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## FINANCE | RESEARCH ARTICLE

# Effectiveness of Village Financial System Implementation (SISKEUDES) in Realizing Accountability and Transparency to Prevent Fraud

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**Abstract:** This study analyzes the effectiveness of implementing the Village Financial System (SISKEUDES) in improving accountability and transparency to prevent fraud in three villages in the Kalumpang sub-district, Mamuju district. Using mixed method research combines quantitative analysis through regression and qualitative approaches with interviews, observations, and documentation studies. The results showed that transparency significantly influenced fraud prevention ( $p < 0.001$ ), while accountability also contributed, although with a more minor influence. SISKEUDES is proven to facilitate the recording and reporting of village finances, increase public trust, and reduce the potential for fund protection. However, there are still obstacles to understanding the system and technological infrastructure that need to be improved.

**Keywords:** SISKEUDES, Accountability, Transparency, Fraud Prevention, Village Finance.

**JEL Classification Code:** H83, G38, M41, K42

## 1. INTRODUCTION

The Indonesian government has encouraged digitizing financial management systems to improve transparency and accountability; the trend of digitizing public financial management is also increasing. Various countries have adopted technology-based systems to improve efficiency and transparency and minimize the risk of corruption. International organizations such as the World Bank and the International Monetary Fund (IMF) encourage developing countries to shift to technology-based systems as part of public financial governance reforms. Initiatives such as the Regional Government Information System (SIPD) and the Village Financial System (SISKEUDES) for villages are clear examples of how technology plays a vital role in managing public funds. With the increasing allocation of Village Funds, the government needs to ensure that the funds are well-managed and

Accountable. Transparency in public financial management has become one of the relevant global issues. Implementing technology such as SISKEUDES not only aims to prevent corruption at the local level but is also part of a worldwide effort to build public trust in institutions. With this system in place, communities can monitor financial management directly, increase public participation, and reduce opportunities for misuse of funds. Although SISKEUDES is implemented at the village level, its relevance is immense as the village is the closest unit of government to the community; the successful implementation of technology in the town can be a model for improved governance across the country while contributing to achieving Sustainable Development Goals. In order to realize transparent, accountable and participatory Village Financial Management, as mandated in the Regulation of the Minister of Home Affairs Number 113 of 2014 concerning Village Financial Management, the Minister of Home Affairs of the Republic of Indonesia together with the Head of the Financial and Development Supervisory Agency, have signed a Memorandum of Understanding Number 9001627115J and MOU-16/D4/2015, November 6, 2015 on Improving Village Financial Management Stating that the memorandum of understanding is a cooperation agreement between the Directorate General of Village Administration of the Ministry of Home Affairs and the Financial and Development Supervisory Agency in conducting guidance and supervision of Village Financial



Management, in the Cooperation agreement has built an application-based financial management system previously introduced by BPKP under the name of the Regional Management Information System (SIMDA) and then developed to more deeply oversee village financial management called the Village Financial System (SISKEUDES). The application is given to all villages for free or free of charge; this village financial management system application is applied to all towns with gradual implementation starting in 2015 with the hope that village financial management can be more effective, transparent, and accountable.

Indonesia Corruption Watch (ICW) recorded 731 corruption cases in 2023; the number increased significantly. Corruption in the village sector was recorded to have cost the state around Rp 162.2 billion in 2023. ICW revealed that the increase in corruption in villages has occurred since the enactment of Law No. 6/2014 on villages, which contains an allocation of village funds channeled by the government of IDR 68 trillion for 75,265 villages throughout Indonesia. If broken down, each town will manage a fund budget of Rp 903 million, distributed to 75,265 villages throughout Indonesia. The goal is to equalize the community's welfare, but without transparency and accountability, village funds are feared to be a wet field for corruption. From ICW's records, it can be seen that the trend of corruption in Indonesia has consistently increased from 2019 to 2023. The number of suspects reached 1,695 people, with a total state loss of Rp28.4 trillion. The most corruption cases occurred in the village sector, 187 cases, which resulted in a loss to the state of IDR162.25 billion. This is evidenced by several cases that were successfully uncovered, especially in the West Sulawesi region.

