

The Role of Government Internal Control Systems and Utilization of Information Technology in Quality Reports

Evelytha Goutama

*Faculty of Economics and Business
Universitas Padjadjaran*

Ivan Yudianto

*Faculty of Economics and Business
Universitas Padjadjaran*

Abstract: This study aims to determine how the implementation of the government internal control system and the use of information technology in improving the quality of local-owned asset reports in the Government of West Bandung Regency, Bandung City, and Subang Regency. This study uses qualitative methods, and data collection is done by interview and documentation techniques to 12 informants who are Heads of Asset Fields in Financial and Asset Management Agency of Bandung City, Subang Regency, and West Bandung Regency. Data analysis is done by reducing data and then presenting data and drawing conclusions on data obtained according to the method of data analysis for qualitative research. The results showed that the implementation of the government internal control system and the use of information technology in improving the quality of reports on local-owned asset reports in Government of Bandung City, Subang Regency, and West Bandung Regency were well implemented. Each region has problems related to the management of the different local-owned asset.

Keywords: *Government; Internal Control System; Information technology; Local-Owned Asset*

Introduction

The Minister of Home Affairs Regulation Number 19 the Year 2016 describes Local-Owned Asset, which is all goods purchased or obtained at the expense of the local government budget or derived from other legitimate acquisitions. Then the management and accountability of local-owned asset is part of the management and accountability of regional finance. A local-owned asset is used in the framework of implementing government and service to the community. Reports of assets belonging to the region are compiled as a form of accountability for local-owned asset use

carried out by users of goods. Reports of a local-owned asset are also used as material to compile local government balance sheets which are components of the local government financial report.

Fixed assets that are not recorded, not accurately measured and where they are unknown, will cause the value of the fixed assets presented in the balance sheet not to be based on the results of the inventory and valid evidence. This will have an impact on the presentation of local government financial statements. Information about assets in the local government financial report is contained in the balance sheet. The balance sheet in the local government

financial report is the result of merging the balance sheet of all regional work unit financial statements. Local-owned asset data accuracy is needed to support goods reports so that they can be presented fairly. Problems in the management of the regional property can pose a potential asset misstatement in the local-owned asset report and create potential misuse of assets by third parties. Therefore, it is necessary to evaluate, record, inventory, trace, supervise, and control the management of local-owned asset so that the reporting of assets has accountability that adds value to the government.

Based on this background the researchers identified several problems, namely as follows: 1) How is the implementation of the government internal control system in improving the quality of reports on regional property in the Government of West Bandung Regency, Bandung City, and Subang Regency? 2) How is the use of information technology in improving the quality of reports on regional property in the Government of West Bandung Regency, Bandung City, and Subang Regency?

Literature Review

Government Internal Control System

Definition of internal control according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a system, structure or process that is implemented by the board of commissioners, management and employees in a company that aims to provide adequate assurance that the control objectives are achieved, including effectiveness and efficiency of operations, financial reporting reliability and compliance with laws and regulations can be achieved.

COSO (2013:4) reveals five components of the interrelated internal

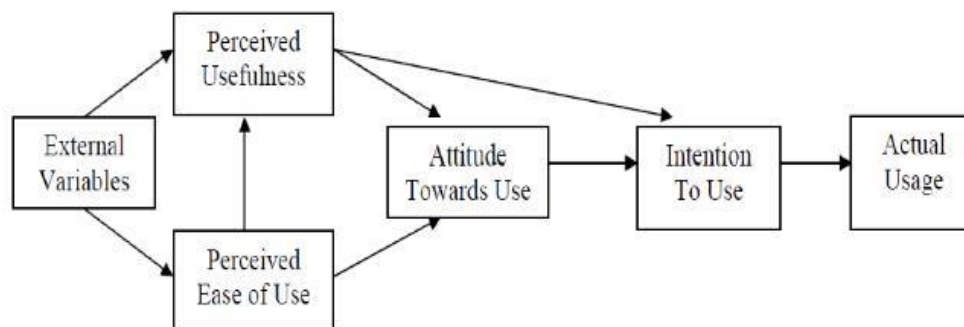
control model, namely: control environment, risk assessment, control activities, information and communication, and monitoring activities. Through Government Regulation Number 60 of 2008, the government stipulates the existence of an internal control system that must be implemented, both at the central and regional governments.

The internal control system is expected to be able to control government activities in order to achieve effective, efficient, transparent, and accountable management of state finances. According to Government Regulation Number 60 of 2008 concerning the Government Internal Control System, it is stated that internal control consists of 5 (five) related components, namely: environmental control; risk assessment; control activities; information and communication; and monitoring.

Use of Information Technology

Information technology is a general term that describes any technology that helps humans to make, change, store, communicate, and or disseminate information (Williams and Sawyer, 2007:4). According to Haag and Keen (1996) in Kadir and Triwahyuni (2005), information technology is a set of tools that help someone work in information and perform tasks related to information processing.

Technology Acceptance Model (TAM) is the most widely used model in information technology research. In TAM, there are five constructs that can be explained as follows (1) perceived ease of use, (2) perceived usefulness, (3) attitude toward behavior (attitude toward behavior), (4) interest behavioral intention, and (5) the use of real technology (Actual technology use) or behavior (Behavior).

Figure 1. Technology Acceptance Model (TAM)

Source: Davis, Bagozzi and Warshaw, 1989

Sri Mulyani (2016) argued that accounting information systems consist of many components, namely hardware, users, procedures, databases, software, information technology infrastructure, and security measures and the performance of system developers. These things interact with each other to build synergies related to each other. The use of information technology as one of the factors affecting the quality of reports on regional property in this study is the use of information technology in the management of regional property, especially administration, through the accounting system for the use of hardware and application software and supporting services, such as maintenance of the hardware and software.

