



**EFFECTIVENESS OF THE REGIONAL GOVERNMENT INFORMATION  
SYSTEM (SIPD) IN THE PREPARATION OF FINANCIAL REPORTS:  
EVIDENCE FROM ACEH TAMIANG REGENCY**

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**Abstract**

This study aims to analyze the effectiveness of the Regional Government Information System (SIPD) application in supporting the preparation of Local Government Financial Reports (LKPD) in Aceh Tamiang Regency. The research method used is descriptive qualitative with data collection techniques through observation, interviews, and document studies. The results show that SIPD has been effectively used in integrated regional financial management, as evidenced by the achievement of an Unqualified Opinion (WTP) Opinion from the Badan Pemeriksa Keuangan Republik Indonesia (BPK-RI) for three consecutive years (2022–2024). However, technical and human resource constraints still need to be optimized. SIPD effectiveness is supported by government commitment, system integration, and human resource capacity building. This study recommends enhancing technical training and continuous assistance for regional financial management officials.

**Keywords:** SIPD Effectiveness, Financial Reports, Local Government



## INTRODUCTION

Accountability and transparency in regional financial management are fundamental pillars of good governance. In the context of fiscal decentralization, regional governments are required to present accrual-based, accountable, and transparent financial reports as a form of public accountability. This demand has grown stronger following the enactment of Government Regulation Number 12 of 2019 concerning Regional Financial Management and further emphasized through Menteri Dalam Negeri Regulation Number 77 of 2020, which promotes digital transformation via the Regional Government Information System (SIPD) (P. R. Indonesia, 2019) (K. D. N. R. Indonesia, 2019). This system is designed as an integrated platform to transform the entire regional financial management cycle, from planning and execution to reporting. Theoretically, the implementation of a government information system like SIPD promises increased efficiency, transparency, and accuracy of financial data (Ekaputra, 2021). However, the potential for system optimization is often hindered by the complexity of its field implementation, which depends not only on the readiness of technical infrastructure but also on the capacity of human resources (HR) and the commitment of the organization to an adaptive culture (Riyas, 2023) (Siregar et al., 2022). This gap between the ideal potential of technology and the reality of its implementation creates a fundamental problem: how to measure and ensure that the adoption of technology genuinely leads to a substantive increase in financial accountability, moving beyond mere compliance with administrative requirements.

The implementation of this technology is reflected in the regional financial management practices adopted by the Aceh Tamiang Regency Government. This region has implemented SIPD since 2022 and has consistently received an unqualified opinion (WTP) from the Badan Pemeriksa Keuangan (BPK) of the Republic of Indonesia. This achievement indicates success in meeting regulatory compliance standards. However, preliminary observations reveal operational challenges, particularly related to the ability and speed of adaptation among employees across various Organisasi Perangkat Daerah (OPD) in operating SIPD (Wulandari & Pratama, 2024). This phenomenon suggests that the obtained unqualified opinion (WTP) more strongly reflects success in meeting administrative and regulatory compliance standards, while its contribution to providing relevant and reliable information for internal decision-making still requires further examination.



Given these conditions, evaluating the effectiveness of SIPD implementation amidst the achievement of an *Wajar Tanpa Pengecualian* (WTP) opinion becomes crucial to ensure that administrative success aligns with real world performance in regional financial management practices. Without a comprehensive evaluation, there is a risk that SIPD functions merely as an instrument for fulfilling reporting obligations, rather than being fully leveraged as a system that enhances the quality of financial management and decision making (Wulandari & Pratama, 2024) (Riyas, 2023). Therefore, this research is designed to answer three main questions: (1) How is the financial reporting process using SIPD conducted in Aceh Tamiang Regency, (2) Does the data generated by SIPD meet government accounting standards, and (3) What strategies are needed to address various challenges in the implementation of SIPD.

More specifically, this study aims to comprehensively evaluate the effectiveness of SIPD implementation by analyzing the financial reporting process, measuring data compliance with government accounting standards and identifying technical, human resource, and organizational constraints, along with formulating improvement strategies. Consequently, this research is expected not only to provide an empirical contribution to the development of public sector information system studies but also to produce applicable policy recommendations for the local government and stakeholders in optimizing the use of SIPD to enhance the quality of regional financial accountability and transparency.

## **LITERATURE REVIEW**

### **Regional Government Information System (SIPD)**

The Regional Government Information System (SIPD) is an integrated digital platform developed by the Menteri dalam Negeri to support regional government administration, particularly in the aspects of development planning, regional financial management, and other governmental affairs. The implementation of SIPD is regulated under Menteri dalam Negeri Menteri dalam Negeri Regulation Number 70 of 2019, which affirms that SIPD aims to establish an integrated, accurate, up-to-date, and accountable information system as a foundation for regional government decision-making. (Ekaputra, 2021) states that the implementation of SIPD can enhance the effectiveness of regional planning and financial management through cross-sectoral data integration, accelerated administrative processes, and increased transparency and accountability. SIPD



not only functions as an administrative tool but also as a strategic instrument in driving bureaucratic reform and the digitalization of regional governance.

