable to the dependent variable showing a value less than 0.05 (0.000 <0.050). **Second,** the coefficient of determination (R2) = 52%. This value shows that the independent variable only affects 52% of the dependent variable, and the remaining 48% affects other variables outside this research model. **Third,** the results of the partial test show that all independent variables have a positive and significant effect on the dependent variable because all independent variable values obtained are 0.000 <0.050**. Fourth,** because the results of the partial test show a positive and significant effect, the results of the simultaneous test automatically show a real positive and significant effect. **Fifth**, it is proven that if organizational commitment is strong, HR competence is sufficient, followed by a positive response from all levels of the Regional Government, supported by adequate information technology and strong internal control (ME). It can be ensured that the quality of an entity's financial reports is good. This is evidenced by the acquisition of UQO (see table 1) above.

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