



ANALYSIS OF FACTORS AFFECTING THE QUALITY OF REGIONAL GOVERNMENT FINANCIAL STATEMENTS NORTH TORAJA DISTRICT

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Abstract:-

This study aims to test and analyze the analysis of the factors that affect the quality of the financial reports of the North Toraja regency government. The population in this study were accounting employees at the Regional Financial and Asset Management Agency of North Toraja Regency. The sampling technique used non probability sampling with a purposive sampling approach. The samples used in this study were 3 agencies in North Toraja Regency, amounting to 30. In this study the authors used primary data, namely data directly collected by researchers from the first source. The coefficient formulation used is the Pearson Product Moment Test with SPSS version 25. In this study the dependent variable is the quality of financial reports, while the independent variables used are the internal control system, human resource competence, internal audit independence, organizational commitment and technology utilization. information.

Keywords: Internal control system, Human resource competence, Independence of internal audit, Organizational commitment, Utilization of information technology, Financial report quality.

Introduction:-

The low quality of local government financial reports (LGFR) in Indonesia is still a concern among academics and practitioners. Udayanti and Ariyanto (2014) revealed that a lack of understanding of Government Accounting Standards (GAS), poor internal control systems and lack of competence of staff determine the quality of LGFR. The Financial Audit Board (FAB) Semester II 2018 Audit Results Summary report shows that there are still problems in the presentation of accounts with SAP and weak internal control systems. There are 100 cases of weaknesses in regency or municipal internal control systems in Indonesia with several problems including inaccurate recording (46 cases), incomplete Standard Operating Procedures (SOP) (18 cases) and other SPI weaknesses (36 cases).

In the last few years, North Toraja Regency has again received the title of WTP opinion from BPK RI representatives of South Sulawesi (see Rakyatku News, 2019). The WTP opinion obtained by the local government of North Toraja Regency consistently for four (4) consecutive years is an interesting phenomenon to study. Several previous studies such as (Ratmono, 2019; Tambingon et al., 2018; Anggriawan and Yudianto, 2018; Sudiarianti, 2015) reveal that factors that affect the quality of LGFR include internal control systems, human resource competence, regional financial supervision, commitment organization and utilization of information technology.

The application of government accounting standards (GAS) through the internal control system is a factor that plays an important role in the presentation of financial statements. The reason is that the internal control system is able to provide accounting information to users regarding financial position, results of operations, and the information is clear, consistent and reliable. The internal control system is the basis for the government in preparing and presenting financial reports in order to improve the quality of financial reports (Government Regulation Number 71 of 2010 concerning Government Accounting Standards).

The second factor that affects the quality of LGFR is the competence of human resources. According to Ratmono (2019), competence is a characteristic of someone who has the skills, knowledge and abilities to carry out a job. Competent resources are able to understand the existing accounting logic, and can be more efficient and effective in preparing financial reports.

Competent human resources are needed to carry out good management, have experience in finance and often attend education and training. According to Ratmono (2019), the lack of competence in human resources affects the relevance of the resulting financial statements. However, these findings are different from research by Syarifuddin (2014) which explains that in general the competence of human resources does not provide a strong boost to the quality of LGFR, which in general has the meaning that increased competency variables have no effect on quality improvement (LGFR).

In addition, the quality of financial reports is also determined by the independence of internal audit. Internal audit is an independent, objective confidence and consulting activity designed to add value and improve an organization's operations. The independence of internal audit helps the organization achieve its goals by applying a systematic and disciplined approach to evaluate and improve the effectiveness of the risk management process and organizational management (Tambingon et al., 2018). However, research conducted by Samelson in Efendy (2010) found that independence had no significant effect on the quality of financial statements.

Organization commitment also determines the quality of financial reports. Organizational commitment is the ability and willingness to align personal behavior with organizational needs, priorities and goals. According to Anggriawan and Yudianto (2018) organizational commitment tends to be defined as a combination of attitudes and behavior. Organizational commitment involves three attitudes, namely a sense of identification with organizational goals, a sense of involvement with organizational tasks and a sense of loyalty to the organization. In the context of government, officials who have a high organizational commitment will use the information they have to prepare financial reports to be relatively more precise.

