

**THE EFFECT OF THE IMPLEMENTATION OF GOVERNMENT ACCOUNTING STANDARD POLICIES IN THE VALUE OF TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC SECTOR FINANCIAL MANAGEMENT  
(Case Study of Serdang Village, Tanjung Bintang District)**

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**ABSTRAK**

Penelitian ini bertujuan untuk menganalisis pengaruh implementasi Standar Akuntansi Pemerintahan (SAP) sebagaimana diatur dalam Peraturan Pemerintah Nomor 71 Tahun 2010 terhadap transparansi dan akuntabilitas dalam pengelolaan keuangan sektor publik di Desa Serdang, Kecamatan Tanjung Bintang, Kabupaten Lampung Selatan. Menggunakan metode kualitatif dengan pendekatan analisis deskriptif, mengumpulkan data melalui wawancara dengan perangkat desa. Hasil penelitian menunjukkan bahwa Desa Serdang telah menerapkan Standar Akuntansi Pemerintahan (SAP) melalui penggunaan Sistem Keuangan Desa (Siskeudes), yang mempermudah proses perencanaan, pelaksanaan, penatausahaan, serta pelaporan keuangan secara terstruktur. Transparansi dilakukan dengan menampilkan banner anggaran di kantor desa dan menyelenggarakan musyawarah desa yang melibatkan masyarakat, sehingga masyarakat dapat mengetahui alokasi dan realisasi anggaran. Akuntabilitas terlihat dari penyampaian laporan pertanggungjawaban keuangan secara terbuka dalam forum desa, sejalan dengan Permendagri Nomor 20 Tahun 2018. Keterlibatan masyarakat dalam proses perencanaan dan pengawasan turut memperkuat tata kelola pemerintahan yang baik. Meski demikian, terdapat kritik dari warga terkait kualitas pembangunan infrastruktur, yang mengindikasikan perlunya peningkatan komunikasi antara pemerintah desa dan masyarakat. Temuan ini menunjukkan bahwa implementasi SAP berkontribusi dalam meningkatkan transparansi, akuntabilitas, dan partisipasi masyarakat, yang pada akhirnya dapat menunjang kesejahteraan melalui alokasi anggaran yang lebih tepat sasaran.

**Kata Kunci: Standar Akuntansi Pemerintahan, Transparansi, Akuntabilitas, Pengelolaan Keuangan Sektor Publik.**

**ABSTRACT**

*This study aims to analyze the effect of the implementation of Government Accounting Standards (SAP) as stipulated in Government Regulation Number 71 of 2010 on transparency and accountability in public sector financial management in Serdang Village, Tanjung Bintang District, South Lampung Regency. Using a qualitative method with a descriptive analysis approach, data was collected through interviews with village officials. The results of the study show that Serdang Village has implemented Government Accounting Standards (SAP) through the use of the Village Financial System (Siskeudes), which facilitates the process of planning, implementing, administering, and reporting financial in a structured manner. Transparency is carried out by displaying budget banners at village offices and holding village deliberations involving the community, so that the community can find out the budget allocation and realization. Accountability can be seen from the submission of financial accountability reports openly in village forums, in line with Permendagri Number 20 of 2018. Community involvement in the planning and supervision process also strengthens good governance. However, there is criticism from residents regarding the quality of infrastructure development, which indicates the need to improve communication between the village government and the community. These findings show that SAP implementation contributes to increasing transparency, accountability, and community participation, which can ultimately support welfare through more targeted budget allocation.*

**Keywords: Government Accounting Standards, Transparency, Accountability, Public Sector Financial Management.**

## INTRODUCTION

In 2010, the Indonesian government introduced a new policy regarding public sector accounting standards through Government Regulation (PP) Number 71 of 2010. This policy stipulates that the preparation and reporting of financial institutions must use an accrual basis, replacing the previous rules stipulated in Government Regulation Number 24 of 2005.

Government Accounting Standards (SAP) are a collection of accounting principles and guidelines applied by government agencies in compiling and presenting financial statements. Because it has a strong legal basis, SAP plays an important role in efforts to improve the quality of government financial reporting (Sutrisno & Astuti, 2024). Therefore, the central and regional governments are obliged to make and submit financial statements in accordance with qualitative characteristics as a form of responsibility for the management of public funds. Every year, the Audit Board of the Republic of Indonesia (BPK-RI) conducts an audit of the Regional Government Financial Statements (LKPD) to evaluate the reliability and quality of the information presented (Jauhari et al., 2021).