On August 23, 2023, the Head of Kakulasan Village, Tommo Subdistrict, Mamuju Regency, West Sulawesi, Finance Lokonau, became a suspect in alleged corruption of village funds by Mamuju Police investigators. Finance was named a suspect after investigators found around Rp 804 million in state losses. Fince used the money for his personal needs, according to his confession on August 23, 2023. The village funds corrupted by Fince were taken from the 2022 and 2023 budget years, and the village funds were channeled to cover physical development costs and salary incentives for village officials. Finance was also previously reported by 94 of his residents after not receiving direct cash assistance (BLT) funds for months; the BLT funds amounted to Rp 200 million. Then on

On May 7, 2024, investigators from the Mamuju police corruption unit named a former Limbong village head as a suspect in connection with the alleged corruption of village funds for the 2021-2022 fiscal year. The determination of this suspect status after investigators from the corruption unit of the Mamuju Mamuju Police held a case title. Based on the detention order number Sp.Han/32/V/2024/Reskrim, the suspect, was officially detained at the Detention Center. The report on the calculation of state financial losses from the regional inspectorate of Mamuju district found a State / Regional financial loss of IDR177,551,500.00, - (one hundred seventy million five hundred fifty-one thousand five hundred rupiah). "It can be explained that in 2021, the Limbong Village Government, Kalumpang District, Mamuju Regency, received a budget of Rp. 1,621,349,172," explained the Head of the Criminal Investigation Unit, Kompol Jamaluddin. If we look at the reality, corruption cases should be minimized because the Financial and Development Supervisory Agency (BPKP), together with other Government Internal Supervisory Apparatus (APIP) consisting of the Inspectorate of Ministries / Institutions / Regional Governments, reaffirmed their determination to oversee village finances so that the village development process is more accountable by the mandate of Law No. 6 of 2014 concerning Villages, which has encouraged accountability in village financial management by developing village financial governance applications through (SISKEUDES). From the above statement, the researcher can conclude that although the Village Financial System has been implemented in almost all regions of the country, it has not yet been implemented.

Indonesia, but there are still many cases of corruption of village funds that have occurred and even a more significant increase from 2019 to this year, thus encouraging researchers to examine more deeply the effectiveness of implementing the village financial system in realizing accountability and transparency, to detect and prevent village financial anomalies. With the enactment of Law No. 6 Year 2014 on Villages, the central government has allocated significant funds to villages across Indonesia. These village funds are intended to support infrastructure development, improve community welfare, and empower the local economy. SISKEUDES offers an information technology-based solution that enables financial recording and reporting to be done digitally. With features such

as real-time transaction recording, reporting automation, and a strict verification system, SISKEUDES can provide better control and minimize the risk of fraud. In this digital era, utilizing technology in village financial management is crucial to ensure efficiency and accuracy. In this digital era, utilizing technology in village financial management is essential to ensure efficiency and accuracy. Implementing SISKEUDES in Salumakki Village also requires a change in work culture from one that may have previously been less transparent to one that is more open and accountable.

Dewi (2024) revealed that the Siskeudes application in Teras Village can be practical by procedures. The application of this application is also able to minimize fraud committed by village officials based on fraud triangle theory analysis. This application shows the reporting time and date. It is equipped with an internal monitoring system that is directly connected to the server at the district government so that the resulting financial reports can be accounted for (accountable). The difference between this research and the research to be studied is that theoretical researchers used to analyze, and study is broader; this study will add the Fraud Heptagon Theory, which has seven dimensions: pressure, opportunity, rationalization, competence, arrogance, culture, and religion. The motivation for people to commit fraud is due to religious factors. Then Harahap et al. (2023) that the application of the village financial system in the transparency and accountability of village fund management in Huristak District cannot be said to be effective and successful in its application due to the lack of human resources (HR) in the village government of Huristak sub-district. However, the SISKEUDES application can increase transparency and accountability to the community for its financial reports even though village assistants still help it. This research has not examined the detection and prevention of village financial fraud, so the researcher will develop a broader study, especially for the Sulawesi region.