Quality of Local-Owned Asset Reports

According to Minister of Home Affairs Regulation Number 17 of 2007 concerning Technical Guidelines for Local-Owned Asset Management, local-owned asset reporting is the activity of delivering data and information carried out by assistant managers to user/proxy of asset user. All data and information regarding local-owned asset are presented and delivered accurately to the regional head through the manager to support the implementation of decision making in the context of local-owned asset management and as an ingredient for compiling the

balance sheet of the local government. The local-owned asset report is a report that presents the position of a local-owned asset at the beginning and end of a period and the local-owned asset mutations that occur during that period.

Financial statements are a form of stakeholder theory which states that organizations are not only entities that operate for their interests, but also must provide benefits to stakeholders. According to Freeman and Reed (1983), stakeholders can influence the achievement of organizational goals, so that the government needs to improve the quality of financial statements if it wants to gain public trust in the use of the allocated budget.

The local-owned asset report, which is the main output of administration, is a medium of accountability for local-owned asset management carried out by users of goods in a given period, which can be used as a source of information in future decision making related to the local-owned asset. The local-owned asset report is also used as material to compile the balance sheet of local government, which is part of the local government financial report. Government Regulation Number 71 of 2010 describes the qualitative characteristics of financial statements, including relevant, reliable, comparable, and understandable.

Research Methods

Research Object

The object of this research is the implementation of the government's internal control system and the use of information technology in improving the quality of local-owned asset reports in the Government of West Bandung Regency, Bandung City, and Subang Regency. This research will involve some informants and literature to obtain the information needed in research.

Research Approach

The approach used by the author in this study is a qualitative approach. Qualitative approaches can be interpreted as a research process and understanding based on a methodology that investigates a social phenomenon and human problems. According to Sugiyono (2016), problems in qualitative research will be temporary, tentative, and will change or develop after researchers are in the field. The author will use qualitative methods, namely by conducting literature studies, interviews, and observations on the quality of reports belonging to the region. The dimensions and indicators use the COSO concept (2013) and Government Regulation Number 60 of 2008 concerning the Government Internal Control System, use the following dimensions and indicators::

a. Control environment with the following indicators: enforcement of integrity and ethical values, commitment to competence, conducive leadership, the establishment of an organizational structure as needed, appropriate delegation of authority and responsibility, the realization of the role of the appropriate government internal control apparatus, good working relationships with a relevant government institution.

- b. Risk assessment with the following indicators: risk identification, risk analysis.
- c. Control activities with the following indicators: control over the management of information systems, physical control of assets, separation of functions, authorization of important transactions and events, good documentation of the Internal Control System and important transactions and events.
- d. Information and communication with the following indicators: providing and utilizing various forms and means of communication, manage, develop and update information systems continuously.
- e. Monitoring with the following indicators: continuous monitoring, and follow up on audit results and other reviews.

While for the use of information technology, use the following dimensions and indicators:

- a. Perception of ease of use with the following indicators: flexibility, easy to learn, easy to use, ease of interaction.
- b. Perception of benefits with indicators as follows: effectiveness, answer information needs, improve performance, efficiency.
- c. The attitude of the user/client receives.
- d. Interest in behavior with the following indicators: adding supporting software to information technology, motivation to use information technology, and motivating other users.
- e. Actual use with indicators as follows: real usage, the frequency of use, and user satisfaction. Davis, Bogozzi, and Warshaw (1989) and Wilkinson et al. (2000).

Population and Sample

The population studied in this study were all local governments in West Java Province, namely as many as 28 local

governments. The selection of samples in this study was conducted using a purposive sampling method whose type of sampling was based on particular judgment (judgment sampling), namely the local government which still received a qualified opinion assessment in 2016. According to the research criteria, the study sample consisted of three local governments, namely West Bandung Regency, Bandung City, and Subang Regency. Informants in this study were officials of asset administration at the Regional Financial and Asset Management Agency in the Government of West Bandung Regency, Bandung City, and Subang Regency.

Data Source

The type of data used in this study is primary data and secondary data. Primary data is data that is used to answer problems in research where this data is sourced from employees and can be said as data obtained by data collectors from the object of research (Sumarsono, 2004). Primary data in this study came from the results of interviews of researchers with data sources. Secondary data refers to information collected from existing sources (Sekaran, 2006: 60). In this study, secondary data was taken, namely, data obtained from books, literature, journals, or scientific works related to this research.

Research Instrument

The method used in this research is a qualitative method. The author will go into his field, both the grand tour question, the focus, and selection stage, collecting data, analyzing data, and making conclusions (Sugiyono, 2016). Thus, the main instrument of this study is the writer or researcher. In addition to researchers, this study also uses an auxiliary instrument in the form of interview guidelines arranged according to the objectives and theory of research and tools in the form of a recording device during interviews that can be used

after obtaining approval from the resource person.

Data Collection Technique

The most independent collection of qualitative data, according to Bungin (2009) is the method of interview, observation, documentation, literature, triangulation, and new methods such as the on-line data search method. The author will use a personal interview method so that it is possible to understand the complexity of the problem and explain the purpose of the research to the informant. According to Burhan Bungin (2007), the documentary method is a method used to trace historical data in the form of documents. The data will be collected using the documentary method in the form of official literature and document material, both external and internal.