The preparation of SAP is carried out by the Government Accounting Standards Committee which is independent, and its determination is carried out through Government Regulations after obtaining input from the Financial Audit Board. SAP itself is an accounting principle used in the preparation and presentation of financial statements of government agencies.

It is hoped that the implementation of this standard can improve the quality of financial reporting throughout the government environment. Thus, government financial information can be a reliable reference in decision-making, while supporting the creation of transparency and accountability.

Accountability, which also means accountability, is a moral and administrative responsibility that must be fulfilled by leaders, officials, or implementers of an activity. They have the responsibility to ensure that every obligation and role they carry out is carried out

appropriately and in line with the provisions of the applicable law. In regional financial management, especially at the village level, accountability aims to evaluate the extent to which the implementers of activities utilize public funds efficiently, effectively, and transparently. As the highest leader at the village level, the village head bears full responsibility to report and provide evidence of accountability to the community for the implementation of various programs financed from the Village Revenue and Expenditure Budget (APBDes). This action is a form of transparency and social supervision, so that the community can supervise and evaluate the use of public funds for the common good (Rusrina, n.d.).

In addition to upholding the principle of accountability, the village government also needs to prioritize transparency so that the community can more easily access the information they need. This transparency includes the delivery of clear and open information about the implementation of the program, the policies taken, the budget management process, and the achievements or results of the activities that have been carried out. Thus, the community can obtain the information that is their right, and participate in supervising and assessing the performance of the village government objectively (Sari & Widyawati, 2021). Financial transparency of public institutions is essential: First, it aims to build and strengthen public trust; Second, to increase community participation in supervision; Third, because every citizen has the right to obtain information and the right to know everything related to the public interest (Salle, 2017). Public sector financial management, especially at the village level, is an important pillar in realizing good governance (*good governance*).

Based on the applicable legal provisions, the management of village funds is the full responsibility of the village government and covers all stages, starting from the planning process, implementation, management, to reporting and accountability to the community. This provision was first regulated in the Regulation of the Minister of Home Affairs (Permendagri) Number 20 of 2018 concerning

Village Financial Management, which also includes the use of village-specific financial management applications. The application is the Village Financial System (Siskeudes), which was developed through collaboration between the Ministry of Home Affairs and the Financial and Development Supervisory Agency (BPKP). Village budget management must comply with these regulations, and be implemented based on the principles of accountability, transparency, participation, and control, in order to ensure open and accountable village financial governance (Saputri & Farida, 2025).

Several studies discuss the application of SAP Number 01 in financial reporting, including research conducted by Nur Mujianto (2022) in Toto Makmur Village. The study shows that the Toto Makmur Village government only prepares one main type of financial statement, namely the Budget Realization Report, so it has not met the provisions stated in the Government Accounting Standard Statement (PSAP) Number 01 regarding the presentation of financial statements. Another study with a similar topic was conducted by Bagus Prayogi (2022) in Karang Anyar Village, Labuhan Maringgai District, East Lampung Regency. The results show that the village financial accountability report in the region has also not implemented SAP No. 01 comprehensively, because the form of the financial report prepared is only in the form of a Budget Realization Report which is reported every semester to the government level above it.

Meanwhile, in another study conducted by Sri Wahyuni Nur (2021) in Tellumpanuae Village, Maros Regency, it is often encountered that problems from the transparency aspect are still not carried out properly, where there is no information on the notice board or information board regarding the amount of expenditure and income in carrying out Village Fund Allocation activities. This situation occurs because the village government is not responsive in implementing openness at the planning, implementation, and preparation stages of the village budget. The principle of transparency emphasizes that all citizens have the right and equal opportunity to access information related

to the budgeting process, because it directly concerns the aspirations and needs of the community. However, the application of this principle still faces a number of obstacles, one of which is the low level of community involvement, as conveyed by community leaders. This lack of participation is due to the strong dominance of village heads and low public interest in supporting programs funded from village fund allocations. As a result, some of the programs that have been designed cannot be implemented according to the original plan. Therefore, understanding the level of community participation and the application of transparency in the accountability of village budget management is important, because both play an important role in encouraging the achievement of overall community welfare (Aprilya, 2020).

It is hoped that the research conducted by the researcher on the implementation of Financial Accounting Standards in Serdang Village can show that the village apparatus has applied the concepts of transparency, accountability, and community participation to realize good governance, taking into account existing factors and realities.