Implementing SISKEUDES is expected to improve village financial management's transparency, accountability, and efficiency, but many villages still face challenges. Some villages have successfully utilized SISKEUDES, such as Karya Makmur Village and Banyuasin Regency, South Sumatra, which achieved an 85% increase in budget transparency. However, on the other hand, villages such as several villages in the Kalumpang sub-district of Mamuju district could only optimize 40% of SISKEUDES functions due to limited technical training and suboptimal internet infrastructure. This research began with problems in Salumakki Village related to the potential for fraud in managing village funds in 2022/2023. Based on the recognition of several community Village Consultative Body (BPD) leaders, there were discrepancies between the reports listed in the Village Budget (APBDes) and the realization of development in the field. Before the implementation of the application (SISKEUDES), village financial management was still carried out manually using Excel format, which provided flexibility for village officials to change the nominal and description of activities without adequate supervision. This resulted in financial reports that were ineffective and inefficient and triggered potential fraud. This study aims to analyze the impact of diskette implementation on financial transparency and accountability, measure the extent to which diskette implementation can prevent fraud (Fraud), evaluate the suitability of diskette features to the needs of village financial management and the level of diskette user satisfaction among village officials, then analyze the inhibiting factors of diskettes implementation in disadvantaged areas.

## 2. LITERATURE REVIEW

### 2.1. Fraud Triangle Theory

This theory explains three elements often present in fraud cases: pressure, opportunity, and rationalization—It revealed that the three components of the fraud hexagon, namely pressure, arrogance, and conspiracy, significantly influenced fraudulent financial reporting in manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) for the period 2019-2020. With the implementation of Siskeudes, opportunities for fraud can be minimized because this system is designed to reduce gaps and weaknesses in village financial management. Siskeudes also allows early detection of anomalies that could be indicative of fraud.

## 2.2. Fraud Diamond Theory

Fraud diamond is a theory developed by Wolfe and Hermanson in 2004 based on the fraud triangle theory proposed by Cressey. Wolfe and Hermanson (2004) reveal that most fraud, especially fraud in massive amounts, occurs because of someone who can commit the fraud.

## 2.3. Fraud Pentagon Theory

The Fraud Pentagon theory was developed by Crowe Horwath in 2011. This theory expands the Fraud Triangle theory previously proposed by Cressey in 1953 by adding two elements, namely competence and arrogance. Crowe Horwath (2011) reveals that Competence is the ability of employees to ignore internal controls, develop fraud strategies, and control social situations for their benefit. A person's position in an organization can provide the ability to create or take advantage of opportunities to commit fraud.

## 2.4. Fraud Heptagon Theory

Fraud heptagon theory is an evolution of fraud theory developed by Reskino (2022). This theory complements previous literature, which explains the occurrence of fraud due to religious and cultural factors. The last five dimensions of pressure, opportunity, rationalization, competence, and arrogance are derived from previous fraud theories (fraud triangle, diamond fraud, and pentagon fraud). Reskino (2022) added two more dimensions to the existing fraud theory to explain the occurrence of fraud based on cultural and religious factors. This theory explains the occurrence of fraud based on the premise that a person/group commits fraud because of weak faith and the absence of a good culture in a company. As a result, the fraud heptagon theory has seven dimensions: pressure, opportunity, rationalization, competence, arrogance, culture, and religion. The motivation for people to commit fraud is due to religious factors.

## 2.5. Good Governance System- World Bank (1992)

The World Bank's 1992 Good Governance theory emerged as a response to the development challenges faced by developing countries. It emphasizes the importance of good governance as a cornerstone of successful development and poverty alleviation and as a key to promoting inclusive economic growth. It formulates key principles of good governance to promote public trust, Accountability and transparency in government. The reason for choosing the World Bank's Good Governance System (1992) to research the effectiveness of implementing the village financial system (SISKEUDES) is that this theory provides a strong governance framework highly relevant to accountability and transparency in public financial management. The following points support the relevance of using this system in the context of SISKEUDES:

- 1) **Accountability:** The Good Governance System emphasizes the importance of accountability in managing public funds. In the context of SISKEUDES, accountability means that village officials are responsible for using village budgets, which can increase public trust.
- 2) **Transparency:** This theory underscores that information disclosure is key to preventing corruption and fraud. SISKEUDES is designed to facilitate access to information about village finances, ensuring that the public can monitor the use of the budget.
- 3) **Effectiveness in Financial Management:** Good Governance Theory also emphasizes the importance of effectiveness and efficiency in financial management, aligning with SISKEUDES' goal to help village governments manage budgets appropriately.
- 4) **Community Participation:** This theory supports citizen participation in the decision-making process, which is essential for oversight in SISKEUDES. Community participation strengthens social control and prevents misuse of village budgets.

With these principles, the World Bank's Good Governance Theory provides a suitable foundation to evaluate whether SISKEUDES can realize accountability and transparency to prevent fraud in village financial management.

