







# “Governance mechanisms and the effectiveness of school operational fund management: Evidence from public schools in Indonesia”

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# GOVERNANCE MECHANISMS AND THE EFFECTIVENESS OF SCHOOL OPERATIONAL FUND MANAGEMENT: EVIDENCE FROM PUBLIC SCHOOLS IN INDONESIA

## Abstract

Education financing through the School Operational Fund (SOF) program significantly helps overcome challenges in achieving educational goals, both in terms of quantity and quality. In this context, governance mechanisms play a crucial role in evaluating the effectiveness of SOF management. This study examines how governance mechanisms – accountability, transparency, and internal control – influence the effectiveness of SOF management in public primary and secondary schools in Indonesia. Drawing on agency theory, this study addresses the limited empirical evidence on the governance of public education funds in a decentralized education system. Using survey data collected from 216 school principals across 459 public schools in Padang Pariaman Regency, Indonesia, this study applies multiple linear regression to test the proposed relationship. The sample size of 216 was calculated at 95% confidence with a 5% margin of error. The results of this study show that accountability ( $\beta = 0.187, p < 0.05$ ), transparency ( $\beta = 0.128, p < 0.05$ ), and internal control ( $\beta = 0.446, p < 0.05$ ) positively affect the effectiveness of educational operational fund management (SOF). These results support the three proposed research hypotheses. The results of this study highlight the importance of governance mechanisms in mitigating agency problems in publicly funded education programs. This study expands the literature on public sector financial management by providing empirical evidence from a developing country context. It provides policymakers with practical insights to strengthen oversight mechanisms and improve the implementation of educational operational funding programs.

## Keywords

accountability, transparency, internal control, effectiveness of School Operational Fund (SOF), public education funds

## JEL Classification

H52, H75, H83, M48

## INTRODUCTION

Education is a fundamental right of every citizen. The state has an obligation to fulfil this fundamental right. One of the regulatory efforts undertaken by the Indonesian government to fulfil this fundamental right is the enactment of the Law on the National Education System, which mandates that the education sector budget be at least 20% of the total government budget (Government of Indonesia, 2003). In a decentralized education fund system, one form of budget allocation for the education sector is through the School Operational Fund (SOF) program.

Education financing plays a very important role in overcoming the challenges of achieving educational goals. The SOF program is an education financing mechanism that helps schools meet their operational costs in delivering the educational process. The effectiveness of SOF

management is reflected in the planning and budgeting, implementation, monitoring, and reporting processes. SOF must be managed transparently and accountably so that the public has clear access to information regarding its sources, allocation, use, and accountability. Structured internal controls must also support the management of the SOF program.

Referring to the results of the Integrity Assessment Survey published by the Corruption Eradication Commission (KPK), it was revealed that there is still misuse of SOF in schools in the form of illegal levies/deductions/collections, nepotism in project procurement, inflated costs of fund utilization, and other abuses (KPK, 2024). Effective SOF management in practice still faces various challenges. The findings of the KPK's Integrity Assessment Survey indicate that SOF misuse in schools remains widespread. These problems indicate that SOF management does not yet fully comply with the principles of governance mechanisms: accountability, transparency, and effective internal control. The implementation of the SOF program, which does not yet comply with these governance mechanisms, remains a common problem in Indonesia.

Existing evidence suggests that shortcomings in accountability, transparency, and internal control continue to undermine the integrity and performance of SOF management. However, the empirical understanding of how these governance mechanisms influence the effectiveness of SOF management remains limited and fragmented, particularly in decentralized education systems. This study, therefore, addresses the following research problem: to what extent do accountability, transparency, and internal control affect the effectiveness of SOF management in schools?

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## 1. LITERATURE REVIEW AND HYPOTHESES

In decentralized education fund systems under the SOF program, schools have the authority to determine the use of SOF based on the needs they consider most necessary/urgent, while still following applicable governance provisions and principles (Minister of Education, 2023). Each school develops plans, oversees implementation, and evaluates programs based on internal conditions and needs (Rukumnuaykit & Pholphirul, 2025; Minister of Education, 2023). The use of SOF is basically determined through a collaborative agreement between the SOF management working group, school principals/educators/teachers, and the school consultative body (Minister of Education, 2023). SOF is distributed by the central government through local governments, then to schools, to be managed to meet their operational needs during a specific period. The entire process is carried out with the principle of openness, ensuring the effective and efficient implementation of the SOF program (Minister of Education, 2023; Rukumnuaykit & Pholphirul, 2025). The SOF program in Indonesia has been implemented nationally since July 2005 (Government of Indonesia, 2003). Provisions regarding the distribution mechanism and manage-

ment procedures are outlined in technical regulations issued by the ministry, which contain guidelines on the use of operational funding allocations for education (Minister of Education, 2023).

Schools are required to manage SOF in an accountable, prudent, and professional manner to support optimal learning and teaching activities (Putra & Suryanawa, 2022; Reginato et al., 2016; Rahayu et al., 2015; Lee & Polachek, 2014; Boyland & Jarman, 2012). SOF management to schools adheres to the principles of good governance mechanisms (Zeini & Okasha, 2025; Mudey & Arshad, 2025; Putra & Suryanawa, 2022; Gauthier & Punyasavatsut, 2019; OECD, 2017; P. Radebe & L. Radebe, 2014). The effectiveness of SOF utilization is a highly strategic issue, as SOF is one of the primary sources of education funding in Indonesia. The effectiveness of SOF management directly affects the quality of education students receive and efforts to achieve national education goals (Putra & Suryanawa, 2022; Vegas & Coffin, 2015). Effective fund management can improve the quality of public services and ensure that resources are used efficiently and accountably. Referring to the findings of the Integrity Assessment Survey published by the Anti-Corruption Commission (KPK), it was revealed that there was 17.33% misuse of SOF in schools in

the form of extortion/deductions/levies, 40.44% of SOF misuse in schools in the form of nepotism in the procurement of projects, 46.82% of SOF misuse in schools in the form of inflated costs of fund utilization, and 42.44% of SOF misuse in schools other than extortion, nepotism, or inflated costs (KPK, 2024). Despite its strategic role, SOF management in practice still faces various challenges. Findings from the Integrity Assessment Survey conducted by the Indonesian Anti-Corruption Commission (KPK) indicate SOF misuse in schools, including unauthorized deductions, nepotism in procurement, inflated costs, and other irregularities (KPK, 2024). These problems suggest that SOF management has not yet fully met the principles of accountability, transparency, and effective internal control.