In the context of regional finance, SIPD Finance encompasses three main modules: budget planning, financial administration, as well as accounting and reporting. The integration of these three modules enables financial management to be conducted systematically, in a structured manner, and in real time, thereby reducing recording errors, accelerating report preparation, and improving the quality of the financial information produced (Nasution & Nurwani, 2021).

### **Local Government Financial Reports and Government Accounting Standards**

Local Government Financial Reports (LKPD) are a form of accountability by regional governments for the management of public resources. The preparation of LKPD refers to Government Regulation Number 71 of 2010 concerning Government Accounting Standards (SAP), which emphasizes the use of the accrual basis in financial recording and reporting. SAP stipulates that financial reports must meet qualitative characteristics: relevance, reliability, comparability, and understandability. (Benjamin, 2021) emphasizes that high quality financial reports not only comply with regulatory aspects but are also capable of providing information useful for decision-making and government performance evaluation.

The implementation of technology-based accounting information systems, such as SIPD, is a key factor in improving the quality of local government financial reports. An integrated system enables reports to be prepared consistently, systematically, and in a controlled manner, thereby reducing the risk of recording errors and reporting delays (Ekaputra, 2021).

### **Factors Influencing the Effectiveness of SIPD Implementation**

The success of SIPD implementation is not solely determined by the sophistication of the system but also by organizational and human resource factors. (Riyas, 2023) identifies three main factors influencing the effectiveness of SIPD: leadership commitment, system integration, and human resource capacity. Leadership commitment plays a crucial role in providing budgetary support, policies, and training facilities for financial management officials. Meanwhile, system integration ensures data connectivity among Regional Apparatus Organizations (OPDs), thereby facilitating the consolidation of financial reports. On the other hand, human resource competency, particularly in accounting and information technology, is a primary prerequisite for SIPD to be operated optimally (Nasution & Nurwani, 2021).



Research by (Moh Rezha Panu, 2025) also indicates that limitations in technical understanding and minimal training can become serious obstacles in utilizing regional financial information systems, consequently impacting the quality of the reports produced.

## **RESEARCH METHOD**

This study adopts a qualitative approach with a descriptive design to uncover and analyze the phenomenon of SIPD implementation in depth (Creswell & Guetterman, 2018). The research location is the Regional Financial Management Agency (BPKD) of Aceh Tamiang Regency, located at the Aceh Tamiang Regency Office Complex, Jalan Ir. H. Juanda, Karang Baru District. This location was chosen because BPKD is the primary unit responsible for the regional financial reporting process. Data collection was conducted using triangulation to ensure accuracy of information. The main techniques employed include: (1) Interviews with the Head of the Accounting Division and technical staff directly involved in SIPD operations; (2) Direct observation of SIPD usage activities during the reporting cycle; and (3) Documentation studies of financial reports (Budget Realization Report (LRA), Operational Report (LO) and Balance Sheet), internal policies, guidebooks, and other supporting data. All collected data were then analyzed using the interactive analysis model by (Miles et al., 2019) which includes the stages of data reduction, data display, and conclusion drawing or verification.

## **RESULTS AND DISCUSSION**

### **Financial Reporting Process Using SIPD in Aceh Tamiang Regency**

The implementation of the Regional Government Information System (SIPD) in Aceh Tamiang Regency is part of the national policy aimed at realizing an Electronic Based Government System (SPBE) to enhance the quality of governance and the integration of regional financial data. The application of SIPD is regulated under the Menteri dalam Negeri Regulation Number 70 of 2019, which stipulates that SIPD must be utilized as an integrated system for managing regional development, finance, and other governmental affairs. Since 2022, the Aceh Tamiang Regency Government has implemented the SIPD Finance module, which encompasses all stages of regional financial management, from budget planning, execution, and administration, to accounting and reporting. In the planning stage, SIPD is used to prepare documents such as the Work Plan and Budget (RKA), Budget Execution Document (DPA), Fund Allocation Letter (SPD), as well as details and amendments to the Regional Revenue and Expenditure



Budget (APBD). This stage enables more systematic, structured, and well-documented budget planning.

During the administration stage, SIPD is utilized to process Payment Request Letters (SPP), Disbursement Orders (SPM), and the issuance of Fund Disbursement Orders (SP2D). All regional cash receipt and expenditure transactions are recorded in real time, facilitating cash control and reconciliation processes. Subsequently, in the accounting and reporting stage, SIPD facilitates the preparation of journals, subsidiary ledgers, and regional government financial reports. Based on interview results with the Accounting Division of the Aceh Tamiang Regional Financial Management Agency (BPKD), several key strategies have been implemented to enhance the effectiveness of financial reporting, namely: (1) Recording all financial transactions in real time within SIPD to maintain data accuracy and facilitate reconciliation; (2) Providing intensive assistance to OPDs throughout the fiscal year; (3) Conducting periodic financial report reconciliations every quarter; and (4) Preparing consolidation working papers to verify the reasonableness of account balances and simplify the preparation of Notes to the Financial Statements (CaLK).