According to Burhan Bungin (2007), the method of searching on-line data is a procedure for utilizing data that is on an internet network, with the aim of the research. In the technique of data collection, triangulation is defined as a technique of collecting data that is combining various existing data collection techniques and data sources (Sugiyono, 2016). Sugiyono (2016) also states that the triangulation method allows the author to collect data while testing the credibility of data and data sources.

Data Validity

In qualitative research, the main criteria for research data are valid, reliable, and objective. The validity of this data can also be obtained by the right data collection process. One of them is the triangulation technique. The purpose of this triangulation is to check the correctness of certain data by comparing it with data obtained from other sources. As stated by Moleong (2008: 330) that triangulation is a technique of checking the validity of data that uses something else

outside the data for checking purposes or as a comparison to that data.

There are four types of triangulation as examination techniques to achieve validity, namely data triangulation, observer triangulation, theory triangulation, and triangulation methods. Reliable research can be seen from text analysis, interviews, and transcripts of conversations that occur in natural environments (Raco, 2010). The thing that must be considered is to test and understand the material to be interviewed, the true value and the results of the interview are really under what is said so that it is necessary to check the truth by hearing the results of the interview again.

Data analysis

Data analysis in qualitative research is carried out since before entering the field, while in the field, and after completion in the field. However, in qualitative research, data analysis is more focused during the process in the field together with data collection. In reality, qualitative data analysis takes place during the data collection process rather than after the completion of data collection. The stages of data analysis during the process in the field, together with data collection, are data reduction, data presentation, and conclusions/ verification.

Research Stages

The stages carried out in this study, namely:

a. Pre-Field Stage

In this stage, the researcher prepares a research report that is used to request permission from the relevant institution under the data sources needed.

b. Implementation Stage of Research

1) Data Collection Research

In collecting this data, researchers collect data by interviewing asset sector officials who understand, are involved in, or have authority over reports of property belonging to the West Bandung Regency, Bandung

City, and Subang District and examine relevant theories.

2) Identifying Data

Data that has been collected from the results of interviews and documentation is then identified to facilitate the researcher in analyzing according to the desired objectives.

c. Final Stage of Research

1) Presenting data in the form of a description.

2) Analyzing data in accordance with the objectives to be achieved.

Research Results and Discussion

Data validity

In qualitative research, the main criteria for research data are valid, reliable, and objective. According to Jam'an Satori and Aan Komariah (2014), the accountability of qualitative research is in the way of obtaining credibility, transferability which is included in internal validity and external validity and dependability which also includes reliability.

Credibility

In this study, the interview method was used with the Head of the Asset Field in West Bandung Regency, Bandung City, and Subang Regency as informants, also assisted with triangulation and member checking, the process of checking the data obtained by the researcher with the informant the purpose of knowing the suitability of the data. The data contained in this study has been agreed by informants so that it can be said that the data contained in this study is valid.

Transferability

Testing the validity of qualitative research also needs to be done on external use. This external validity relates to the degree of accuracy in which the data contained in this study must be included in full and clear in

order to be reliable so that the reader can understand the research.

Dependability

In this study, the data obtained were based on the results of interviews in the field. Researchers go directly to the field to get data. The research data comes from informants at the interview in the field and researchers have evidence that researchers actually carry out activities in the field, namely in the form of interviews, signatures from informants, and stamps from West Bandung District Regional Finance and Asset Management Agency of West Bandung District, Regional Finance and Asset Management Agency of Bandung City, and Regional Finance and Asset Management Institution of Subang District as evidence that researchers have conducted interviews, so that this research can be said to be reliable.

Characteristics of Informants

The informants in this study were the Head of the Asset Field in the West Bandung District Regional Finance and Asset Management Agency of West Bandung District, Regional Finance and Asset Management Agency of Bandung City, and Regional Finance and Asset Management Institution of Subang District, with consideration that the informants would have implications for the information obtained, namely formulating the implementation of the government internal control system and the use of information technology in improving the quality of local-owned asset in the Government of West Bandung Regency, Bandung City, and Subang Regency.

Implementation of Government Internal Control System in Quality Report - West Bandung Regency

The control environment that creates positive and conducive behavior has

been realized as evidenced by the enforcement of integrity, and ethical values carried out by drafting Local Regulation Number 7 of 2017 and Regent Regulation Number 81 of 2017 concerning technical guidelines for local-owned asset management. Enforcement of integrity and ethical value here is carried out by monitoring the realization of the capital expenditure budget, documents related to local-owned asset management must be complete, and reports of goods must be submitted quarterly. Then it was proven by a commitment to local-owned asset manager competencies, which continued to be improved by holding training, socialization, technical guidance, and quarterly reconciliation.

Conducive leadership has also been applied because of the desire of officials to regents to reach unqualified opinion by holding asset settlement briefings, using escort services or consultants to solve asset problems, and assertiveness of leaders if there are violations of asset management. The existing organizational structure is also under local-owned asset management needs. The asset sector that is in the Regional Financial Management Agency facilitates coordination with the finance department in preparing the balance sheet. The delegation of authority and responsibility has been carried out appropriately because it is given to people who already understand the level of responsibility in the framework of effective local-owned asset management. It is just that human resources are still less than the workload that must be borne by the asset sector.

The role of the effective government internal control apparatus has also been realized with the local inspectorate which routinely supervises the management of local-owned asset and conducts inspections and guidance. A good working relationship with the relevant government institution has also been established with the holding of a comparative study with the other

governments, which is held at least twice a year.