This study examines the effects of accountability, transparency, and internal control on the effectiveness of SOF management. By analyzing these relationships, the study contributes to the literature on public sector governance, particularly regarding accountability, transparency, and internal control in educational finance. In addition, this study offers practical policy implications for improving SOF management, especially in the Indonesian context. For policymakers, the findings can serve as a reference for formulating and refining policies to strengthen SOF governance and ensure effective and efficient fund management. Grounded in agency theory, this study provides an in-depth analysis of how accountability and transparency interact with internal control mechanisms to influence the effectiveness of SOF management. Previous studies addressing SOF management effectiveness remain limited, as most have examined accountability, transparency, and internal control separately rather than in an integrated framework. Therefore, this study is particularly relevant given the increasing regulatory emphasis on effective SOF management in Indonesia, as mandated by the Minister of Education Regulation Number 63 of 2023, which requires effective and efficient planning and budgeting, implementation, supervision, and financial reporting (Minister of Education, 2023).

The basic concept of agency constructs the principal-agent relationship as a contractual agreement that involves a mechanism for the delegation of

decision-making authority. Through this relationship, the principal, as the mandating party, grants the agent authority to perform certain functions that represent the principal's interests (Jensen & Meckling, 1976). Agency theory provides a framework for explaining the relationships among accountability, transparency, internal control, and the optimal performance of SOF management in schools.

This theory explains the interaction between the central government, as the funder (principal), and schools, as fund managers (agents), in which conflicts of interest arising from information asymmetry are possible (Subha et al., 2023). In terms of SOF management, accountability mechanisms ensure schools (agents) report SOF management in an accountable and transparent manner to the government (principal) to reduce potential irregularities (Khalil & Ali, 2026). Transparency reduces information asymmetry by making public information accessible, enabling external oversight by all stakeholders, especially parents and the community. Meanwhile, internal control through supervisory procedures and separation of duties serves as a checks-and-balances mechanism that prevents fraud and ensures that SOF is used in accordance with established regulations (Koeswayo et al., 2024; Patria & Arismutia, 2022). The interaction of these three variables complements each other in overcoming agency problems, where accountability and transparency reduce information asymmetry, while internal control minimizes moral hazard (Khalil & Ali, 2026; Abor & Tetteh, 2023). Simultaneously implementing these three principles will increase the effectiveness of SOF management. The combination of these three variables is expected to increase the effectiveness of SOF management.

SOF management effectiveness is a performance indicator that measures the extent to which SOF program objectives are achieved, based on the outputs and outcomes produced (Minister of Education, 2023; Glewwe & Muralidharan, 2016). In this context, effectiveness can be quantified by the degree of alignment between program implementation and predetermined targets, with higher achievement indicating greater effectiveness of fund management (Tajudin et al., 2022; Putra & Suryanawa, 2022; Otieno et al., 2016). In ac-

cordance with the provisions of the Minister of Education Rules Number 6 of 2021, SOF management, in its implementation, must adhere to several principles, namely flexibility, effectiveness, efficiency, accountability, and transparency. SOF management comprises three main aspects: planning, implementation, and accountability (Minister of Education, 2023). The planning document takes the form of an approved SOF budget work plan, which serves as a guideline for decision-making during the implementation of SOF, as well as a reference for achieving the success of the program and other school administration, so that financial management can be carried out in an accountable manner based on sound management principles (Minister of Education, 2023).

Accountability is the central pillar of SOF management, requiring schools that receive SOF to be accountable to higher levels of government and relevant stakeholders for their use. Accountability represents a form of responsibility for the management of resources and the implementation of policies delegated to work units/schools to realize periodically set targets (Khalil & Ali, 2026). In the public sector, accountability entails providing information and disclosures on government operations and financial performance to stakeholders (Makanga et al., 2025; Bonsu et al., 2023; Manaf et al., 2023). Accountability in the context of SOF management requires schools to not only explain how the budget is used but also to convey relevant information transparently to the public, stakeholders, and policymakers (Khalil & Ali, 2026; Wibowo & Murwaningsari, 2024; Harun et al., 2020; Aliabadi et al., 2019). Accountability also encourages stakeholders to participate in oversight and to help create an environment conducive to higher-quality policy formulation and more optimal resource management (Makanga et al., 2025; Diansari et al., 2023). Public accountability comprises two main dimensions: vertical and horizontal accountability (Diansari et al., 2023; Mardiasmo, 2018; Loozekoot & Dijkstra, 2017). The concept of vertical accountability reflects a hierarchical financial reporting mechanism, whereby an entity reports its financial management to the institution above it (Mattei et al., 2021; Mardiasmo, 2018; Loozekoot & Dijkstra, 2017), for example, SOF management accountability by schools to the government. Meanwhile, horizontal

accountability reflects accountability to the public as beneficiaries (Manaf et al., 2023; Jackson et al., 2016). Accountability is a benchmark by which the community assesses school performance. Accountable SOF management can reduce the risk of fraud.

In an effort to implement the principle of accountability, schools must be able to explain, document, and prove the use of the SOF budget in accordance with applicable regulations (Nikanishi, 2023; Minister of Education, 2023). Accountability for SOF management must fulfil four aspects, namely: accountability for honesty, accountability for processes, accountability for programs, and accountability for policies (Khalil & Ali, 2026; Joy, 2025; Abor & Tetteh, 2023; Bonsu et al., 2023; Aziz et al., 2015). Consistent accountability implementation enables schools to operate ethically and professionally, thereby building and maintaining public trust. As a policy instrument, accountability plays a dual role: first, it sets clear standards of behavior for public bodies in managing public funds; second, it creates a transparent accountability system through structured reporting mechanisms (Khalil & Ali, 2026; Joy, 2025; Abor & Tetteh, 2023; Bonsu et al., 2023; Aziz et al., 2015).