## **LITERATURE REVIEW**

### **Agency Theory**

Agency Theory is an approach in the field of economics and management that describes the contractual relationship between two parties, namely the party who gives the authority or mandate (principal) and the party who receives the mandate to act on behalf of the principal's interests (agent). This relationship generally forms in an organization that has a hierarchical structure, where the principal occupies a position of authority higher than the agent.

Within the framework of this theory, the principal gives the agent the authority to carry out certain actions aimed at fulfilling the interests or goals of the principal himself. Agency theory plays an important role in explaining how differences in interests between principals and agents can create *agency problems*, which are challenges in achieving

effective management and decision-making. Thus, a supervisory or control mechanism, such as the formulation of a contract that contains a system of incentives and accountability, is needed to ensure that the agent acts in accordance with the principal's interests. Agency theory has an important role in describing how the difference in interests between principals and agents can give rise to agency *problems*, which are obstacles to realizing effective management and decision-making. Therefore, the implementation of a control system through contracts that regulates the rights, obligations, and rewards for agents is necessary so that the interests of the principal are protected.

Halim and Abdullah (2010), citing Johnson (1994), stated that the interaction between the executive or bureaucracy and the legislature or parliament is known as the self-interest model. In this model, each actor has its own interests: legislators seek support for re-election, bureaucrats seek to increase their institution's budgets, and the public wants to reap as much benefits as possible. To maintain public support, legislatures tend to approve programs and projects that can improve their image in the eyes of voters. On the other hand, bureaucrats propose new programs to expand the role of their institutions, while the public feels that they benefit from government policies without having to bear the entire cost of implementation.

### **Legitimacy Theory**

Legitimacy Theory is used to explain how organizations respond to environmental and social issues (Rankin et al., 2012). In this context, the concept of the social contract describes how an organization builds harmonious relationships with society. The community hopes that the actions of an organization are in line with applicable social and environmental values. Therefore, in order to maintain the continuity of its operations in the future, organizations are required to meet these expectations. Because the social contract is unwritten, organizations must proactively adjust their behavior to conform to societal

norms and expectations (Novitasari & Iswara, 2024).

Legitimacy Theory has a strategic role in the sustainability of the organization, because support and recognition from the community are important factors in the future development of the organization. According to O'Donovan (2000), organizational legitimacy is a form of acceptance given by the public to the company, and is something that the company always strives to obtain. Thus, legitimacy plays an important foundation that supports the company's long-term survival.

In this context, the theory of legitimacy emphasizes the importance of the optimal implementation of corporate social responsibility. Disclosure of social activities that are carried out openly and responsibly can improve the company's image and reputation in the eyes of the public. A positive response from the community to the company's activities will create socially and economically beneficial value, including in terms of increasing profits. In addition, the positive image that the company has can be an attraction for investors to invest their capital.

Deegan et al. (2002) state that legitimacy can be obtained if the company's activities are aligned with the social values embraced by the community and do not conflict with the prevailing environmental system. According to Lindblom (1994), the implementation of corporate social responsibility (CSR) can be used as a means by management to show concern for social values and reduce the potential adverse impact that may be caused by corporate activities on society.

### **Government Accounting Standards**

Based on Article 1 Paragraph (3) of Government Regulation of the Republic of Indonesia Number 71 of 2010, Government Accounting Standards (SAP) are defined as a collection of accounting principles used in the preparation and presentation of financial statements by government entities. Therefore, SAP functions as a normative guideline that has a strong legal basis to support the improvement of the quality of government financial reporting in Indonesia.

Furthermore, in Article 1 Paragraph (8) it is explained that accrual-based SAP is a standard that recognizes all financial elements such as revenue, expenses, assets, liabilities, and equity in accrual-based financial statements. In addition, elements such as revenue, expenditure, and financing are also recognized in the budget implementation report on the basis of recognition in accordance with the provisions in the State Budget or APBD.

The use of accrual-based SAP covers all government entities, both at the central and regional levels, including government organizational units that are required to prepare financial statements in accordance with laws and regulations. The rules regarding accrual-based SAP are outlined in the Government Accounting Standard Statement (PSAP) and are supported by the Government Accounting Conceptual Framework. Both documents are officially listed in Attachment I of Government Regulation Number 71 of 2010 (BPK, 2010).