For risk assessment, the West Bandung regency government identifies risks by using existing standard operating procedures. The problems that arise in managing assets are poured into a report as detailed as possible to be given to the regional leadership and Inspectorate so that they can immediately take policy. Control activities in Government of West Bandung Regency have also been implemented well. Control over information system management is carried out by giving user identification to all treasurers of service items. They can open, view, and input data, but cannot manipulate the data. The authority to manipulate data is in the asset field admin.

Physical control of assets has been carried out. Physical controls include installation of signposts (land), installation of stakes (soil), the existence of assets ownership documents, and barcode administration. Separation of functions related to local-owned asset management activities is indicated by three subfield heads who handle each local-owned asset management activity, namely the local-owned asset administration field, local-owned asset analysis of needs and utilization, and local-owned asset supervision and control.

Authorization of transactions and events that are important for the local government work unit level is clearly at the head of the agency. However, if the regency's assets are in the regent's authority as the ruler of goods. Good documentation of the Internal Control System and important transactions and events have been carried out by inputting data into the system, making minutes, and storing physical data in the asset field as well as the Archive and Library Service.

For information and communication, the local Government of West Bandung Regency held a meeting, formed a treasury of WhatsApp group, held socialization, and formed a special

problem-solving team. Besides, every year, the local-owned asset information system is developed and updated to keep pace with changes in regulations and policies related to local-owned asset management. Continuous monitoring and follow-up of audit results are also ongoing. Reconciliation is held quarterly to monitor the extent of local-owned asset management progress. The companion team was also mobilized to complete the findings. Regarding the issue of asset transfer from the parent, the regional Government of West Bandung Regency always coordinates with Government of Bandung Regency.

Implementation of Government Internal Control System in Quality Reports - Bandung City

The control environment related to the enforcement of integrity and ethical values refers to the Minister of Home Affairs Regulation Number 19 of 2016 concerning guidelines for local-owned asset management. Enforcement of integrity and ethical values is carried out by using local-owned asset according to its designation and returning it if it moves assignments. Even though in reality, there are still certain officials who do not return items when moving assignments. Commitment to local-owned asset manager competencies is increased by conducting training, socialization, meeting with goods administrators, coaching, technical guidance, training, and by sending several employees to the field of study related to local-owned asset management.

Conducive leadership is also indicated by the seriousness of the mayor to resolve existing asset problems. The existing organizational structure is quite appropriate even though there are still some shortcomings, such as the preparation of the Plan for Local-Owned Asset Needs which is still the authority of the budget sector and land lease utilization is in Housing Services for Settlement Area Infrastructure Utility

Facilities for Land and Parks Institution. The delegation of authority and responsibility has been carried out appropriately because it is given to people who already understand the level of responsibility in the framework of effective local-owned asset management. The effective role of the internal government oversight apparatus has also been realized with the local inspectorate carrying out inspections, providing direction, and overseeing local-owned asset inventory monitoring and evaluation teams. A good working relationship with the relevant government institution has also been established with the holding of comparative studies to Jakarta, Jogjakarta, and Bali related to local-owned asset management.

For risk assessment, the Government of Bandung City considers risks by looking at the value of each item. Then test all stages of local-owned asset management to test the extent to which risks will arise if one of the stages is not passed. In terms of regulation, standard operating procedures related to management are being prepared to anticipate the risks that arise. Control activities in Government of West Bandung Regency have also been implemented well. Control over the management of information systems is carried out by giving user identification and passwords to asset management operators in each regional working unit.

In addition, the application also applies to filter features that automatically separates fixed assets from those that do not meet the criteria as assets. Physical control of assets has been carried out. Physical controls include installation of signposts (land), installation of fences (land), installation of stakes (soil), provision of stickers for goods that are more mobile, storing in a safe location, conducting inventory, and providing fire insurance for building assets. Separation of functions related to local-owned asset management activities is indicated by three heads of subfields that handle each local-owned

asset management activity, namely in the fields of inventory, transfer and documentation, and asset security. The head of the mutation and documentation sub-field said that the workload in the field was more due to the broad scope and head of the asset security sub-field stating that the separation of functions was not appropriate because of land leasing transactions whose authority was in Housing Services for Infrastructure of Land and Parks Institution. Authorization of important transactions and events is clearly stated in existing regulations. The important policy authorization is in the mayor. Authorization for disbursement of funds is in the treasury sector. The authority to secure goods is in each regional working unit. Good documentation of the Internal Control System, as well as important transactions and events, have been carried out by inputting data into the application, making the appropriate documents, and storing physical evidence in each agency, goods manager, and treasury.

For information and communication, the Government of Bandung City formed the local-owned asset management group WhatsApp and the leadership group, built chat features between the management of goods in the application, made circulars and letters of reprimand, held socialization and coordination meetings, formed regional work unit teams, gave announcements via running text on application, and use email to send data. Continuous monitoring and follow-up of audit results are also ongoing. There is regular monitoring, and some are incidental. Then monitoring, evaluation, and inventory team were formed to keep up with developments in the field and also as a form of follow-up to the Audit Result Report of Indonesian Supreme Audit Institution. The Government of Bandung City requested assistance from the State Development Audit Agency to identify the Indonesia Supreme Audit Institution findings to prove values that were not believed.

Implementation of Government Internal Control System in Quality Reports - Subang Regency

The control environment that creates positive and conducive behavior has been realized as evidenced by the enforcement of integrity, and ethical values carried out by referring to the Ministry of Home Affairs Regulation Number 19 of 2016, Ministry of Home Affairs Regulation Number 5 of 1997, Government Regulation Number 38 of 2016, and Regent Regulation Number 49 of 2017 concerning minimum standards for local-owned assets management.