Transparency emphasizes the government's openness in conveying information on the management of state assets to all relevant parties who need it. Transparency is achieved through a transparent, accessible process. The concept of openness requires the presentation of financial reports that are accessible and trusted by the public, based on the assumption that the public has the right to know the full responsibilities of resource managers and the extent to which regulations are complied with (Khalil & Ali, 2026; Joy, 2025; Abor & Tetteh, 2023). Under Law Number 14 of 2008 concerning Public Information Disclosure, transparency is defined as the obligation to provide access to decision-making processes and to relevant, material information related to the organization's administration. In the context of public sector organizations, transparency refers to the state's obligation to disclose information about the use of public resources to interested parties. In this context, government agencies are required to provide financial information and other key data that serve as the basis for public decision-making

(Balushi, 2021; Mardiasmo, 2018). The measurement criteria that can be used as indicators to assess budget transparency, particularly in the planning and budgeting stages, are that budget documents can be obtained and accessed by the public without obstacles, some regulations govern and reinforce the principle of transparency, the implementation stages are carried out openly for all stakeholders, and the content of the budget documents contains information that is presented in a clear, detailed, and comprehensive (Liberato et al., 2026; Mardiasmo, 2018). Within the framework of financial transparency, there are two main principles, namely the provision of adequate information (informativeness) and openness in disclosure (Khalil & Ali, 2026; Mardiasmo, 2018). The parameters for assessing information quality are timeliness, completeness, clarity of presentation, accuracy, comparability, and accessibility. In terms of timeliness, financial reports must be submitted without delay within the specified period (Khalil & Ali, 2026). This temporal aspect is critical because financial reports serve as data for strategic decision-making across the economic, social, and political sectors (Yang & Lee, 2022). Thus, schools not only increase transparency but also strengthen relationships with the community, creating a more accountable and participatory environment.

The achievement of planned organizational objectives can be realized through the implementation of adequate internal controls (Darmawati et al., 2025; Chawla et al., 2023). Internal control is a structured mechanism comprising policies and formal work procedures, in the form of regulations, to ensure the achievement of organizational objectives (Umar et al., 2024; Patria & Arismutia, 2022; Adam & Alhassan, 2021). As an integral part of organizational activities, internal control is consistently implemented by every member of the organization to provide certainty regarding operational effectiveness, financial reporting accuracy, asset security, and compliance with applicable regulations (Joy, 2025; Chawla et al., 2023; Hoai et al., 2022; Muskanan, 2014). SOF is a government initiative designed to meet non-personnel funding needs in schools, so it is essential to have arrangements for distributing funds through internal control mechanisms managed directly by the government (Patria & Arismutia, 2022; Park et al., 2017; Aziz et al.,

2015; Babatunde & Dandago, 2014). Based on policy guidelines, the public sector internal control framework is a comprehensive, continuous process carried out through various activities and actions by organizational leaders, aimed at achieving the institution's direction through practical, efficient activities (Patria & Arismutia, 2022). This process is also responsible for ensuring the accuracy of accounting information, securing the organization's assets, and complying with applicable regulations (Le et al., 2020; Park et al., 2017; Babatunde & Dandago, 2014). Therefore, internal control is not only a control tool but also an instrument to strengthen accountability and transparency in fund management (Patria & Arismutia, 2022).

As a preventive mechanism, internal control plays a key role in reducing the potential for SOF misuse through its three main functions (Government of Indonesia, 2008). First, this system serves as a protector of school assets by providing accurate, reliable financial information. Second, internal control improves operational efficiency through systematic transaction recording procedures, which not only ensure the reliability of economic data but also facilitate early identification of potential errors or fraud. Third, the continuous monitoring mechanism inherent in internal control enables periodic evaluation of fund allocation and use, thereby ensuring early detection of irregularities (Aziz et al., 2015; Government of Indonesia, 2008).

The purpose of this study is to examine how key governance mechanisms (i.e., accountability, transparency, and internal control) affect the effectiveness of SOF management in a decentralized education system. Grounded in Agency Theory, the study seeks to explain how these mechanisms mitigate information asymmetry and reduce the risk of fund misuse between the government and schools. Specifically, it evaluates the individual effects of accountability, transparency, and internal control on SOF management effectiveness. Ultimately, the study intends to provide empirical evidence to support improved governance practices in education financing, particularly in the Indonesian context.

Considering the research model and its variables, the following hypotheses are formulated:

- H1: *Accountability has a positive effect on the effectiveness of SOF management.*
- H2: *Transparency has a positive effect on the effectiveness of SOF management.*
- H3: *Internal control has a positive effect on the effectiveness of SOF management.*

## 2. METHODOLOGY

The data collection method was a survey, and the questionnaire served as the instrument. Data were collected using questionnaires submitted to principals and directly to respondents. The questionnaire consisted of closed-ended questions divided into two sections. The first section contained respondent data. The second section included research questions with answers indicating the degree of agreement or disagreement with each question. Quantitative analysis was used in this study. In the first stage, after the questionnaires were completed and collected from the respondents, several processes were carried out before the data were statistically processed.

The dependent variable in this study is the effectiveness of School Operational Fund management (Y), while the independent variables consist of accountability (X1), transparency (X2), and internal control (X3). The effectiveness of SOF management represents a performance indicator that reflects the extent to which SOF program objectives are achieved, as measured by the outputs and outcomes generated (Minister of Education, 2023). The success of SOF management indicates that the SOF program's targets have been achieved in accordance with predetermined outcomes (Putra & Suryanawa, 2022; Raghunandan et al., 2012). In this context, effectiveness is assessed by the degree of alignment between program implementation and predetermined targets; higher levels of target attainment indicate greater effectiveness of SOF management (Subha et al., 2023). Operationally, the effectiveness of SOF management was measured using indicators derived from the Minister of Education Regulation Number 63 of 2023 and previous research (Subha et al., 2023). These indicators include the conformity of SOF budget allocation with student needs, compliance of SOF

fund management with technical and implementation guidelines as well as applicable regulations, consistency between the planned and actual use of SOF funds, accountability of SOF fund utilization in accordance with rules, and the conformity of SOF accountability reports with prevailing regulatory requirements.