### **Transparency**

In English, the word *transparency* means an important principle that is the basis for accountable financial management. According to Badiul (2020:4), transparency needs to be applied comprehensively at every stage of village financial management, starting from the planning stage, budget preparation, program implementation, administration, reporting, to accountability. Transparency is a principle that ensures that everyone has the right and freedom to access information related to the activities of an organization or individual, including financial information, programs run, benefit sharing, and other matters.

In addition, transparency can also be interpreted as a form of openness that reflects the government's steps in providing widespread access to information to the public. With this openness, the government can build and strengthen public trust, because the public is believed to have the right to obtain accurate and adequate information (Novitasari & Iswara, 2024).

Furthermore, transparency also describes the implementation of open government functions, where activities such as planning,

implementation, supervision, and control can be accessed by interested parties. This concept reflects the organization's commitment to be open in managing public resources to the community or institutions that have the responsibility of overseeing state finances. (Karimayuni, 2020).

Transparency will reduce the level of uncertainty in the decision-making process regarding the management of village funds, because the dissemination of various information that has so far only been accessed by the government can provide opportunities for the community to participate in decision-making, for example with village meetings that are conducted in deliberation. In addition, transparency can narrow the opportunities for corruption within the scope of the village government with the community participating in the decision-making.

### **Accountability**

According to Peters (2010:165), accountability has a different meaning than responsibility. Accountability focuses more on the relationship between the organization as an entity and external parties, so the analysis is at the macroorganizational level. The main focus is on the sociological dimension of the organization, namely how the organization interacts and builds relationships with interested outside parties. Meanwhile, the aspect of responsibility is emphasized on the individual, where every member in a public organization is obliged to act ethically, carry out duties correctly, and obey the applicable guidelines and follow the applicable training.

Bryner in Peters (2010:265) emphasized that members of public sector organizations are obliged to comply with the provisions of the law, both general laws that govern the administration of policies and special laws that govern certain programs that are being implemented. This explanation becomes even clearer when the concepts of accountability, responsibility, and responsiveness are understood simultaneously as part of the government's transparency efforts to the public, as expressed by Gortner, Nichols, and Ball (2007:195).

According to LAN and BPKP (2000), the principles of accountability in government include the commitment of leaders and apparatus in carrying out their duties responsibly, compliance with regulations, the ability to evaluate the achievement of goals, orientation to results and benefits, and the application of the values of honesty, objectivity, transparency, and innovation reflected in performance reporting. Therefore, as an institution that functions to serve the public, the government is obliged to account for all its actions to the public, both directly and indirectly (Novitasari & Iswara, 2024).

### **Public Sector Financial Management**

Public sector accounting is part of the accounting discipline that focuses on financial management and accountability in the government or public sector environment. The main objective is to ensure that the use of public resources is carried out efficiently, transparently, and accountably.

Public sector finance encompasses various parts of the financial management and operations of various government entities and agencies. Some of the key areas within this scope include (Ball et al., 2002; Malyshko, 2021): Budget, Revenue Collection, Public Debt Management, Public-Private Partnerships (PPPs), Financial Regulation and Supervision, Public Sector Reporting and Accountability, Fiscal Policy, Public Sector Innovation, International Cooperation and Development Assistance, Public Financial Management Reform.

### **Village Government**

The term government refers to state institutions or organs that are tasked with carrying out government functions, while the government emphasizes more on the process of implementing these functions. The government as an organ of the state can be distinguished into two meanings. In a narrow sense, the government only includes executive powers, namely the President, Vice President, and ministers as stipulated in the 1945 Constitution. Meanwhile, in a broad sense, the government

includes all state institutions, both executive and legislative, including the DPR.

In general, the government refers to a group of people who have the official authority to exercise state power, formulate and implement policies, and are responsible for improving the welfare of the community. Based on Law Number 6 of 2014 concerning Villages, it is stated that Village Government is the implementation of government affairs and the interests of local communities within the framework of the government system of the Unitary State of the Republic of Indonesia (Sugiman, 2018).

Law Number 6 of 2014 states that the implementation of village government is carried out with reference to the following principles: 1) legal certainty; 2) Orderly governance; 3) organized public interest; 4) openness or transparency; 5) proportionality; 6) accountability or accountability; 7) effectiveness and efficiency; 8) local wisdom; 9) diversity; and 10) participatory (Novitasari & Iswara, 2024).