Enforcement of integrity and ethical values here is carried out by dividing regional property according to its designation and burden of responsibility, explaining the responsibility of civil servants to be able to maintain and maintain local-owned assets properly, be assertive if local-owned assets is not used in accordance with its designation, record anything purchased by the government the area and administering it well, supervising the performance of the executor in administering goods, and being good at seeing the situation and signs of the use of local-owned assets that is not in accordance with its designation. Then it was proven by a commitment to the competence of local-owned assets managers which continued to be improved by holding training, holding competency competitions in the form of rewards and punishment, as well as organizing regional property management techniques. Conducive leadership has also been realized from the seriousness of the regent to improve the quality of financial statements.

For the first time, the district government of Subang obtained a qualified opinion in 2016. The seriousness of the regent was seen from the existence of a retention policy if the regional apparatus was late in providing goods reports and following what was required by

regulations. The existing organizational structure is considered not under the needs in terms of local-owned assets management. With many workloads, just being managed by one field makes much work piled up and delayed. The field of assets of the Regional Financial Management Agency in Subang Regency hopes that the asset field can be divided into two fields. One area focuses on asset administration, while the other focuses on utilization, transfer, elimination, destruction, and valuation of assets.

The delegation of authority and responsibility has been carried out appropriately because it is given to people who already understand the level of responsibility in the framework of effective local-owned assets management. The role of the effective government internal control apparatus is only beginning to be felt. It might be caused by a shortage of personnel. Now two teams have been formed involving the Regional Inspectorate, namely the Indonesian Supreme Audit Institution findings settlement team and the Claim for Damage team. In this team, the Regional Inspectorate was active by intervening directly. A good working relationship with the relevant Government Agencies has also been established with comparative studies that are almost carried out every year to increase insight and knowledge in local-owned assets management.

For the risk assessment, the Government of Subang District identifies risks by carrying out an inventory every year, cooperating with the internal supervision apparatus in inspecting goods, conducting routine vehicle inspections every year, conducting reconciliation, forming teams in accordance with the problems faced, and consulting with Ministry of Home Affairs if there is doubt in decision making. Control activities in Government of Subang Regency have also been implemented well. Control over information system management is done by updating the information system every time

there is the latest update, coordinating with consultants related to information system interfaces, coordinating with the treasury sector so that the money disbursement process is synergized with local-owned assets reporting, has its own database and server, and works with Certificate of Ownership of Motor Vehicles to maintain information Systems. Physical control of assets has been carried out. Physical control includes installation of signposts, stakes, and fences for land assets, conducting inventory every year, making minutes of handover for all local-owned assets given to executors, collecting Vehicle Registration Certificate and Certificate of Ownership of Motor Vehicles for vehicle assets, and only removing items if there is a letter the decision.

Separation of functions related to local-owned assets management activities is indicated by three heads of sub-sectors that handle each local-owned assets management activity, namely the field of administration and management of local-owned assets, the field of local-owned assets planning and security, as well as the field of utilization, transfer, deletion, and local-owned assets assessment. Authorization of the process of disbursing capital expenditures and civil servants who want to retire and transfer must obtain recommendations from the field of local-owned assets management. Authorization of procurement and implementation is at the head of each department. However, authorization for the use, assessment, deletion, and transfer must be approved by the regent with proof of decree. Proper documentation the internal control system, as well as essential transactions and events, have been carried out by collecting documents in terms of local-owned assets management, such as minutes, decrees and so forth as stated in Ministry of Home Affairs Regulation Number 19 of 2016.

For information and communication, the Subang district government forms a WhatsApp group local-owned assets manager to facilitate

coordination, provides communication media between local-owned assets operators and application admins in the application system, makes letters, and holds meetings. Besides, every year, the local-owned assets information system is developed and updated to keep pace with changes in regulations and policies related to local-owned assets management and to make local-owned assets management applications more user-friendly. Continuous monitoring and follow-up of audit results will also continue to be carried out by coordinating with the Regional Inspectorate in resolving local-owned assets management issues, calling on agencies that have not yet completed what they found in their offices, and making the realization of the findings of the completion report.

Utilization of Information Technology in Improving the Quality Reports - West Bandung Regency

The use of information technology related to local-owned assets management is considered to have flexibility, is easy to learn, easy to use, and easy to interact with system conditions that are based online. The benefits of information technology have also been felt by answering information needs, increasing performance, effectiveness, and efficiency. The local-owned assets information system used is beneficial in inputting goods and calculating depreciation every year. The informants in Government of West Bandung Regency said that it was much helped by the existence of information technology, although it is undeniable that there was also a feeling of being burdened if the application system was not updated according to the new regulations. Besides, the number of computers is still inadequate because not everyone has a computer.

For interest in behavior, Government of West Bandung Regency intends to increase data capacity and inventory management applications. With

the current local-owned assets information system (Information Technology Application for Local-Owned Asset Cycle or ATISISBADA), Government of West Bandung Regency intends to continue using it until there is another system that is more sophisticated and as long as there is no change in policy from the leadership because it is comfortable using it. However, West Bandung Regency has never suggested ATISISBADA to other institutions that have never used it because according to them, ATISISBADA is almost used in all West Java provinces. ATISISBADA is accessed when they want to check reports from regional working units and when they need data or information. Almost every day ATISISBADA is accessed because data input is done every day and to control which regional working unit has not provided a report. The local-owned assets information system currently in use has given satisfaction to its users. However, as good as any information system, everything depends on the existing human resources.