Accountability, as an independent variable, refers to the reporting entity's obligation to provide comprehensive and timely accountability for the utilization of SOF funds within a specified period (Abor & Tetteh, 2023; Diansari et al., 2023). The measurement of accountability was developed based on prior studies (Abor & Tetteh, 2023; Diansari et al., 2023), encompassing indicators such as the distribution of SOF funds according to student needs, the contribution of SOF-funded programs and activities to improving student welfare, fairness in the distribution of benefits from SOF-funded activities, equitable treatment of students by SOF fund managers, the absence of negative impacts of SOF fund distribution on the quality of the learning process, and the distribution of SOF funds to all students without discrimination.

Transparency is defined as the openness in disclosing information, whereby implementing entities are required to present accurate and factual financial data to the public, recognizing that all stakeholders have the legal right to obtain comprehensive information and full access to accountability regarding the management of entrusted resources and compliance with applicable regulations (Khalil & Ali, 2026; Subha et al., 2023; Abor & Tetteh, 2023). Transparency was measured using indicators adapted from previous studies (Khalil & Ali, 2026; Subha et al., 2023; Abor & Tetteh, 2023), including the regular or periodic publication of SOF financial reports, the accessibility of SOF-related financial reports and activity information to students, parents, and other stakeholders, the communication of all SOF management activities to students and parents, the dissemination of SOF financial reports to all students and parents, the disclosure of all types of SOF-related information, and stakeholders' understanding of economic policies governing SOF management.

Internal control, as an independent variable, is defined as a system of structured procedures and

policies involving formally established rules and governance mechanisms designed to provide reasonable assurance in achieving organizational objectives (Chawla et al., 2023; Government of Indonesia, 2008). The measurement of internal control was developed based on the government internal control system framework and prior research (Chawla et al., 2023). The indicators include the establishment of rules regarding teacher conduct and ethical standards by the school principal, the existence of plans to manage or mitigate risks related to violations in SOF fund management procedures, the implementation of comprehensive risk assessments for potential accounting system violations, the processing and approval of all transactions through an application or computerized system, the timely provision of information to enable appropriate corrective actions, and regular reviews and evaluations of identified weaknesses to support continuous improvement.

All variables in this study were measured using a five-point Likert scale, ranging from Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), to Strongly Agree (5). This scale was used to capture respondents' perceptions and levels of agreement with statements regarding the effectiveness of SOF management, accountability, transparency, and internal control. The use of a five-point Likert scale provides sufficient response variation while maintaining clarity and ease of understanding for respondents.

The research data were processed using SPSS software. The data analysis method included regression testing. This test aims to show the effect of explanatory variables on variation in the dependent variable at the 5% significance level. Simultaneously, to answer the existing hypothesis, it can be shown by the equation:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e. \quad (1)$$

where Y: effectiveness of SOF management;  $\alpha$ : constant; X1: accountability; X2: transparency; X3: internal control;  $\beta_1$ : accountability coefficient;  $\beta_2$ : transparency coefficient;  $\beta_3$ : internal control coefficient; e: residual (error term).

The study population consisted of 459 public primary and secondary schools in the Padang

Pariaman Regency, Indonesia. The respondents in this study were principals of public elementary and secondary schools.

The sample size was estimated using the Slovin formula:

$$n = \frac{N}{1 + (N)(e)^2} = \frac{459}{1 + (459)(0.05)^2} = 213.74 \text{ respondents} = 214 \text{ respondents.}$$

According to Slovin's formula, if the population size is 459, the minimum sample size required for the study is 214. However, in this study, 216 samples were successfully collected. The study sample consisted of 216 respondents, namely, school principals. This study used a survey method. The research sample was obtained by distributing one questionnaire to each school, targeting the school principals as respondents. A total of 216 school principals successfully responded to the survey.

**Table 1.** Demographic profile of respondents

| Respondents                 | Information             | N    | Percentage |
|-----------------------------|-------------------------|------|------------|
| Gender                      | Male                    | 67   | 31%        |
|                             | Female                  | 149  | 69%        |
|                             | total                   | 216  | 100%       |
| Age (years)                 | < 25                    | 0    | 0%         |
|                             | 25-35                   | 8    | 4%         |
|                             | 36-45                   | 19   | 9%         |
|                             | > 45                    | 189  | 87%        |
|                             | total                   | 216  | 100%       |
| Level of Education          | Senior High School      | 0    | 0%         |
|                             | Diploma                 | 0    | 0%         |
|                             | Bachelor/ Undergraduate | 188  | 87%        |
|                             | Master                  | 28   | 13%        |
|                             | Doctoral                | 0    | 0%         |
| total                       | 216                     | 100% |            |
| Years of Experience (years) | 1-5                     | 5    | 2%         |
|                             | 6-10                    | 5    | 2%         |
|                             | > 10                    | 206  | 96%        |
|                             | total                   | 216  | 100%       |

Based on the sample data, the respondents were predominantly female, with 149 (69%) female. In terms of age group, the dominant group was > 45 years, with 189 people (88%). Then, the majority of respondents had an undergraduate/bachelor 's-level education (188 people, 87%), and, in terms of work experience, the majority had > 10 years (206

people, 96%). The composition of respondents in this study reflects relatively homogeneous characteristics and experience. The dominance of female respondents indicates that women play a significant role in managing or carrying out tasks related to the object of this study. In terms of age, the high proportion of respondents aged 45 or older suggests that most are at a mature stage of their careers and possess a high level of decision-making maturity. Furthermore, the majority of respondents holding a bachelor's degree indicate that they have sufficient academic capacity to understand and perform both administrative and managerial tasks. This also supports the quality of the data obtained in this study. Meanwhile, the dominance of respondents with more than 10 years of work experience further reinforces the indication that they possess an in-depth understanding and practical experience relevant to the research topic. Based on these characteristics, it can be concluded that the data were obtained from competent and experienced respondents. Therefore, the research findings are expected to be highly reliable and valid.

### 3. RESULTS

The analysis provides insights into the effects of accountability, transparency, and internal control on the effectiveness of SOF management in a decentralized education system. Descriptive and inferential statistical analyses are employed to evaluate each proposed hypothesis and to determine the extent to which these variables contribute to effective SOF management. The following is a summary of descriptive information for each variable related to accountability, transparency, internal control, and the effectiveness of SOF management, as shown in Table 2.

