

ABSTRACT

This study aims to examine the effect of fiscal decentralization, the effectiveness of budget absorption, capital expenditure, the maturity level of the government's internal control system on the accountability of local government financial reporting with performance as a moderating variable. The population in this study are district and city governments in Central Java Province in the 2016 -2018 period. This study used purposive sampling so that there were only 34 regencies and cities that could be analyzed in this study.

This research was conducted using quantitative methods using secondary data obtained from each agency related to the variable. There were 102 data samples that were analyzed using the SPSS For Windows application version 23.0 using ordinal logistic regression analysis data processing.

The results of the study show that the variables of fiscal decentralization, the effectiveness of budget absorption, and capital expenditure have no effect on the accountability of local government financial reporting. Meanwhile, the maturity level variable of the government's internal control system influences the accountability of local government financial reporting. Local government performance does not moderate the relationship between fiscal decentralization, effectiveness of budget absorption, and capital spending on the accountability of local government financial reporting. Local government performance can moderate the relationship between the maturity level of the government's internal control system on the accountability of local government financial reporting.

Keywords: Fiscal Decentralization, Budget Absorption Effectiveness, Capital Expenditure, SPIP Maturity Level, EKPPD Accountability of Local Government Financial Reporting