Finally, the factor that determines the quality of LGFR is the use of information technology. The use of information technology is the main choice in creating an information system for an organization that is strong and capable of creating competitive advantages amid increasingly fierce competition. Current technological advances have made government agencies start to abandon manual systems and switch to computer systems. However, the obstacles to the application of information technology, among others, are related to the condition of the hardware, software used, updating of data, the condition of existing human resources, and limited funds.

Current technology uses a set of computers to process data, a network system to connect one computer to another as needed, and telecommunications technology is used so that data can be spread and accessed globally (Sudiarianti, 2015). Information technology includes computers, software, databases, networks, and other types of technology. Information technology other than computer technology for processing and storing information, also functions as a communication technology for information dissemination. Computers as one component of technology are tools that can multiply human abilities and computers can also do things that humans may not be able to do (Sudiarianti, 2015).

This study refers to the research findings of Ratmono (2019), Tambingon et al. (2018), and Sudiarianti (2015) which reveal that the factors that affect the quality of LGFR include internal control systems, human resource competence, regional financial supervision, organizational commitment and utilization. information Technology. In practice, this study refers to agency theory which is later described by Mardiasmo (2009) and DiMaggio and Powell (1983) institutional theory.

Literature Review:-

Internal Control System

According to Mulyadi (2001) the internal control system is a process to achieve certain goals carried out by people from every level of the organization who are expected to be able to provide sufficient confidence to achieve the interrelated goals of financial reporting, compliance, and operations. The internal control system according to Government Regulation (PP) Number 60 of 2008 which regulates the government internal control system (SPIP) is an integral process for activities and actions carried out continuously by the leadership and the achievement of organizational goals through effective and efficient activities, reliability financial reporting, safeguarding state assets, and compliance with laws and regulations. Elements of the internal control system that have been practiced in government circles in various countries (see Cherina, 2018).

According to PP No. 8 of 2006, the internal control system is a process that is influenced by management created to provide adequate confidence in achieving effectiveness, efficiency, compliance with applicable laws and regulations, and reliability of the presentation of government financial reports. In PP No. 60 of 2008 the dimensions and indicators used to measure the internal control system can be seen from the control environment, risk assessment, control activities, information and communication, and monitoring.

Human Resources Competence

According to Zuliatri (2012) human resource competence is the ability of a person or individual, an organization (institutional), or a system to carry out their functions or authority to achieve their goals effectively and efficiently. Competence is seen as the ability to achieve performance, to produce outputs and outcomes. Local governments really need professional human resources with broad insight, have competence in their fields and have a competitive spirit. Professional human resources will be able to complete their duties and jobs completely, based on their main tasks and functions. Qualified and competent human resources in the field of accounting (finance) are the main support for compiling quality financial reports.

Azhar (2010) mendefinisikan sumber daya manusia merupakan pilar penyangga utama sekaligus penggerak roda organisasi dalam usaha mewujudkan visi dan misi serta tujuan dari organisasi tersebut. Sumber daya manusia merupakan salah satu elemen organisasi yang sangat penting, oleh karena itu harus dipastikan bahwa pengelolaan sumber daya manusia dilakukan sebaik mungkin agar mampu memberikan kontribusi secara optimal dalam upaya pencapaian tujuan organisasi.

Dalam pengelolaan keuangan daerah, pemerintah daerah harus memiliki sumber daya manusia yang kompeten, yang didukung dengan latar belakang pendidikan akuntansi, sering mengikuti pendidikan dan pelatihan, dan mempunyai pengalaman di bidang keuangan.

Independence of Internal Audit

According to the Institute of Internal Auditors (IIA, 2012) the independence of internal auditors is freedom from conditions that threaten the ability of internal audit to carry out its responsibilities as an internal audit in order to be able to be accountable for reporting in a professional and unbiased manner. Threats to independence must be managed at the individual functional and organizational auditor level. Furthermore, Pickett (2010) states that the independence of internal auditors is freedom from conditions that threaten internal audit activity to be objectively accounted for. In line with Hiro's (2006) statement, internal auditor independence is free from situations that threaten objectivity both individually and in groups.