**Table 2.** Descriptive statistics

| Variable                        | N   | Min   | Max   | Mean  | Std. Dev. |
|---------------------------------|-----|-------|-------|-------|-----------|
| Accountability                  | 216 | 16.00 | 30.00 | 24.24 | 3.148     |
| Transparency                    | 216 | 15.00 | 30.00 | 23.37 | 3.416     |
| Internal Control                | 216 | 14.00 | 30.00 | 23.98 | 3.322     |
| Effectiveness of SOF Management | 216 | 15.00 | 30.00 | 24.36 | 3.371     |

Referring to Table 2, the accountability variable ranges from 16 to 30, with a mean of 24.24 and a standard deviation of 3.148. For the transpar-

ency variable, the minimum is 15-30, the mean is 23.37, and the standard deviation is 3.416. The internal control variable ranges from 14 to 30, with a mean of 23.98 and a standard deviation of 3.322. The effectiveness of the SOF management variable ranges from 15 to 30, with a mean of 24.36 and a standard deviation of 3.371.

Overall, the descriptive statistics indicate that all variables tend to have relatively high mean scores, suggesting that respondents generally perceive accountability, transparency, internal control, and the effectiveness of SOF management to be at a good level. The mean values of all variables are closer to their maximum scores than their minimum scores, reflecting a positive assessment across the observed dimensions. In addition, the standard deviation values for all variables are relatively moderate (around 3), indicating that the variation in respondents' answers is not too wide. This suggests a relatively consistent perception among respondents regarding the implementation of accountability, transparency, internal control, and the effectiveness of SOF management. Furthermore, the effectiveness of SOF management has the highest mean value (24.36), followed closely by accountability (24.24) and internal control (23.98), while transparency has the lowest mean (23.37). Although the differences are not substantial, this pattern implies that transparency may still require improvement compared to the other variables.

Table 3 presents the validity test results for the research variables: accountability (X1), transparency (X2), internal control (X3), and the effectiveness of SOF management (Y).

Referring to the information in Table 3 above, the validity test results for all variable statement elements show a calculated r value greater than the table r value, indicating that the data for all tested variable elements are valid. Based on Table 3, all statement items for each variable – accountability (X1), transparency (X2), internal control (X3), and the effectiveness of SOF management (Y) – have calculated r values that are consistently higher than the r table value (0.1335). This indicates that each indicator accurately measures the intended construct. Furthermore, the calculated r values, ranging from moderate to high (0.465-0.659),

**Table 3.** Validity test

| Variable                                   | R calculated | R table | Result |
|--|--------------|---------|--------|
| <b>Accountability (X1)</b>                 |              |         |        |
| 1  | 0.532        | 0.1335  | Valid  |
| 2  | 0.605        | 0.1335  | Valid  |
| 3  | 0.535        | 0.1335  | Valid  |
| 4  | 0.499        | 0.1335  | Valid  |
| 5  | 0.610        | 0.1335  | Valid  |
| 6  | 0.496        | 0.1335  | Valid  |
| <b>Transparency (X2)</b>                   |              |         |        |
| 1  | 0.537        | 0.1335  | Valid  |
| 2  | 0.478        | 0.1335  | Valid  |
| 3  | 0.532        | 0.1335  | Valid  |
| 4  | 0.535        | 0.1335  | Valid  |
| 5  | 0.614        | 0.1335  | Valid  |
| 6  | 0.465        | 0.1335  | Valid  |
| <b>Internal Control (X3)</b>               |              |         |        |
| 1  | 0.527        | 0.1335  | Valid  |
| 2  | 0.545        | 0.1335  | Valid  |
| 3  | 0.625        | 0.1335  | Valid  |
| 4  | 0.645        | 0.1335  | Valid  |
| 5  | 0.590        | 0.1335  | Valid  |
| 6  | 0.615        | 0.1335  | Valid  |
| <b>Effectiveness of SOF Management (Y)</b> |              |         |        |
| 1  | 0.531        | 0.1335  | Valid  |
| 2  | 0.502        | 0.1335  | Valid  |
| 3  | 0.550        | 0.1335  | Valid  |
| 4  | 0.586        | 0.1335  | Valid  |
| 5  | 0.498        | 0.1335  | Valid  |
| 6  | 0.659        | 0.1335  | Valid  |

suggest a sufficiently strong relationship between each item and its respective variable’s total score. Therefore, all statement items are considered valid and appropriate for further analyses, such as reliability and hypothesis testing. In addition, the results in Table 3 indicate that all indicators for each variable have relatively consistent calculated r values and fall within the moderate-to-strong category. This suggests that each item adequately represents the construct being measured, indicating that no items deviate or are weak in measuring the research variables. Therefore, overall, the results of the validity test reinforce that the research instrument has met the criteria of construct validity, making it appropriate for use as a data collection tool in this study and capable of producing accurate and reliable results.

**Table 4.** Reliability test

| Variable                            | Cronbach’s Alpha | Numbers |
|-------------------------------------|------------------|---------|
| Accountability (X1)                 | 0.748            | 6       |
| Transparency (X2)                   | 0.780            | 6       |
| Internal Control (X3)               | 0.777            | 6       |
| Effectiveness of SOF Management (Y) | 0.782            | 6       |

Referring to the data in Table 4, the Cronbach’s Alpha values for the variables Accountability (X1) = 0.748, Transparency (X2) = 0.780, Internal Control (X3) = 0.777, and Effectiveness of SOF Management (Y) = 0.782. This indicates that all variables are reliable, as shown by the Cronbach’s Alpha values above being > 0.70. In addition, the Cronbach’s Alpha values for all variables indicate a good level of internal consistency, as they all exceed the minimum required threshold of 0.70. This suggests that each item within each variable can produce stable, consistent results when measuring the same construct. Furthermore, the effectiveness of SOF management (Y) variable has the highest Cronbach’s Alpha value (0.782), followed by transparency (X2) and internal control (X3), indicating that these three variables have very good reliability levels. Meanwhile, the accountability (X1) variable also demonstrates good reliability, although its value is slightly lower compared to the other variables. Therefore, it can be concluded that all research instruments are highly reliable and suitable for further analysis, such as hypothesis testing, as they produce consistent and trustworthy data.