## 2.6. Village Financial System Application (SISKEUDES)

The application (SISKEUDES) is developed by the Financial and Development Supervisory Agency (BPKP) to improve the quality of village financial governance. Besides being free, Siskeudes also has many advantages. The village financial management application features are simple and easy to use. BPKP and the Ministry of Home Affairs, since 2015, have conducted technical guidance and socialization to increase the capacity of village officials' capacity to manage village finances using SISKEUDES. Currently, 69,875 out of a total of 74,957 villages have implemented Siskeudes. The process of inputting once by existing transactions can produce output in the form of administration documents and reports. By statutory provisions, among others:

- 1) Administration Document
- 2) Proof of Receipt
- 3) Payment Request Letter (SPP)
- 4) Tax Payment Slip (SSP)
- 5) And other documents
- 6) Budgeting Report (Perdes APB Desa, RAB, APB Desa per source of funds)
- 7) Administration Report (General Cash Book, Bank Book, Tax Book, Assistant Book, and Register)

## 2.7. Accountability

Accountability comes from the foreign language "accountability," which means responsibility. Accountability here means a condition to be accounted for or a condition to be held accountable. According to Miriam Budiardjo, accountability is the responsibility of those who are given the mandate to govern to those who give them the mandate. Accountability means accountability by creating supervision through the distribution of power to various government institutions, thereby reducing the accumulation of power while creating conditions for mutual. Then, according to Mohammad Mahsun, accountability has a broad and narrow definition. Broadly speaking, accountability is the obligation of the trustee (agent) to provide accountability, present, report, and disclose all activities and activities for which he is responsible, to the party giving the account. Meanwhile, according to Sedarmayanti, accountability has the definition of an obligation to account for the success or failure of the implementation of the organization's mission in achieving predetermined goals and objectives, through accountability media that is carried out periodically. Based on some of these opinions, it can be concluded that accountability refers to the obligation of each individual or group in an institution to fulfill their mandated Responsibilities, namely ensuring the realization of public values.

## 2.8. Transparency

Transparency or openness means that decisions are made, and their implementation is carried out in a way or mechanism that follows the rules or regulations set by the institution. Openness can also mean that sufficient information relating to the institution's performance is available and presented in a form or media easily understood by the public. The World Bank states that transparency is openness built based on freedom of information. Information relating to public interest can be directly obtained by those who want it (Gerry Katon, 2013). This information disclosure will make it easier for the public to respond, monitor, and evaluate government performance. In summary, it can be said that the public demand for transparency is a form of public supervision of government organizations.

### 3. RESEARCH METHOD AND MATERIALS

#### 3.1. Research Design

Mixed methods is a research approach that combines qualitative and quantitative methods in one study. The purpose of mixed methods is to utilize the strengths of both approaches to gain a deeper and more comprehensive understanding of the phenomenon under study.

#### 3.2. Research Location

This research was conducted in 3 (three) villages in Kalumpang Sub-district, Mamuju Regency, West Sulawesi which became the main objects in this research are as follows: (1) Salumakki Village (2) Lasa' Village (3) Sandapang Village.

#### 3.3. Research Respondents

This research was conducted in the Kalumpang sub-districts Salumakki, Lasa' and Sandapang villages. The respondents were:

- 1) Village Head = 1 person per village
- 2) Village secretary = 1 person per village
- 3) Head of Finance = 1 person per village
- 4) Village Council = 3 people per village
- 5) SISKEUDES operator = 1 person per village
- 6) Village Community = 5 people per village

Total Respondents: 36 People

#### 3.4. Qualitative (Descriptive) Data Collection Techniques

##### 1. Qualitative Data (Descriptive)

Descriptive qualitative data focuses on an in-depth understanding of the phenomenon or problem. The following techniques were used:

###### a. In-depth Interview:

This interview was conducted to explore in-depth information from informants or respondents regarding their experiences, perceptions, or views on the topic under study. The interview was conducted directly.

###### b. Direct Observation:

The researcher is actively involved (respondent observation).

###### c. Documentation Study:

###### d. The study involves collecting and analyzing documents such as financial reports, village policies, or meeting minutes.

##### 2. Quantitative Data Collection Techniques

Quantitative data is more structured and often measured using instruments that allow statistical calculations. The following are the techniques that will be used in this research:

###### a. Survey or Questionnaire:

The questionnaires will be distributed to many respondents to collect numerical data. Surveys contain closed-ended questions (with predetermined answer options), or Likert scales that measure perceptions or opinions quantitatively.