Utilization of Information Technology

According to the Law of the Republic of Indonesia Number 11 of 2008 concerning electronic information and transactions, it is stated that information technology is a technique for collecting, preparing, storing, processing, announcing, analyzing, and or disseminating information. Information technology other than computer technology (hardware and software) for processing and storing information, also functions as a communication technology for information dissemination.

The high cost of human labor required in data processing makes manual processing less effective in terms of volume and processing costs. Manual processing has a stable cost at a fairly high figure. Meanwhile, using a machine, although the initial investment costs are more, but in its development it will be able to reduce processing costs while maintaining volume. Meanwhile data processing using computers can continue to reduce costs at the lowest position compared to other processing methods.

In conjunction with accounting information systems, computers will increase system capabilities. When computers and components related to information technology are integrated into an accounting information system, no general activity is added or decreased. Accounting information systems still collect, process and store data. The system still includes controls over data accuracy.

Quality of Regional Financial Reports

Government Regulation No. 71 of 2010 describes the qualitative characteristics of financial statements as normative measures that need to be translated into accounting information so that it can fulfill its objectives. There are four elements that constitute the normative prerequisites for government financial reports to be of the desired quality: relevant, reliable, comparable and understandable.

1. Can be understood

Quality information is information that can be easily understood by information users. Likewise, financial reports must also be presented properly and according to standards so that users of financial statement information can easily understand these financial statements.

2. Relevant

Information is said to be relevant if it can influence the user's economic decisions, that is, by means of which it can be used to evaluate past events. The relevance of information is useful in predicting or predicting (predictive) and affirmation (confirmatory), which are related to one another.

3. Reliability (Reliability)

A good financial report is if it provides reliable information. Information is reliable if it does not have or is free from misleading notions, material errors, and is presented in an honest way (faithful representation). Reliability of information will also affect relevance, because if the information presented is reliable it will be increasingly relevant. Likewise, if the information is not reliable, there will be great potential to mislead users of the information.

4. Comparable

Users of financial statements must be able to compare the company's financial statements between periods to identify trends in financial position and performance. Users must also be able to compare financial reports between companies to evaluate their relative financial position.

Research Methods:-

This study aims to provide an overview of the factors that affect the quality of the financial reports of the North Toraja regency government. The sampling technique used non probability sampling with a purposive sampling approach. The criteria that have been determined by researchers include (a) civil servants, (b) employees who carry out accounting or finance functions, (c) employees who work as section heads and staff of the accounting and finance department, and (d) treasurers in each -Each service. The samples used in this study were 3 agencies in North Toraja Regency, amounting to 30. In this study the authors used primary data, namely data directly collected by researchers from the first source. In this study the data collection methods used were questionnaires, interviews, literature study, and documentation. The coefficient formulation used is the Pearson Product Moment Test with SPSS version 25. In this study the dependent variable is the quality of financial reports, while the independent variables used are the internal control system, human resource competence, internal audit independence, organizational commitment and technology utilization. information.

Results:-

Description of Research Results

Validity and Reliability Test

To obtain local government financial reports with good quality, attention and efforts for development or improvement are directed at the factors that influence it. In this study, the quality of the financial reports of the North Toraja Regency government is analyzed with a focus on the internal control system variables, HR / Apparatus competence, internal audit independence, organizational commitment and the use of information technology. These variables are measured using indicators obtained from previous studies.

However, all indicators of research variables were tested for their validity and reliability first as required in a quantitative study. The validity test was carried out by correlating the score of each item with the total score of each attribute, the coefficient formulation used was the Pearson Product Moment Test with the SPSS version 25 program. As shown in Table 5.1. According to Sugiyono (2001: 123), the correlation between total item scores is an interpretation by consulting the critical r value. If r count is greater than critical r, then the instrument is declared valid. From the statistical table with $df = (n-2) = (49-2) = 47 = 0.282$. From the validity test carried out on the score of each item with the total score of each attribute in this study, the results of all items of the independent variable and the dependent variable show valid or valid, with the Pearson correlation value between the questions with a total positive above 0.282. .