Utilization of Information Technology in Improving the Quality Reports in the Regional Government of Bandung City

The use of information technology related to local-owned asset management is considered to have flexibility, is easy to learn, easy to use, and easy to interact with system conditions that are already web-based. The benefits of information technology have also been felt by answering information needs, increasing performance, effectiveness, and efficiency. However, the local-owned assets information system currently in use, namely SIMANTAP application system still has several disadvantages, such as the absence of an inventory cycle and the absence of depreciation calculations. The Government of Bandung City was greatly helped by the existence of information technology. With the existence of information technology, it makes it easier

for employees who want to find information about an asset. Employees do not need to waste time searching for information or data in so many files.

For interest in behavior, Government of Bandung City intends to develop the current local-owned assets information system so that it can be integrated with other related information systems and develop mapping features as a result of securing assets. With the current local-owned assets information system (Government Land Asset Management Information System or SIMANTAP application system), the Government of Bandung City intends to continue to use it as long as there are no policy changes from the head of the department and mayors because in terms of reporting and administration it is considered quite helpful. Every guest visits a comparative study. The City of Bandung shows the SIMANTAP application system to share the advantages and disadvantages of the applications they have in managing local-owned assets.

However, each district/city already has applications that have been adjusted to the needs of local-owned assets management characteristics in each region. SIMANTAP application system is accessed when they need data or information when they want to input data when implementing physical security, and when handling local-owned assets dispute issues. The SIMANTAP application system is accessed almost every day. The local-owned assets information system currently in use has given satisfaction to its users. However, this application system still has some disadvantages that need to be corrected, for example there is no mapping of security results, there is no information about insured or uninsured buildings, there is no inventory cycle function, capitalization value that is not combined to the main building, and planning cycle have not been used.

Utilization of Information Technology in Improving the Quality Reports of West Bandung Regency, Bandung City, and Subang Regency

The use of information technology related to the management of local-owned assets is easy to learn, but does not yet have flexibility, is challenging to use, and challenging to interact with. It is due to its unattractive appearance, not easy to develop, not yet web-based, and if there is an update, the registration password is only needed by the State Development Audit Agency. The benefits of information technology have also been felt by answering information needs, increasing performance, and effectiveness. However, it has not increased efficiency because data input must be done twice. First, the data must be entered in Microsoft Excel. If they are sure that the data has been inputted correctly, then it is inputted back to the Regional Management Information System or SIMDA application system. It is done to reduce input errors in the application system because if they input data incorrectly, the repair process takes a long process. The Regional Government of Subang Regency is helped by the existence of information technology, although it is undeniable that there is also a feeling of being burdened because of the shortcomings of the application system.

For behavioral interest, Government of Subang Regency intends to develop a SIMDA application system to adjust the Ministry of Home Affairs Regulation Number 19 the Year 2016. With the current local-owned assets information system (SIMDA application system), Government of Subang Subang District does not intend to continue using SIMDA application system due to SIMDA's shortcomings. Now Government of Subang Regency is slowly turning to use the ATISISBADA application system that is web-based, more user-friendly, and easier to use. Because they want to switch to the ATISISBADA application system,

Government of Subang Regency has never recommended the SIMDA application system to other institutions that have never used it. Besides, SIMDA application system itself is an application system issued by the Ministry of Home Affairs so it must have been socialized by the Ministry of Home Affairs. SIMDA application system is accessed when they want to check reports from regional working units and when someone needs data about an asset. Every working day SIMDA application system is accessed to monitor local-owned assets activities and performance of local-owned assets managers at the regional working unit. The local-owned assets information system currently in use is quite satisfying to its users.

Conclusion and Suggestion

Based on the results of interviews conducted by researchers, the implementation of the government's internal control system in improving the quality of reports on regional property in the West Bandung District Government has been well implemented. However, the quantity of human resources is still inadequate, with the workload that must be borne by the asset sector. The implementation of the government internal control system in improving the quality of reports on local-owned assets in the Government of Bandung City has also been well implemented.

However, there are several problems faced, namely the leasing of land where the authority is in Housing Office of the Settlement Area Infrastructure Utilities, Land and Landscaping Institution and the separation of functions in the field of assets that are considered inappropriate. The implementation of the government internal control system in improving the quality of local-owned assets reports in the Government of Subang Regency has also been well implemented. However, the Government of Subang Regency said that the organizational structure related to local-

owned asset management was not as needed. With so much workload and only being managed by one field, much work is piling up and delayed.

Based on the results of interviews conducted by researchers, the use of information technology in improving the quality of local-owned asset reports in the Government of West Bandung Regency is reasonably good. The problem faced by the Government of West Bandung Regency is the number of computers that are inadequate and errors caused by the capacity of an inadequate server. The use of information technology in improving the quality of reports on regional property in the Government of Bandung City has also been good. However, there are several problems faced, namely there is no inventory cycle in the application system, there is no calculation of depreciation in the application system, there is no security mapping feature, there is no information about insured or uninsured buildings, and capitalization values not merged into the main building. The use of information technology in improving the quality of reports on local-owned assets in the Government of Subang Regency has also been good. However, the local-owned assets management application system used still has many weaknesses. Therefore, the Government of Subang Regency will switch to using the ATISISBADA application system, which is considered to be more sophisticated and more comfortable to use.

The results of the study stated that several informants said that the formation of an organizational structure was not under the needs of management of local-owned asset due to the heavy workload if the assets of the Regency/city were only managed by one sector and the local-owned asset management process was in another agency. Therefore, it is necessary to adjust the organizational structure that makes the management of local-owned asset effective, so that it is expected to improve the quality

of reports on the property produced in the area.