The assistance provided by the Accounting Division to Financial Administration Officials (PPK), revenue treasurers, expenditure treasurers, and goods treasurers in each OPD is a key factor in maintaining recording consistency and the quality of financial reports. This process is not merely administrative but also functions as a means of knowledge transfer and human resource capacity building. Through this mechanism, the financial reporting process in Aceh Tamiang Regency can be carried out in a more structured, coordinated, and controlled manner.

### **Compliance of SIPD Data with Government Accounting Standards**

The quality of local government financial reports is assessed based on qualitative characteristics as regulated in Government Regulation Number 71 of 2010 concerning Government Accounting Standards (SAP), namely relevance, reliability, comparability, and understandability. In this context, SIPD serves as the primary system that provides transaction data and financial reports which form the basis for the preparation of Local Government Financial Reports (LKPD). Observation results indicate that, in general, the data generated by SIPD has been able to support the preparation of financial reports that meet the principles of relevance and reliability. The financial information produced can be used as a basis for decision making and fairly reflects the region's financial condition. Furthermore, system-based recording ensures data consistency across periods, thereby supporting the comparability of financial reports.



However, several limitations persist, particularly regarding the format of reports automatically generated by SIPD. Some reports, such as the Budget Realization Report (LRA), still require manual adjustments to fully comply with SAP provisions. This indicates that while SIPD has been capable of providing accurate basic data, the finalization process of financial reports still requires technical intervention from the Accounting Division. Despite these limitations, the Aceh Tamiang Regency Government has consistently obtained an Unqualified Opinion (WTP) from the Supreme Audit Agency of the Republic of Indonesia for three consecutive years, specifically for the LKPD from 2022 to 2024. This achievement demonstrates that, overall, the data and reports produced through SIPD have met government accounting standards and applicable audit requirements, although technical refinements are still needed to optimize the quality of report presentation.

### **Challenges in SIPD Implementation and Mitigation Strategies**

Throughout the implementation period of SIPD since 2022, the Aceh Tamiang Regency Government has faced various challenges, both technical and non technical in nature. Technical challenges included limited network access in certain areas, system disruptions, and limitations in application features that are not yet fully aligned with the financial reporting formats required by Government Accounting Standards (SAP). These issues necessitated manual adjustments during the financial reporting process. Meanwhile, non-technical challenges primarily relate to human resource capacity. Variations in the level of understanding and competency among officials in accounting and SIPD operation resulted in non uniform data input and verification processes across OPDs. Additionally, inter-unit coordination posed a challenge, particularly in ensuring the timeliness and completeness of data from all OPDs.

To address these challenges, the Aceh Tamiang Regency Government implemented several strategies, including: (1) Strengthening the commitment of regional leadership in supporting SIPD implementation through the allocation of training budgets and infrastructure provision; (2) Enhancing system and network integration among OPDs to enable faster and more stable data access; and (3) Developing human resource capacity through technical training, continuous guidance, and direct assistance during the financial reporting process. These strategies have proven effective in minimizing the encountered obstacles and improving the effectiveness of SIPD implementation. This is reflected in the Aceh Tamiang Regency Government's consistent success in maintaining an Unqualified Opinion (WTP) and the increased timeliness and quality of financial



report preparation. Therefore, it can be concluded that although challenges remain, the applied mitigation strategies have successfully supported the optimization of SIPD utilization in regional financial management and reporting.

## CONCLUSION

The use of the Regional Government Information System (SIPD) application in financial management at the Aceh Tamiang Regency Government has been running effectively and supports an integrated financial reporting process. Nevertheless, several challenges in its implementation persist, primarily related to the technical aspects of the system, coordination among Regional Apparatus Organizations (OPDs), and the capacity of human resources to operate SIPD optimally. Technical challenges include system stability and access limitations, while non technical challenges encompass variations in user understanding and accounting competency. However, through a commitment to system improvement, enhanced coordination, and the ongoing implementation of training and technical assistance, these various obstacles can be effectively addressed, ensuring that financial reporting continues to meet Government Accounting Standards (SAP).

In line with these findings, it is recommended that the Aceh Tamiang Regency Government continue to strengthen collaboration among all parties involved in financial reporting, both internally and externally, to ensure data consistency, timeliness, and report quality. Furthermore, the quality of training, technical guidance, and mentoring needs to be consistently improved, especially for Financial Administration Officials (PPK) in each OPD and the human resources in the accounting field involved in consolidating and preparing regional government financial reports, so that the utilization of SIPD can be further optimized to support regional financial accountability and transparency.

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