Thus, the implementation of village government based on the principles of legal certainty, administrative order, integrated public interest, transparency, justice, accountability, efficiency and effectiveness, local wisdom, diversity, and community participation is aimed at building a good, open, and comprehensive government system. This is done to support sustainable village development, improve people's living standards, and strengthen social harmony and cultural values at the local level.

## **RESEARCH METHODS**

This study uses a descriptive method with a qualitative approach. Sugiyono (2022) in his book explains, the qualitative method is rooted in the philosophy of phenomenology, which aims to understand a phenomenon in depth through the perspective of the individual experience that is the subject of research. This approach is descriptive and interpretive, and emphasizes the importance of natural context in data collection. The data used in this study is subjective data, obtained from respondents who act as informants through interviews, and is

equipped with documentation data. The data collection technique is carried out through field studies, namely by conducting a direct survey of the research object, using recorded interviews. The object of this research is the Village Apparatus located in Serdang Village, Tanjung Bintang District, South Lampung Regency.

## RESULTS AND DISCUSSION

### Research Results

Information obtained from interviews with Serdang Village officials, Tanjung Bintang District, South Lampung Regency, shows that the implementation of SAP has a positive impact on increasing transparency and accountability in public financial management at the village level.

Serdang Village has utilized the Siskeudes application in village financial management, the implementation of which refers to the SAP guidelines set by the local government. In the planning process, village officials involve community participation through deliberative forums which are generally held in the last quarter of each year. In addition, this activity is an opportunity to compile an accountability report as a tangible form of accountability. Meanwhile, to support transparency, budget information, and its realization are published through banners installed at the Village Hall, so that all residents can easily access the data every year, said Mr. Rifki as the financial manager of Serdang Village.

Here is a further explanation:

### Implementation of Government Accounting Standards (SAP):

The Serdang Village Government has implemented the Village Financial System (Siskeudes) in accordance with accrual-based Government Accounting Standards as stipulated in Government Regulation Number 71 of 2010. The implementation of the Siskeudes application helps in an integrated village financial management, including stages ranging from planning, implementation,

recording, to the preparation of financial statements. The main purpose of using this system is to strengthen transparency, accountability, and efficiency in village financial management.

In the process of preparing the budget, the village government involves various elements of the community, such as representatives of residents, religious leaders, and youth leaders, through village deliberative forums which are routinely held at the end of each year. To support information disclosure, financial reports are submitted transparently through the installation of banners at the village hall, which include the details of the budget and the realization of its use every year. In this way, the community can easily gain access to village financial information.

### Transparency in Financial Management

Financial transparency in Serdang Village can be accessed by the community through budget banners at the village hall. So that the community can find out the budget allocation, realization of expenses, and the results of activities funded by village funds.

**Picture 1.** Realization of the Serdang Village APB TA. 2023

Description	Income		
Total Revenue	Idr 2,047,827,202,58		
Description	Budget Ceiling	Realization	About
<b>Income</b>			
Transfer Income	Idr	Idr	Idr
- Village Fund	2,079,894,861,00	2,029,981,396,00	49,913,465,00
- Tax Revenue Sharing And Restitution	Idr	Idr	Idr-
- Village Fund Allocation	1334.480.000,00	1.334.480.000,00	
- Provincial Financial Aid	Idr	Idr	Idr-
- Miscellaneous Income	182.802.300,00	182.802.300,00	
<b>Total Revenue</b>	Idr 6,000,000,00	Idr 6,000,000,00	Idr 49,913,465,00
	Idr 2,096,529,861,00	Idr 2,047,827,202,58	Idr 48,702,658,42
Description	Village Shopping		
Amount Of Village Expenditure	Idr 2,040,307,664,25		
Description	Budget Ceiling	Realization	About
<b>Shop</b>			
Field Of Village Government Administration	Idr	Idr	Idr
Field Of Rural Development Implementation	1,403,731,530,74	1,310,999,176,25	902,732,354,49
Field Of Community Development	Idr	Idr	Idr-
Empowerment Field Disaster Management, Emergency	280.829.900,00	280.829.900,00	
	Idr 113,206,588,24	Idr 105.006.588,00	Idr 8.200.000,24
	Idr 276,396,000,00	Idr 206.672.000,00	Idr 69.724.000,00
	Idr 136.800.000,00	Idr 136.800.000,00	-
Description	Budget Ceiling	Realization	About
<b>Financing</b>			
Net Financing	Idr 114,434,157,98	Idr 114,434,157,98	Idr 121,953,696,31
Silpa For The Current Year	Idr-	Idr	Idr
		Idr 114,434,157,98	Idr 121,953,696,31