Table 1 Validity test results

Variable	Indicator	R count	R table	Description
Internal control system (X1)	X1.1	0,394	0,282	Valid
	X1.2	0,779	0,282	Valid
	X1.3	0,833	0,282	Valid
	X1.4	0,663	0,282	Valid
	X1.5	0,605	0,282	Valid
	X1.6	0,651	0,282	Valid
	X1.7	0,697	0,282	Valid
	X1.8	0,710	0,282	Valid
	X1.9	0,697	0,282	Valid
	X1.10	0,730	0,282	Valid
	X1.11	0,713	0,282	Valid
	X1.12	0,790	0,282	Valid
	X1.13	0,640	0,282	Valid
	X1.14	0,436	0,282	Valid
	X1.15	0,673	0,282	Valid
	X1.16	0,665	0,282	Valid
	X1.17	0,582	0,282	Valid
Human resource competence (X2)	X2.1	0,543	0,282	Valid
	X2.2	0,761	0,282	Valid
	X2.3	0,631	0,282	Valid
	X2.4	0,712	0,282	Valid
	X2.5	0,393	0,282	Valid
	X2.6	0,580	0,282	Valid
	X2.7	0,680	0,282	Valid
	X2.8	0,635	0,282	Valid
	X2.9	0,783	0,282	Valid
	X2.10	0,599	0,282	Valid
	X2.11	0,557	0,282	Valid
	X2.12	0,809	0,282	Valid
Independence of internal audit (X3)	X3.1	0,540	0,282	Valid
	X3.2	0,548	0,282	Valid
	X3.3	0,487	0,282	Valid
	X3.4	0,371	0,282	Valid
	X3.5	0,299	0,282	Valid
	X3.6	0,655	0,282	Valid
Organizational commitment (X4)	X4.1	0,514	0,282	Valid
	X4.2	0,811	0,282	Valid
	X4.3	0,738	0,282	Valid
	X4.4	0,661	0,282	Valid
	X4.5	0,546	0,282	Valid
	X4.6	0,684	0,282	Valid
	X4.7	0,545	0,282	Valid
Utilization of information technology (X5)	X5.1	0,514	0,282	Valid
	X5.2	0,552	0,282	Valid

Variable	Indicator	R count	R table	Description
	X5.3	0,694	0,282	Valid
	X5.4	0,637	0,282	Valid
	X5.5	0,539	0,282	Valid
Financial report quality (Y)	Y.1	0,569	0,282	Valid
	Y.2	0,490	0,282	Valid
	Y.3	0,512	0,282	Valid
	Y.4	0,483	0,282	Valid
	Y.5	0,609	0,282	Valid
	Y.6	0,350	0,282	Valid
	Y.7	0,338	0,282	Valid
	Y.8	0,610	0,282	Valid
	Y.9	0,413	0,282	Valid
	Y.10	0,488	0,282	Valid

Source: Primary data processed, 2020

Reliability testing with internal consistency was done by testing the instrument only once, then the data obtained were analyzed using Cronbach's Alpha. The concept of reliability according to this approach is consistency between items in an instrument. The level of relationship between question items in an instrument to measure certain variables shows the level of internal consistency reliability of the instrument in question. From the results of data processing, the alpha value of each variable can be seen in the table as follows:

Table 2. Reliability Test Results

Variabel	Cronbach's Alpha	explanation
Internal control system (X1)	0,759	Reliabel
Human resource competence (X2)	0,758	Reliabel
Independence of internal audit (X3)	0,675	Reliabel
Organizational commitment (X4)	0,760	Reliabel
Utilization of information technology (X5)	0,726	Reliabel
Financial report quality (Y)	0,710	Reliabel

Source: Primary data processed, 2020

The results of the analysis as in Table 5.2 can be seen that the reliability coefficient can be accepted using the Cronbach's Alpha reliability > 0.60 (Zeithaml Berry), where the Cronbach's Alpha coefficient for internal control system variables is 0.759, the Cronbach's Alpha coefficient for the variable human resource competence is 0.758, the Cronbach's Alpha coefficient for the internal audit independence variable is 0.675, the Cronbach's Alpha coefficient for the organizational commitment variable is 0.760, the Cronbach's Alpha coefficient for the information technology utilization variable is 0.726, and the Cronbach's coefficient Alpha for the quality variable of local government financial reports is 0.710. The test results as shown in the table above show a result greater than 0.6 (> 60%), so the measurement is reliable.