**Table 5.** Normality test

| Variable                            | Skewness     | Kurtosis     | Result               |
|-------------------------------------|--------------|--------------|----------------------|
| Accountability (X1)                 | -0.362913143 | -1.736841165 | Normally distributed |
| Transparency (X2)                   | -0.67047676  | -1.647559058 | Normally distributed |
| Internal Control (X3)               | -0.335880637 | -0.73205017  | Normally distributed |
| Effectiveness of SOF Management (Y) | -1.03633609  | -0.835038873 | Normally distributed |

Referring to the data in Table 5 above, the kurtosis and skewness ratios ranged from -2 to 2 for the variables of accountability, transparency, internal control, and effectiveness of SOF management. Therefore, it can be concluded that the research data is normally distributed. Furthermore, the kurtosis values for each variable fall within the acceptable range, indicating that the distributions are neither too peaked (leptokurtic) nor too flat (platykurtic). Thus, the distribution of each variable is close to normal. This condition reinforces that the normality assumption has been satisfied, meaning that the research data are suitable for further statistical analysis, particularly parametric analyses such as linear regression.

**Table 6.** Multicollinearity test

| Variable              | Collinearity Statistics |       |
|-----------------------|-------------------------|-------|
|                       | Tolerance               | VIF   |
| Accountability (X1)   | 0.530                   | 1.885 |
| Transparency (X2)     | 0.687                   | 1.456 |
| Internal Control (X3) | 0.523                   | 1.912 |

Referring to the data presented in Table 6, the multicollinearity test results show that the tolerance values for accountability (X1), transparency (X2), and internal control (X3) are 0.530, 0.687, and 0.523, respectively. All of these values exceed the minimum threshold of 0.10. In addition, the Variance Inflation Factor (VIF) values for the three variables are 1.885, 1.456, and 1.912, respectively, which are all well below the critical value of 10. These findings indicate that there is no significant multicollinearity among the independent variables in the regression model. In other words, each independent variable does not exhibit a strong linear relationship with the others, allowing them to explain variations in the dependent variable independently.

**Table 7.** Glejser test

| Variable              | Sig.  | Result                |
|-----------------------|-------|-----------------------|
| Accountability (X1)   | 0.246 | No heteroscedasticity |
| Transparency (X2)     | 0.126 | No heteroscedasticity |
| Internal Control (X3) | 0.181 | No heteroscedasticity |

The results of the Glejser test presented in Table 7 indicate that all independent variables have significance values of 0.246, 0.126, and 0.181, respectively. All values are above the commonly accepted significance level of 0.05, suggesting that none of the independent variables have a statistically significant effect on the absolute residuals. This implies that there is no indication of heteroscedasticity in the regression model. In other words, the variance of the error terms remains constant across all levels of the independent variables (homoscedasticity). This condition satisfies one of the key classical assumptions of linear regression analysis. The absence of heteroscedasticity is important because it ensures that the estimated regression coefficients are unbiased and efficient. Consequently, the statistical inferences and hypothesis tests conducted in this study are reliable. Furthermore, this result indicates that the model is stable in explaining the relationships among accountability, transparency, internal control, and the effectiveness of SOF management.

**Table 8.** Multiple linear regression test

| Variable              | Unstandardized Coefficients (B) |
|-----------------------|---------------------------------|
| Constant              | 6.139                           |
| Accountability (X1)   | 0.187                           |
| Transparency (X2)     | 0.128                           |
| Internal Control (X3) | 0.446                           |

Based on the regression results in Table 8 above, the research equation is as follows:  $Y = 6.139 + 0.187X1 + 0.128X2 + 0.446X3 + e$ . In addition, the results in Table 8 indicate that all independent variables – accountability (X1), transparency (X2), and internal control (X3) – have positive regression coefficients. This suggests that an increase

in each of these variables will be followed by an increase in the effectiveness of SOF management (Y), assuming other variables remain constant. Furthermore, the internal control variable (X3) has the largest coefficient (0.446), indicating the strongest influence on SOF management effectiveness among the variables. Meanwhile, accountability (X1) and transparency (X2) also contribute positively, although their effects are relatively smaller. The constant value of 6.139 indicates that when all independent variables are equal to zero, the effectiveness of SOF management remains at that value. Thus, this regression model demonstrates a positive relationship between the independent and dependent variables and provides an overview of the contribution of each variable in improving the effectiveness of SOF management.

Based on the t-test results presented in Table 9, all independent variables show significance values below 0.05, indicating that each variable has a significant effect on the dependent variable. The accountability variable (X1) has a t-value of 2.335 and a p-value of 0.016, suggesting a positive, significant effect. Hypothesis H1 posits that accountability has a positive effect on the effectiveness of SOF management. The t-test results indicate that the regression coefficient for accountability is 0.187, with a p-value of 0.016 ( $p < 0.05$ ). In addition, the calculated t-value of 2.335 exceeds the critical value of 1.971, confirming that accountability significantly influences SOF management effectiveness. Therefore, Hypothesis H1 is supported. This indicates that the higher the level of accountability, the greater the management effectiveness.

Furthermore, the transparency variable (X2) also shows a significant effect, with a t-value of 2.058 and a p-value of 0.041. This finding suggests that better transparency in management leads to increased effectiveness. Hypothesis H2 posits that transparency has a positive effect on the effectiveness of SOF management. The t-test results show a t-value of 2.058, which exceeds the critical value of 1.971 at the 0.041 significance level ( $p < 0.05$ ).

These results confirm that transparency significantly influences the effectiveness of SOF management; therefore, Hypothesis H2 is supported

Hypothesis H3 posits that internal control has a positive effect on the effectiveness of SOF management. The statistical analysis shows a t-value of 6.098, which exceeds the critical value of 1.971 at the 0.001 significance level ( $p < 0.05$ ). These results indicate that internal control has a significant positive influence on SOF management effectiveness; therefore, Hypothesis H3 is supported. Meanwhile, the internal control variable (X3) has the highest t-value (6.098) and a significance value of 0.001, indicating a very strong and significant effect compared to the other variables. This implies that internal control is the most dominant factor influencing management effectiveness. Overall, these results confirm that all three variables play an important role in enhancing the quality of effective management.

#### 4. DISCUSSION

From an agency theory perspective, accountability serves as an effective control mechanism to reduce information asymmetry between the principal (the government) and the agent (schools). Consistent with studies by Khalil and Ali (2026) and Abor and Tetteh (2023), accountability enhances discipline and prudence in planning, implementation, and reporting, ensuring that SOF allocations are directed toward activities that improve the quality of the learning process. Implementing accountability principles – encompassing honesty, procedural compliance, and policy adherence – establishes a system of checks and balances that supports effective SOF management.