*Data Source: Serdang Village Finance (2023)*

**Picture 2.** Realization of the Serdang Village APB TA. 2024

Description	Income		
<b>Total Revenue</b>	2.150.625.724,07		
Description	Budget Ceiling	Realization	About
<b>Income</b>			
Transfer Income	Idr 2,084,495,560,00	Idr 2,148,190,332,00	Idr 63,694,772,00
- Village Fund	Idr 1,344,273,000,00	Idr 1,344,273,000,00	Idr-
- Tax Revenue Sharing And Restitution	Idr 116.524.800.00	Idr 191.314.100.00	Idr 74,789,300,00
- Village Fund Allocation	Idr 623,697,760,00	Idr 612.603.232.00	Idr 11,094,528,00
- Provincial Financial Aid	Idr-	Idr-	Idr-
- Miscellaneous Income	Idr-	Idr 2,435,392.07	Idr 2,435,392.07
<b>Total Revenue</b>	Idr-	Idr 2,150,625,724,07	Idr 66,130,164,07
Description	Village Shopping		
<b>Amount Of Village Expenditure</b>	Idr 2,040,307,664,25		

Data Source: Serdang Village Finance (2024)

### Accountability in Financial Management

Accountability in Serdang Village is realized through accountability reporting to the community which is carried out in conjunction with budget planning deliberations. As the Village Head, Mr. Supriyono, S.E ensures that financial statements are prepared in accordance with applicable regulations, including Permendagri Number 20 of 2018.

The use of Siskeudes simplifies the financial reporting process, reduces the potential for errors in financial management, and increases public trust.

In the submission of accountability reports by village officials to the community, there were criticisms submitted regarding infrastructure development in Serdang Village. Mr. Jumadi as the Head of IB Hamlet said:

"... that some people are dissatisfied with the construction of roads in their hamlets, because they are not immediately repaired" while the Serdang village apparatus itself already has priority targets that are adjusted to its *urgency* gradually, such as the construction of roads in schools, food security roads and then continued the construction of other roads.

Public criticism regarding the quality of road construction reflects a gap in information disclosure related to the project. Based on the

theory of public accountability put forward by Bovens (2007), dissatisfaction from citizens can be interpreted as an indication of a lack of clear and open communication between the government and the community, especially regarding the use of the budget and the quality standards of the work implemented.

### Community Participation

The people of Serdang Village are actively involved in the planning, implementation, and evaluation stages of the village budget through deliberative forums that are regularly held. This involvement is realized through various ways, such as attending village meetings, conveying aspirations related to development priorities, supervising the use of funds, and participating in activities financed by village funds, such as mutual cooperation in infrastructure development. The form of citizen participation includes providing ideas, energy, and supervisory functions. Thus, the results of development can be felt fairly by all levels of citizens. This active involvement also strengthens participation in decision-making, as well as fosters a sense of belonging and shared responsibility for village progress.

## DISCUSSION

This research proves that the implementation of Government Accounting Standards in Serdang Village has a great impact in encouraging transparency and accountability in public financial management. The following description presents a discussion that relates the research findings to the theoretical foundations that have been studied in the literature review:

### Relationship with Agency Theory

In village financial management, the agency theory is relevant because the village head and the village apparatus act as agents who are given responsibility by the community (*principal*) to manage village funds for the current year, both those that have been realized and those that have not been realized. In Serdang Village, the village development planning process begins in stages through the

Hamlet Conference (MusDus), where village officials and the community are committed and participate directly. Every community has the opportunity to provide constructive proposals. These proposals are accommodated in advance to determine the priority scale. From the results of the Musdus, the Village Apparatus proposed to the District through the District Meeting (Muscam), which is carried out once a year, said Mrs. Siti in the interview process.

The relationship between agency theory and this research lies in the function of the government as an agent responsible for formulating strategies to seek the best service for the community as the principal. Agents are expected to be able to show their best performance to the principal, one of which is reflected in the quality of service and good financial reports. This performance is greatly influenced by the strategy implemented by the government. The better the performance shown, the level of public trust in the government will increase. Therefore, choosing the right strategy is an important factor because it has a direct effect on public trust. In this context, the application of SAP in public financial management acts as a control tool from the perspective of agency theory. By allocating a budget to support the implementation of SAP, it is hoped that it can increase transparency and accountability and reduce the potential for abuse of authority by the agency, namely the government.