Multiple Linear Regression Analysis Test

This study aims to analyze the factors that affect the quality of the financial reports of the local government of North Toraja Regency. Based on the theoretical basis and previous studies, the internal control system, HR / ASN competence, independence of internal auditors, organizational commitment and the use of information technology are the determining variables for the quality of the financial statements of the North Toraja Regency government.

Based on this description, the data analysis technique used in this study uses multiple linear regression analysis with the following equation assumptions:

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + e$$

Where :

Y = Quality of financial reports

X1 = Internal control system

X2 = Human resource competence

X3 = independence of internal audit

X4 = Organizational commitment

X5 = Utilization of information technology

b0 = Constant

b1-5 = regression coefficient

e = Residual or random error

By using the tools of the SPSS Version 25 data analysis program, the regression coefficient value for each variable which includes the internal control system, human resource competence, internal audit independence, organizational commitment and utilization of information technology is obtained, the coefficient in the regression calculation above is obtained. the regression equation is as follows:

$$Y = 0.067 + 0.226X_1 + 0.208X_2 + 0.268X_3 + 0.148X_4 + 0.181X_5$$

Tabel 3 Hasil perhitungan regresi

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
1 (Constant)	.067	.298		.224	.824		
Internal Control System	.226	.058	.317	3.895	.000	.373	2.679
HR competencies	.208	.054	.285	3.870	.000	.456	2.192
Independence of Internal Audit	.268	.089	.196	3.007	.004	.585	1.710
Organizational Commitment	.148	.043	.183	3.429	.001	.869	1.151
Utilization of Information Technology	.181	.067	.215	2.695	.010	.388	2.578

Dependent Variable: Kualitas Laporan Keuangan
Source: Primary data processed, 2020

The multiple linear regression equation above can be interpreted as follows:

1. The multiple linear regression formula above obtained a constant value of 0.067, which means that if the score includes the internal control system, human resource competence, internal audit independence, organizational commitment, and the use of information technology, the value is constant, then the quality of the financial statements of Toraja Regency North has a value of 0.067.
2. The regression coefficient value of the internal control system (X1) is 0.226 which means that there is a positive and significant influence of the internal control system on the quality of the financial statements of North Toraja Regency of 0.226 so that if the internal control system score increases by 1 point it will be followed by an increase in the quality score of financial reports by 0.226 points
3. The regression coefficient value of human resource competence (X2) is 0.208, which means that there is a positive and significant influence of human resource competence on the quality of the financial statements of North Toraja Regency of 0.208 so that if the regulatory score increases by 1 point it will be followed by an increase in the score of local government budget absorption. North Toraja Regency by 0.208 points.
4. The regression coefficient value of internal audit independence (X3) is 0.268 which means that there is a positive and significant effect of internal audit independence on the quality of the financial statements of North Toraja Regency of 0.268 so that if the internal audit independence score increases by 1 point it will be followed by an increase in the quality score of the Regency's financial statements. North Toraja amounted to 0.268 points.
5. The regression coefficient value of organizational commitment (X4) is 0.148 which means that there is a positive and significant influence of organizational commitment on the quality of the financial statements of North Toraja Regency of 0.148 so that if the organizational commitment score increases by 1 point it will be followed by an increase in the financial report quality score of North Toraja Regency by 1 point. 0.148 points
6. The regression coefficient value of the use of information technology (X5) is 0.181, which means that there is a positive and significant effect of the use of information technology on the quality of the financial statements of North Toraja Regency of 0.181 so that if the score for the use of information technology increases by 1 point it will be followed by an increase in the quality score of the Regency's financial statements. North Toraja amounting to 0.181 points.