###### b. Experiment or Field Test:

This technique involves a specific intervention to measure its impact on the variable under study. In social research, experimentation is used to see how a policy or system change affects performance or perceptions.

## c. Descriptive Statistics Measurement:

These measurements are used to analyze quantitative data that has been collected, such as calculating averages, percentages for Determine the relationship between variables.

## 3. Combination of Techniques in Mixed Research Methods

In mixed research, the two techniques above (qualitative and quantitative) are integrated. Qualitative data will measure the level of transparency and accountability in implementing SISKEUDES. In contrast, qualitative data will focus on interviews and observations of community trust and satisfaction with village financial management. Both results are analyzed separately but compared or combined to provide a deeper understanding.

## 4. RESULTS AND DISCUSSION

### 4.1. Quantitative Results

In this section, the results of the statistical analysis obtained through testing using E-views / SPSS software will be discussed, and a discussion will be conducted that will interpret the results of the statistical analysis of the research below.

**Table 1. Reliability Test**

	Items	N	%
Cases	Valid	36	100.0
	Excluded	0	.0
	Total	36	100.0
	Cronbach Alpha	8	82, 4

With Cronbach's Alpha = 0.824, this instrument is in the good reliability category (value  $0.8 \leq \alpha < 0.9$ ), which means this questionnaire can be used for further research with a high confidence level.

**Table 2. Normality Test**

Statistic	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Understanding and ease	.173	36	.008	.953	36	.132
Accountability	.148	36	.046	.923	36	.016
Transparency	.170	36	.010	.893	36	.002
Fraud Prevention	.248	36	.000	.806	36	.000

Based on table 2, the test results above the data are not generally distributed because the value of bark-bera probability is below  $<0,05$ .

**Table 3. Hypothesis Test**

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	103.772	2	51.886	15.596	.000 <sup>b</sup>
	Residuals	109.784	33	3.327		
	Total	213.556	35			

A high F value indicates that the independent variables are jointly significant in explaining the dependent variable. Significance (0.000): With a value of ( $p < 0.05$ ), the result is substantial. This means that this regression model is valid, and a significant relationship exists between the independent variables (Accountability and Transparency) and the dependent variable (Fraud Prevention).

**Table 4. T-Test**

Unstandardized Coefficients			Standardized Coefficients Beta	T	Sig.	
Model	B	Std. Error				
1	(Constant)	-1.379	3.222		-.428	.671
	Accountability	.298	.212	.177	1.405	.169
	Transparency	.849	.163	.654	5.207	.000

**Table 5. R-Square**

Model R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.697 <sup>a</sup>	.486	.455	1.824

R = 0.697 indicates a relatively strong and positive relationship, meaning that the independent variable significantly influences the dependent variable. The value of (R Square = 0.486) suggests that approximately (48.6%) of the variation in Fraud Prevention can be explained by the two independent variables (Accountability and Transparency). This means that almost half of the changes in Fraud Prevention can be understood through changes in the Accountability and Transparency variables. The rest (51.4%) is influenced by other factors not included in this model. The Adjusted (R Square = 0.455) value is the number that has been adjusted for the number of independent variables in the model. This value is slightly lower than the R Square, as it considers the complexity of the model and the number of variables included. This represents a more conservative result and indicates that while the model explains variation in Fraud Prevention, other factors also need to be considered for a more in-depth analysis.

**Table 5. Regression Coefficient**

Variables	Coefficient (B)	Significance (p)	Standard d Beta	Interpretation
Constant	-1.379	0.671	-	Not significant
Accountability	0.298	0.069	0.177	Marginal significance (p ~ 0.05)
Transparency	0.849	0.000	0.654	Highly significant (p < 0.001)

The Accountability coefficient of 0.298 indicates that every one-unit increase in Accountability contributes to the rise in Fraud Prevention by 0.298, with a marginal significance level. The Transparency coefficient of 0.849 shows a more significant effect than Accountability. Each one-unit increase in Transparency increases Fraud Prevention by 0.849 significantly.

The results of the analysis show that transparency has the most significant influence on fraud prevention compared to accountability. This can be seen from the standardized regression coefficient value ( $\beta = 0.654$ ), which is much higher than Accountability, as well as an extreme significance level ( $p < 0.001$ ). Transparency significantly increases the effectiveness of fraud prevention through clear access to information and better supervision. Accountability also contributes to fraud prevention, but its effect is smaller than that of transparency. With a significant value close to the limit ( $p = 0.069$ ), the role of Accountability is essential, although its contribution is not as substantial as Transparency.