The results of the study state that the lack of available human resources makes the work of assets that can be spelled out a lot to be delayed so they must invite experts from outside parties, employ contract workers, or empower students who are apprentices. Therefore, it is necessary to increase the number of human resources in the hope that local-owned asset management can be carried out and problems that arise related to assets can be resolved on time, which will eventually lead to reports of quality regional property.

The results of the study also state that information technology used in local-owned asset management still has weaknesses, such as application systems that are not yet online-based, often double-noted, missing data, unable to calculate depreciation, no feature to record inventory, and lack of server capacity. Therefore, it is necessary to develop and update application systems to reduce the weaknesses of application systems that were previously used and increase the capacity of the server, so that the reported value of the regional property is accurate and reliable.

References

- Andriani, W. (2010). Pengaruh Kapasitas Sumber Daya Manusia dan Pemanfaatan Teknologi Informasi Terhadap Keterandalan dan Ketepatanwaktuan Laporan Keuangan Pemerintah Daerah : Studi pada Pemerintah Daerah Kab. Pesisir Selatan. *Jurnal Riset Akuntansi Indonesia* Volume 5 Nomor 1.
- Anggitya. (2016). Pengaruh Implementasi Pengendalian Internal dan Pemanfaatan Teknologi Informasi Terhadap Kualitas Laporan Barang Milik

- Negara (Survey pada Direktorat Jenderal Bina Marga, Kementerian Pekerjaan Umum dan Perumahan Rakyat). Tesis: Bandung: Universitas Padjadjaran.
- Arikunto, S. (2006). *Prosedur Penelitian Suatu Pendekatan Praktik*. Jakarta: Rineka Cipta.
- Armando, G. (2013). *Pengaruh Sistem Pengendalian Intern Pemerintah dan Pengawasan Keuangan Daerah Terhadap Nilai Informasi Laporan Keuangan Pemerintah (Studi Empiris pada Satuan Kerja Perangkat Daerah di Kota Bukittinggi)*. Universitas Negeri Padang.
- Badan Pemeriksa Keuangan Republik Indonesia. (2016). *Ikhtisar Hasil Pemeriksaan Semester II Tahun 2015*.
- Badan Pemeriksa Keuangan Republik Indonesia. (2017). *Ikhtisar Hasil Pemeriksaan Semester II Tahun 2016*.
- Barker et al. (2002). *Research Methods In Clinical Psychology*. England: John Wiley & Sons.
- Bodnar, G., & Hopwood, W. S. (2010). *Accounting Information System*. 9th Edition. New Jersey: Prentice Hall International, Inc.
- Boyatzis, R. E. (2009). *Competencies as a Behavioral Approach to Emotional Intelligence*. *Journal of Management Development*, Vol. 28 Iss: 9, 749-770.
- Bungin, B. (2007). *Penelitian Kualitatif*. Jakarta: Prenada Media Grup.
- Committee of Sponsoring Organizations of the Tradeway Commission (COSO). (2013). *Internal Control - Integrated Framework*. New York: AICPA Publication.
- Darno (2012). *Analisis Pengaruh Kemampuan Sumber Daya Manusia dan Pemanfaatan Teknologi Informasi Terhadap Kualitas Laporan Barang Kuasa Pengguna (Studi pada Satuan Kerja di Wilayah Kerja KPPN Malang)*. *Jurnal Ilmiah FEB Universitas Brawijaya Malang*.
- Davis, Fred D., Bagozzi, Richard P., Warshaw, Paul R. (1989) *User Acceptance of Computer Technology: A Comparison of Two Theoretical Models*. *Management Science* 35(8):982-1003.
<https://doi.org/10.1287/mnsc.35.8.982>
- Freeman, R., & Reed. (1983). *Stockholders and Stakeholders: A New Perspective on Corporate Governance*. *California Management Review*. Vol. 25. No. 2.
- Hamidah, R. T. (2014). *Pengaruh Pelaksanaan Sistem Pengendalian Intern Pemerintah dan Sumber Daya Manusia Terhadap Pengamanan Aset Negara (Studi Empiris Pada Kementerian Perindustrian Wilayah Jawa Sumatera)*. Padang: Universitas Negeri Padang.
- Haryanto. (2013). *Pengelolaan dan Akuntansi Keuangan Daerah*. Semarang: UNDIP Press Semarang.
- Hasibuan, M. (2002). *Manajemen Sumber Daya Manusia*. Edisi Revisi. Jakarta: Bumi Aksara.
- Indriasari, D., & Nahartyo, E. (2008). *Pengaruh Kapasitas Sumberdaya Manusia, Pemanfaatan Teknologi Informasi, Dan Pengendalian Intern Akuntansi Terhadap Nilai Informasi*