Dominant Testing (Beta Test)

Beta test is to test the independent / independent variables (X) which has the most dominant influence on the dependent / independent variable (Y) by showing the variable that has the highest standardized beta coefficient. Based on the results of data processing using SPSS 25, it can be seen in Table 5.17:

Table 4 Beta test results

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
1 (Constant)	.067	.298		.224	.824		
Internal Control System	.226	.058	.317	3.895	.000	.373	2.679
HR competencies	.208	.054	.285	3.870	.000	.456	2.192
Independence of Internal Audit	.268	.089	.196	3.007	.004	.585	1.710
Organizational Commitment	.148	.043	.183	3.429	.001	.869	1.151
Utilization of Information Technology	.181	.067	.215	2.695	.010	.388	2.578

Source: Primary data processed, 2020

Based on the results of the standardized beta value, it is known that of the five variables, namely the internal control system, human resource competence, internal audit independence, organizational commitment, and the use of information technology, the one that has the greatest influence on the quality of financial reports in North Toraja Regency is the system variable. internal control (X1) of 0.317 or 31.7%.

This study also found the magnitude of the influence of the independent variables on the dependent variable which can be seen from the value of the coefficient of determination (Adjusted R square) and can be seen in Table 5.18:

Tabel 5 Hasil uji determinasi

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.945 ^a	.893	.881	.07672	1.342

Sumber : Data primer diolah, 2020

The value of the coefficient of determination (Adjusted R square) is 0.881 which means that the independent / independent variable (X) which includes the internal control system, human resource competence, internal audit independence, organizational commitment, and the use of information technology contribute to variations in the quality of district financial reports. North Toraja amounted to 88.1%, while the remaining 11.9% was influenced by other variables not included in this study.

Discussion:-

The Effect of Internal Control Systems on the Quality of Financial Statements

Through hypothesis testing, it is shown that the tcount of 3.895 is greater than the ttable of 2.017, which means that the internal control system variable has a positive and significant effect on the quality of the financial statements of North Toraja Regency, thus the hypothesis is accepted. This means that improvements to the internal control system will improve the quality of regional government financial reports, and vice versa, a decrease in the internal control system will reduce the quality of local government financial reports.

The results of this study are in line with the opinion of Mulyadi (2001) which states that the internal control system is a process to achieve certain goals carried out by people from every level of the organization who are expected to be able to provide sufficient confidence to achieve the interrelated goals of financial reporting, compliance, and operation. The internal control system according to Government Regulation (PP) Number 60 of 2008 which regulates the government internal control system (SPIP) is an integral process for activities and actions carried out continuously by the leadership and the achievement of organizational goals through effective and efficient activities, reliability financial reporting, safeguarding state assets, and compliance with laws and regulations.

The Effect of Human Resource Competence on the Quality of Financial Statements

Regional financial management is required to be orderly, transparent, and accountable in order to achieve clean governance. One of the efforts to achieve clean governance is that local governments are required to prepare Regional Government Financial Reports. Quality financial reports can provide benefits in an effort to adopt a government policy in the future. Quality financial reports can be seen from the opinion of the Supreme Audit Agency

Through hypothesis testing, it is shown that the tcount of 3.870 is greater than the t table of 2.017, which means that

the human resource competency variable has a positive and significant effect on the quality of the financial reports of the local government of North Toraja Regency, thus the hypothesis is accepted. This means that improving the competence of human resources will improve the quality of local government financial reports, and vice versa, decreasing the competence of human resources will reduce the quality of local government financial reports.

The results of this study are in line with the opinion of Azhar (2010) and Zuliatri (2012). Azhar (2010) defines human resources as the main supporting pillar as well as the driving force of the organization in an effort to realize the vision and mission and objectives of the organization. Human resources are one of the most important organizational elements, therefore it must be ensured that human resource management is carried out as well as possible in order to be able to contribute optimally in efforts to achieve organizational goals. In local financial management, local governments must have competent human resources, who are supported by a background in accounting education, often attend education and training, and have experience in finance.

Effect of Independence of Internal Internal Audit on Quality of Financial Statements

Internal Audit is an audit carried out by the company's internal audit department, both on financial reports and company accounting records, as well as adherence to predetermined top management policies and compliance with government regulations and provisions of applicable professional associations.

The results of the calculation to test the proposed hypothesis obtained a value of t count of 3.007 which is greater than the t table of 2.017, which means that the independent internal audit variable has a positive and significant effect on the quality of the financial statements of the local government of North Toraja Regency, thus the hypothesis is accepted. This means that an increase in internal audit independence will improve the quality of local government financial reports, and vice versa, a decrease in internal audit independence will reduce the quality of local government financial reports.