The findings of this study align with those of Putra and Suryanawa (2022), which demonstrate that accountability positively contributes to the effectiveness of SOF management. Accountability also strengthens public trust and ensures the appropriate use of SOF funds. Furthermore, involving mul-

**Table 9.** t-test

| Variable              | t     | Sig.  | Result                     |
|-----------------------|-------|-------|----------------------------|
| Accountability (X1)   | 2.335 | 0.016 | Hypothesis H1 is supported |
| Transparency (X2)     | 2.058 | 0.041 | Hypothesis H2 is supported |
| Internal Control (X3) | 6.098 | 0.001 | Hypothesis H2 is supported |

multiple stakeholders in budgeting, implementation, and reporting processes reduces the risk of SOF misuse through mutual oversight mechanisms. Consistent with Subha et al. (2023), accountability reflects schools' responsibility to the government for all SOF-funded activities. Accordingly, higher levels of accountability are associated with greater SOF management effectiveness by minimizing opportunities for abuse of authority, policy deviations, and fund misappropriation.

Moreover, the significant effect of accountability on SOF management effectiveness indicates that schools with stronger accountability mechanisms tend to manage SOF funds more systematically and in a result-oriented manner. Clear accountability structures encourage school administrators to carefully align budget planning, fund utilization, and reporting with predetermined objectives and regulatory requirements. This alignment enhances managerial responsibility and reduces discretionary behavior that may lead to inefficiencies or misuse of funds. From a practical perspective, accountability promotes transparency and traceability throughout the SOF management cycle, enabling stakeholders to monitor fund allocation and utilization more effectively. Regular and accurate accountability reporting enables prompt identification and correction of potential deviations. As a result, accountability functions not only as a compliance mechanism but also as a performance management tool, supporting continuous improvement in SOF management practices.

Furthermore, the findings highlight the importance of institutionalizing accountability at the school level through clear role definitions, standard operating procedures, and capacity building for school administrators and financial staff. Strengthening accountability frameworks can enhance ethical behavior and professional conduct in SOF fund management, thereby contributing to the sustainable achievement of educational objectives. Consequently, reinforcing accountability should be considered a strategic priority for policymakers seeking to improve the overall effectiveness of SOF management in schools.

According to the theoretical framework proposed by Koeswayo et al. (2024), transparency in public financial management includes timeliness, completeness, clarity, accuracy, comparability, and accessibility of information. Implementing these dimensions en-

hances SOF management effectiveness by facilitating broader oversight by education stakeholders, such as school committees, parents, and the general public. By reducing information asymmetry through open access to financial information, transparency strengthens external supervision and accountability mechanisms and encourages schools to operate more professionally and responsively (Khalil & Ali, 2026; Abor & Tetteh, 2023). To enhance the effectiveness of SOF management, transparency principles must be consistently applied. Schools should establish formal procedures governing access to information, clearly distinguishing between publicly accessible and restricted data. In addition, transparent information dissemination mechanisms and effective complaint-handling systems are essential to enable stakeholders to raise concerns when information is not adequately disclosed.

The findings of this study are consistent with prior research (Subha et al., 2023; Putra & Suryanawa, 2022), which demonstrates that transparency significantly contributes to the effectiveness of SOF management and supports improved governance practices. Schools that implement transparency by providing adequate information and enabling stakeholder oversight have been shown to manage SOF more effectively. Furthermore, Subha et al. (2023) emphasize that transparency plays a critical role in monitoring the management and utilization of SOF funds by encouraging honesty and integrity in the use of government-provided financial resources.

Furthermore, the significant effect of transparency on SOF management effectiveness indicates that openness in financial information disclosure contributes to more prudent and outcome-oriented fund utilization. When schools proactively disclose financial plans, implementation reports, and accountability documents, stakeholders are better equipped to assess whether SOF funds are aligned with educational priorities and student needs. This openness encourages school administrators to exercise greater caution and professionalism in decision-making, thereby enhancing overall management effectiveness. From a managerial perspective, transparency also facilitates trust-building between schools and stakeholders, particularly parents and school committees. Increased trust strengthens collaborative relationships and promotes constructive feedback, which schools can utilize to improve the planning

and implementation of SOF-funded activities. In this regard, transparency functions not only as a control mechanism but also as a communication tool that supports participatory governance in the education sector. Moreover, the findings suggest that transparency should be supported by adequate information systems and human resource capacity at the school level. Without sufficient administrative skills and technological support, the disclosure of financial information may be incomplete or untimely, thereby limiting its effectiveness. Therefore, strengthening schools' capacity in financial reporting and information management is essential to maximize the positive impact of transparency on SOF management effectiveness.

From an agency theory perspective, internal control serves as a crucial governance mechanism to mitigate potential conflicts of interest between the principal (the government) and the agent (schools). Through supervision, formal procedures, and the separation of responsibilities, internal control ensures that agents act in accordance with principals' objectives while reducing information asymmetry and the risk of fraud.

Adequate internal controls enable schools to detect potential irregularities early, ensure the accuracy of financial records, safeguard assets, and comply with applicable regulations. Schools with effective internal control systems are better positioned to implement functional separation of duties, establish robust authorization procedures, and maintain reliable documentation. Although internal control cannot eliminate all errors or irregularities, supervisory mechanisms and checks-and-balances arrangements play a critical role in enhancing the effectiveness of SOF management (Koeswayo et al., 2024; Patria & Arismutia, 2022).

The findings of this study are consistent with those of Chawla et al. (2023), which demonstrate that adequate internal control improves financial management in local government. Similarly, Darmawati et al. (2025) show that organizational objectives – such as planned school operational financing – can be achieved through effective implementation of internal controls. Strong internal control, particularly in control and monitoring activities, promotes compliance and financial management effectiveness (Alarcon et al., 2026). These results also align with

the objectives of the government's internal control system, particularly in promoting effectiveness and efficiency (Government of Indonesia, 2008). Overall, SOF management in schools operates effectively in accordance with its primary objective of supporting the operational financing of primary and lower secondary education through the SOF program.