### **Relationship with Legitimacy Theory**

In the context of governance, legitimacy is obtained through financial governance that is transparent, accountable, and compliant with applicable regulations.

The application of Government Accounting Standards (SAP) and community involvement in village deliberative forums are tangible manifestations of the application of this theory. Information disclosure and citizen participation are important elements in building community support. Village deliberations (Musdes) are the main means of forming social legitimacy, because through this forum, residents can be directly involved in the decision-making process. This involvement

shows that the village government respects the input and aspirations of its citizens, so that every policy set has strong legitimacy.

This research bases village financial management on the principles of transparency and accountability, which are in line with the concept of legitimacy. The management of village funds that is carried out openly and accountably not only creates good financial governance, but also increases public trust and strengthens support for various development programs run by the village government.

### **Transparency and Accountability**

Transparency is an important principle in realizing accountable financial management, which must be applied comprehensively from the planning stage to accountability (Badiul, 2020). This principle guarantees the right of the public to obtain relevant information related to the activities of organizations or individuals, including financial information, programs, and distribution of benefits. More than just openness, transparency reflects the government's commitment to providing broad access to information as an effort to build and strengthen public trust, as the public has the right to accurate and adequate information (Novitasari & Iswara, 2024).

After understanding the concept of transparency, the results of our research show that based on information from the Serdang Village apparatus, the village government has provided financial information regarding the budget and budget realization through a banner installed in front of the village office. In addition, Serdang Village has also implemented a Village Financial System (Siskeudes) which helps facilitate the financial management process, especially in recording and administration. The use of Siskeudes allows access to financial reports and documents quickly, precisely, and accurately. However, access to this system is still limited only to village officials or related parties, so the general public cannot access it freely anytime and anywhere. Even so, if information is urgently needed, village officials can immediately access data through the system.

To find out the extent of community participation in village development, the Serdang Village apparatus stated that residents are given space to be directly involved as workers in development projects. This participation also serves as a form of joint supervision between the community and the village apparatus. Before the project is implemented, planning is carried out which includes the identification of the type of development, sources of financing, and other technical needs. This aims to ensure that the community can be actively involved in the development process while reflecting the implementation of the principle of accountability by the village government.

The use of village funds for activities such as posyandu services and road infrastructure development requires the application of the values of transparency and accountability, in order to ensure that the budget is used optimally and on target, as well as fostering public trust.

This synergy between transparency and accountability is the basis for the creation of *good governance* in Serdang Village. As stated in the introduction, open and accountable public sector financial management is the main foundation in realizing (*good governance*).

### CONCLUSION

This study shows that in Serdang Village, Tanjung Bintang District, South Lampung Regency, it can be concluded that the implementation of Government Accounting Standards (SAP) in Serdang Village, in accordance with Government Regulation Number 71 of 2010, has had a significant impact on increasing transparency and accountability in public financial management at the village level through the use of the Siskeudes application. Transparency is reflected in the disclosure of information that can be accessed by the public through the display of budget banners and the implementation of village deliberations, while accountability is realized through systematic financial accountability reporting, conveyed to the community during village deliberations in conjunction with the annual budget planning

process. Overall, the implementation of SAP in Serdang Village strengthens the principles of good governance and has the potential to improve community welfare through targeted budget allocation with more transparent, accountable, and participatory financial management. Community participation in village deliberations ensures that village funds are used for programs that are in accordance with public needs, such as infrastructure development, economic empowerment, or improvement of public services.

### SUGGESTION

The village government is advised to develop digital facilities, such as village websites or mobile applications, to provide easy access for the community to village financial information anytime and anywhere. This aims to expand the reach of information, especially for people who do not have the opportunity to visit the village office in person on a regular basis. In addition, it is important for village officials to be able to increase the capacity and competence of apparatus in implementing Government Accounting Standards (SAP) and financial technology through continuous training and education programs. In addition, in order for financial management to run well, village officials need to build strong communication at every stage. Evaluation of the performance of the program that has been carried out also needs to be carried out regularly by the village apparatus. To deepen the study related to the implementation of Government Accounting Standards (SAP), further research can be focused on analyzing the qualitative impact of the application of the principles of transparency and accountability to improve people's welfare. The focus includes, among other things, its impact on reducing poverty rates or increasing community satisfaction with the services provided by the village government.

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