The results of this study are in line with the opinion expressed by Mardiasmo (2005) which states that there are three main aspects that support the creation of good governance, namely supervision, control and inspection. Supervision is an activity carried out by parties outside the executive, namely the community and the Regional People's Representative Council (DPRD) to monitor the performance of the government. Control is a method used by the executive to ensure that management systems and policies are implemented properly so that organizational goals can be achieved. Meanwhile, an audit is an activity carried out by an independent party to check whether the results of the government's performance are in accordance with the established standards.

The Effect of Organizational Commitment on the Quality of Financial Statements

Organizational commitment is an attitude that represents the extent to which an employee identifies with his organization and his desire to remain a member of the organization. Commitment to organization / organizational commitment is ASN's orientation towards the organization in terms of loyalty and involvement in the organization. Organizational commitment is defined as (1) a strong desire to remain a member of a particular organization, (2) a willingness to exert a strong effort on behalf of the organization, and (3) a deep belief in the acceptance of the organization's values and goals. Based on the description above, it can be said that organizational commitment is the loyalty and involvement of ASN to achieve organizational goals while remaining in the organization. In relation to research, the goal that the North Toraja Regency government wants to achieve is at least to produce quality financial reports.

The results of the calculation and analysis obtained tcount of 3,429 greater than t table of 2,017, which means that the organizational commitment variable has a positive and significant effect on the quality of the financial reports of the local government of North Toraja Regency, thus the hypothesis is accepted. This means that improved organizational commitment will improve the quality of local government financial reports, and vice versa, a decrease in organizational commitment will reduce the quality of local government financial reports.

The results of this study are in line with the concept developed by Mowday et al. (1982) stated that a strong commitment in the organization will be able to create confidence and support and loyalty of employees to the values and goals the organization wants to achieve. This shows that organizational commitment is very important because it has a close relationship with employee performance, where every employee is required to have a good performance in his job. Based on the opinion of Mowday et al., (1982), if it is related to this study, it can be said that employees or ASN who have a strong commitment will certainly work and have high performance. The preparation and completion of financial statements will be better if supported by highly committed ASN.

The Effect of Information Technology Utilization on the Quality of Financial Statements

Through testing the hypothesis, it is shown that the tcount of 2.279 is greater than the t table of 2.026 which means that The application of information and communication technology in government is an effort to develop electronic-based governance in order to increase transparency and quality of public services effectively and efficiently, one of which is in the preparation of financial reports.

The results of the calculation and analysis obtained that the t-count value of 2.695 is greater than the t table of 2.017, which means that the information technology utilization variable has a positive and significant effect on the quality of the financial reports of the local government of North Toraja Regency, thus the hypothesis is accepted. This means that increased use of information technology will improve the quality of local government financial reports.

The results of this study are in line with the opinion of Wilkinson et al., (2000) which states that the use of information technology is the optimal use of computers, software, databases, networks, electronic commerce, and other types

related to information technology. The use of technology includes (a) data processing. Information processing, management systems and work processes electronically and (b) the use of advances in information technology so that public services can be accessed easily, cheaply, quickly and on time by stakeholders.

Conclusion:-

Based on the results of the analysis in this study, it can be concluded as follows:

1. The internal control system affects the quality of the financial statements of the North Toraja Regency government. This means that the better the internal control system implemented, the better the quality of the financial reports of the North Toraja Regency government.
2. Human resource competence or ASN affects the quality of the financial reports of the North Toraja Regency government. This means that the more competent human resources or ASN are in carrying out their duties and functions, the quality of the financial reports of the North Toraja Regency government will be better.
3. The independence of internal audit has an effect on the quality of the financial reports of the North Toraja Regency government. This means that the more independent the internal audit is, the better the quality of the financial statements of the North Toraja Regency government
4. Organizational commitment affects the quality of the financial statements of the North Toraja Regency government. This means that the higher the organizational commitment, the better the quality of the financial statements of the North Toraja Regency government.
5. The use of information technology affects the quality of the financial reports of the North Toraja Regency government. This means that the better the use of information technology in the preparation of financial reports, the better the quality of the financial statements of the North Toraja Regency government.

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