Overall, this regression model can explain Fraud Prevention's variability quite well, as shown by the Adjusted R<sup>2</sup> value of 45.5%. This means that Transparency and Accountability can explain almost half of the variation in Fraud Prevention. At the same time, the rest is influenced by other factors not included in the model.

## 4.2. Qualitative Results

### a) Interview with Village Officer

#### 1. Understanding and Use of SISKEUDES (Siskeudes Operator)

Most of the three village operators interviewed revealed that implementing SISKEUDES provided convenience in the financial recording and reporting.

- Lasa' Village Operator (Resto) revealed that "With SISKEUDES, we can monitor the allocation of village funds and expenditures more transparently and accurately."
- Salumakki Village Operator (Edwar) revealed that "since the diskette application has been implemented, we can compile it easily and understand it well after several pieces of training."
- The Siraun Village Operator (Melliun) revealed, "We have been greatly helped since the SISKEUDES application was implemented in our village because the entire community can easily understand in reading financial reports accurately and precisely, but what our obstacle is that there is still limited internet infrastructure in our village so that we have to use the SISKEUDES application. Often, we have problems uploading the results of the reports we compile. However, some officers expressed difficulties in the early stages of implementation, especially regarding training and adaptation to the new system. Some village officials still felt that they lacked mastery of certain features, which sometimes hampered the smoothness of the recording process."

#### 2. Accountability and Transparency (Village Treasurer)

From interviews with treasurers and village heads, many stated that SISKEUDES has improved accountability in village financial management.

- Lasa' (Mosder) village treasurer stated, "SISKEUDES makes it easier for us to track the use of village funds in detail, which in turn improves accountability to the community."
- Salumakki Village Treasurer (Sarlis, S.Pd) Expressed, "The Siskeudes application has a very positive effect on us in evaluating and assessing and making it easier for us to read village financial reports, which provide accurate information regarding the management of the funds we obtain and with the existence of Siskeudes this increases accountability and transparency to the community and stakeholders."
- While the Siraun Village Treasurer (Tandi L) said, "Before the SISKEUDES application was implemented, we usually made preparations and reports manually using Excel format, which is inaccurate and, of course, there are indicators that trigger opportunities for abuse of authority in its preparation, but since the SISKEUDES application was implemented, we can confidently compile and report on the management of funds to the community and stakeholders so that accountability and transparency in village financial management are realized."

The system also allows village officials to provide financial reports that can be accessed by the community more efficiently. This is expected to reduce the potential for misuse of funds.

#### 3. Fraud Prevention

Most village heads believe that with the audit trail features and access restrictions in SISKEUDES, the potential for fraud in village financial management can be minimized.

- Lasa's village head (Melky S.) revealed, "Every transaction made can be tracked, and if something is not right, the system can give a warning."
- Salumakki Village Head (Sopater Y Masindana) said, "Siskeudes has a vital role in preventing fraud, where every village activity and expenditure is recorded very carefully, and if something is not by the rules, then this application will provide a warning."

## b) Interview with Village Community

## 1. Community Perception of SISKEUDES

Interviewed villagers showed a positive response to the transparency provided by this system. One villager said, *"Now we can see the village financial report. We know how the village funds are used, so we feel more confident about the village's financial management."* However, some communities also revealed that they do not fully understand the detailed reports provided by SISKEUDES. They hope there will be special training or assistance to help them understand the information presented in the system.

## 2. Influence on Public Trust

Implementing SISKEUDES in several villages has increased community trust in the village government regarding village fund management. Citizens feel more confident because financial reports are more open and easily understood.

## 3. Observation Results

## a. SISKEUDES Usage Process

During the observations conducted by the researchers in disa Lasa' Salumakki and Siraun, it was seen that the use of SISKEUDES in the process of recording financial transactions was already well underway. Village officials use this system to record all income and expenditures in detail. For example, when village funds are received, officials immediately record them through SISKEUDES, which automatically updates the financial report.

## b. Accuracy of Financial Statements

During the observation, researchers found that the financial reports generated by SISKEUDES were accurate and by the data recorded in the system. There were no discrepancies between reports printed by the system and transactions in the field. This shows that SISKEUDES has successfully improved accountability in village financial management.