- Pelaporan Keuangan Pemerintah Daerah (Studi Pada Pemerintah Kota Palembang dan Kabupaten Ogan Ilir). Simposium Nasional Akuntansi XI.
- Jurnali, T., & Supomo, B. (2002). Pengaruh Faktor Kesesuaian Tugas Teknologi dan Pemanfaatan Teknologi Informasi terhadap Kinerja Akuntan Publik. *Jurnal Riset Akuntansi Indonesia*.
- Kadir, A., & Triwahyuni. (2005). *Pengenalan Teknologi Informasi*. Yogyakarta: Penerbit Andi.
- Mulyani, S., Hasan, R., & Anugrah, F. (2016). The Critical Success Factor for The Use of Information System and Its Impact on The Organization Performance. *International Business Management, Medwell Journals*.
- Nasution. (1988). *Metode Naturalistik Kualitatif*. Bandung: Tarsito.
- Noor, J. (2011). *Metodologi Penelitian*. Jakarta: Prenadamedia Group.
- Nurhayati, N., & Mulyani, S. (2015). User Participation on System Development, User Competence and Top Management Commitment and Their Effect on The Success of The Implementation of Accounting Information System (Empirical Study in Islamic Bank in Bandung). *European Journal of Business and Innovation Research* Vol.3, No.2, 56-68.
- Oche. (2016, February 23). Bandung: Pojok Jabar.com. Diambil kembali dari Pojok Jabar.com: <http://jabar.pojoksatu.id/bandung/2016/02/23/aset-pemkab-kabupaten-bandung-barat-kerap-bermasalah/>
- Pemerintah Republik Indonesia. (2003). Keputusan Kepala Badan Kepegawaian Negara Nomor 46A Tahun 2003 tentang Pedoman Penyusunan Standar Kompetensi Jabatan Struktural Pegawai Negeri Sipil.
- Pemerintah Republik Indonesia. (2003). Undang-Undang Republik Indonesia Nomor 17 Tahun 2003 tentang Keuangan Negara.
- Pemerintah Republik Indonesia. (2006). Peraturan Pemerintah Republik Indonesia Nomor 6 Tahun 2006 tentang Pengelolaan barang Milik Negara/Daerah.
- Pemerintah Republik Indonesia. (2007). Peraturan Menteri Dalam Negeri Nomor 17 Tahun 2007 tentang Pedoman Teknis Pengelolaan Barang Milik Daerah.
- Pemerintah Republik Indonesia. (2008). Peraturan Pemerintah Republik Indonesia Nomor 60 Tahun 2008 Tentang Sistem Pengendalian Intern Pemerintah.
- Pemerintah Republik Indonesia. (2010). Peraturan Pemerintah Republik Indonesia Nomor 71 Tahun 2010 tentang Standar Akuntansi Pemerintahan.
- Pemerintah Republik Indonesia. (2011). Peraturan Menteri Dalam Negeri Nomor 21 Tahun 2011 tentang Perubahan Kedua Atas Peraturan Menteri Dalam Negeri Nomor 13 Tahun 2006 Pedoman Pengelolaan Keuangan Daerah.
- Pemerintah Republik Indonesia. (2016). Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 108 Tahun 2016 tentang Penggolongan dan Kodefikasi Barang Milik Daerah.
- Pemerintah Republik Indonesia. (2016). Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 19

- Tahun 2016 tentang Pedoman Pengelolaan Barang Milik Daerah.
- Riandani, R. (2017). Pengaruh Kompetensi SDM, Pemanfaatan Teknologi Informasi, dan Pengendalian Intern Terhadap Kualitas Laporan Keuangan (Studi Empiris pada SKPD Kab. Limapuluh Kota). Padang: Universitas Negeri Padang.
- Sawyer's. (2005). *Audit Internal Sawyer*, Edisi ke 5. Jakarta: Salemba Empat.
- Sekaran, U. (2006). *Metodologi Penelitian Untuk Bisnis*. Jakarta: Salemba Empat.
- Sekaran, U. (2011). *Research for Business: Metode Penelitian untuk Bisnis*. Jakarta: Salemba Empat.
- Setyaningdyah, E., Nimran, U., Kertahadi, & Thoyib, A. (2013). The Effect of Human Resource Competence, Organisational Commitment and Transactional Leadership on Work Discipline, Job Satisfaction and Employee's Performance. *Interdisciplinary Journal of Contemporary Research in Business*, Vol 5, No 4.
- Silviana. (2013). Hubungan Penerapan Sistem Informasi Akuntansi Terhadap Kualitas Laporan Keuangan Pemerintah Daerah (Survey Pada 9 Kota di Provinsi Jawa Barat). *Proceeding Call for Papers dan Seminar Nasional*, Universitas Widyatama, Bandung.
- Spencer, L., & Spencer, S. (1993). *Competence at Work Model For Superior Performance*. New York: John Wiley & Sons, Inc.
- Sugiyono. (2013). *Metode Penelitian Kualitatif dan R&D*. Bandung: Alfabeta.
- Sugiyono. (2016). *Memahami Penelitian Kualitatif*. Bandung: CV Alfabeta.
- Sukmaningrum, T. (2012). Analisis Faktor-Faktor yang Mempengaruhi Kualitas Informasi Laporan Keuangan Pemerintah Daerah (Studi Empiris Pada Pemerintah Kabupaten dan Kota Semarang). Skripsi: Semarang: Universitas Diponegoro.
- Sumarsono, H. S. (2004). *Metode Riset Sumber Daya Manusia*. Jember: Graha Ilmu.
- Susanto, A. (2008). *Sistem Informasi Akuntansi*. Jakarta: Gramedia.
- Thompson, R. L., Higgins, C. A., & Howel, J. M. (1991). Personal Computing: Toward a Conceptual Model of Utilization. *MIS Quarterly*.
- Tim Aplikasi SIMDA. (2017). *Deputi Pengawasan Bidang Penyelenggaraan Keuangan Daerah*. Diambil kembali dari BPKP.
- Wilkinson, W. Joseph, Michael J. Cerullo, Vasant Raval, & Bernard Wong-On-Wing. (2000). *Accounting Information Systems: Essential Concepts and Applications*. Fourth Edition. John Wiley and Sons Inc.
- Williams, B. K., & Sawyer, S. C. (2007). *Using Information Technology: Pengenalan Praktis Dunia Komputer dan Komunikasi*. Edisi 7. Terjemahan Nur Wijyaning Rahayu & Th. Arie Prabawati. Yogyakarta: ANDI.