## c. Accessibility and Transparency

The observed villagers have direct access to financial reports through the system provided, either through computer devices or web-based applications. The diskette application allows communities to monitor the allocation of funds and ensure that village funds are used appropriately.

## d. Access Restriction to Prevent Fraud

During the observation, it was seen that each officer has limited access according to their responsibilities, thus preventing misuse of access by unauthorized individuals. The system has features that restrict access based on roles, which helps minimize the potential for fraud.

## 4.3. Discussion

Based on the interviews and observations, it can be concluded that implementing SISKEUDES in villages that have implemented it has shown positive results in improving the accountability and transparency of village financial management. The system allows village officials to record and report finances more accurately and provides easy access for the community to monitor the use of village funds. However, some challenges in terms of understanding and training still need to be addressed. Village officials, especially those using SISKEUDES for the first time, need time to adapt to the system. In addition, some communities still need assistance to better understand the financial reports the system provides. Implementing audit trail features and access restrictions in SISKEUDES has effectively prevented fraud or misuse of funds. Nevertheless, it is essential to continue conducting regular monitoring and evaluation to ensure the system continues to function optimally.

## 5. CONCLUSION

Based on the results of the quantitative and qualitative analysis conducted, implementing SISKEUDES in villages has a significant positive impact on accountability, transparency, and fraud prevention in village financial management.

### a. Quantitative Methods:

- 1)  $R = 0.697$  indicates a strong and positive relationship between the accountability and transparency variables and fraud prevention. This suggests that improvements in accountability and transparency play a vital role in minimizing the risk of fraud.
- 2) The R Square value = 0.486 indicates that the accountability and transparency variables can explain almost 50% of the variation in fraud prevention. Of the two variables, transparency has a more significant influence in reducing potential fraud than accountability.
- 3) Based on the regression coefficients, transparency is shown to contribute significantly to fraud prevention ( $p < 0.001$ ), while accountability has a more minor but still significant contribution ( $p = 0.05$ ).

### b. Qualitative Methods:

- 1) Implementing SISKEUDES simplifies the financial recording and reporting process at the village level, directly improving transparency and accountability in managing village funds. Village officials report that the system makes it easier to report financial transactions and ensures that financial information is transparently accessible to the public.
- 2) Communities showed a positive response to the transparency provided by the system. However, some communities still felt the need for further training to understand the financial reports presented by SISKEUDES fully.

Overall, SISKEUDES has played a significant role in improving village financial management by increasing transparency and accountability. However, there are still challenges related to understanding and training that need to be improved so that village officials and communities can maximize the use of this system. Based on that, suggestions for this study is:

- 1) **Advanced Training and Mentoring:**  
Training and mentoring are essential for village officials, especially those using SISKEUDES for the first time. This training will help officers to understand better and master all features of the system, thereby increasing their effectiveness in recording and reporting village finances. In addition, training also needs to be provided to the community so that they can better understand the financial reports generated by SISKEUDES and so that the community can be more actively involved in monitoring and managing village finances.
- 2) **Technology Infrastructure Improvement:**  
Some villages still face obstacles related to limited internet infrastructure, which can hamper the smooth use of SISKEUDES. , there needs to be an effort to improve the access and quality of internet infrastructure in villages. This improvement will ensure that the financial recording and reporting process can run smoothly and minimize disruptions or technical obstacles when using the system.
- 3) **System Monitoring and Evaluation:**  
Regular monitoring and evaluation of SISKEUDES implementation should be conducted to ensure the system continues to function optimally. This evaluation should include analyzing village officials' challenges in using the system and identifying potential improvements. In addition, the evaluation results should be used to adjust the system

based on existing needs and developments to maintain the effectiveness and sustainability of the use of SISKEUDES.

- 4) Enhanced Security and Surveillance Features:  
Although SISKEUDES already has access restriction and audit trail features, further strengthening in the security aspect is needed to prevent misuse of the system by unauthorized parties. Developing more stringent security features, such as real-time transaction monitoring and early warning of suspicious activity, will minimize the potential for fraud and maintain system integrity.
- 5) Community Outreach:  
In addition to training for village officials, counseling for the community also needs to be carried out so that they increasingly understand their roles and responsibilities in monitoring village finances through SISKEUDES. This counseling can be conducted using a more interactive and technology-based approach, such as through applications or social media, so the village community can easily access and understand it and increase their participation in transparent and accountable village financial management.

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