In addition, the significant influence of internal control on SOF management effectiveness indicates that schools with well-established control environments tend to manage SOF funds more systematically and responsibly. A strong internal control framework fosters a culture of compliance and accountability, encouraging school administrators and staff to adhere consistently to established procedures and ethical standards. This condition not only enhances managerial discipline but also strengthens stakeholders' trust in the governance of SOF funds. From a practical standpoint, effective internal control supports timely decision-making by providing accurate and reliable financial information, which is essential for aligning SOF expenditures with educational priorities and student needs. The presence of continuous monitoring and periodic evaluation allows schools to identify weaknesses in SOF fund management and implement corrective actions promptly, thereby preventing recurring deficiencies. Consequently, internal control functions not merely as a preventive mechanism but also as a corrective and developmental tool, contributing to continuous improvement in SOF management practices. Moreover, the empirical evidence from this study reinforces the importance of strengthening internal control systems at the school level, particularly through capacity building for principals and financial administrators. Enhancing competencies in risk assessment, documentation, and monitoring is critical to ensuring that SOF funds are utilized efficiently and transparently. Therefore, improving the implementation of internal controls should be prioritized as a strategic policy measure to optimize the effectiveness of SOF management and ensure the sustainable achievement of educational objectives.

Several limitations of this study should be acknowledged. First, the study was conducted in only one district in Indonesia, which may limit the generalizability of the findings. Future research should replicate this study across multiple regions to validate the results' consistency. Second, the data relied on school

principals' perceptions and self-reported responses, which may introduce respondent bias. Although efforts were made to minimize this limitation, future studies could include a broader range of respondents to enhance data reliability. Additionally, incorporating more detailed Likert-scale items, particularly those addressing specific aspects of SOF management effectiveness, such as the existence of clear strategies or policies for sustainable SOF management, would improve measurement accuracy.

Several avenues for future research emerge from this study. First, future studies could in-

corporate cultural and demographic contexts to provide a more comprehensive understanding of the factors influencing the effectiveness of SOF management. Second, exploring the role of digitalization in improving SOF program implementation is recommended, as digital tools may facilitate more effective coordination and collaboration among stakeholders. Finally, subsequent research could examine organizational factors, such as organizational culture, demographic contexts, and digital orientation, in assessing the effectiveness of SOF management.

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## CONCLUSIONS

This study examines how governance mechanisms: accountability, transparency, and internal control influence the effectiveness of SOF management in public primary and secondary schools in Indonesia. In Indonesia, financing for primary and secondary education through the SOF program significantly influences the operational management of the education system, both in terms of quantity and quality. This study analyzes the influence of accountability, transparency, and internal control on the effectiveness of SOF management. The findings indicate that accountability has a positive and significant effect on SOF management effectiveness. Similarly, transparency positively influences the effectiveness of SOF management. Consistent with these results, internal control also positively affects SOF management effectiveness, underscoring the importance of integrated governance mechanisms.

Insights derived from the SOF-based school funding model provide critical guidance for education budget formulation. The findings suggest that government education financing through the SOF program plays a vital role in ensuring equity, adequate coverage, and basic educational quality, particularly by supporting schools' operational needs across regions, thereby strengthening the delivery of primary and secondary education in Indonesia. Furthermore, the implementation of the SOF program under the principles of school-based management is associated with higher levels of target achievement, reflecting more effective and efficient program implementation. Education financing through the SOF program is therefore expected to align closely with schools' operational expenditure needs while remaining grounded in accountability, transparency, and adequate internal control mechanisms.

For schools, the results demonstrate that accountability, transparency, and internal control significantly affect SOF management effectiveness. Schools are therefore encouraged to consistently and proactively apply these principles in managing SOF funds, particularly by complying with established regulations in planning and budgeting, implementation, supervision, and financial reporting.

For the government, this study provides policymakers in Indonesia with relevant, in-depth insights to optimize investment in education through the SOF program and enhance the program's management effectiveness. Assessing SOF management effectiveness offers valuable guidance for allocating SOF resources and formulating education financing policies. Strengthening accountability, implementing transparent mechanisms, and reinforcing internal controls through effective supervisory functions can foster a more open, accountable, and effective SOF management ecosystem. Ultimately, improvements in these governance dimensions are expected to enhance SOF management effectiveness overall.

## AUTHOR CONTRIBUTIONS

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## ETHICAL APPROVAL STATEMENT

The study was approved by the ethics committee of the Business and Economics Faculty, University of Diponegoro, with reg. no. 63/UN.7F2.1.2/AK/VIII/2025, and by the Padang Pariaman Regency Education and Culture Office with letter no. 070/058/Sekre-Umum/Disdikbud/2025.

## INFORMED CONSENT, DECLARATION OF COMPETING INTEREST, AND FUNDING

Informed written consent was obtained for this research; the authors reported no potential conflicts of interest, and this study did not receive any research grants or other funding.

## DATA AVAILABILITY STATEMENT

Data used and/or analyzed are available from the corresponding author upon reasonable request.

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## APPENDIX A

Table A1. Variables and indicators

| No.  | Variables and Indicators   |
|--|--|
| <b>Effectiveness of School Operational Fund (SOF) Management</b> |  |
| 1.   | The receipt of SOF funds is in accordance with the proposed predetermined amount.  |
| 2.   | The amount of SOF funds per student is adequate considering the location and needs.  |
| 3.   | The management of SOF funds is in accordance with the technical guidelines, implementation guidelines, and regulations set.                |
| 4.   | The use of SOF funds is quite effective (the use of funds is successfully carried out according to the plan and does not deviate from it). |
| 5.   | The use of SOF funds is quite accountable (can be accounted for in accordance with the regulations).                                       |
| 6.   | The accountability report for SOF funds is in accordance with the applicable regulations.  |
| <b>Accountability</b>  |  |
| 1.   | The distribution of SOF funds is carried out based on students' interests.   |
| 2.   | Programs and activities related to SOF funds can improve students' welfare.  |
| 3.   | Students receive benefits from activities financed by the allocation of SOF funds fairly.  |
| 4.   | Every student receives fair treatment from the SOF fund managers.  |
| 5.   | SOF fund distribution programs do not disrupt the quality of the teaching and learning process.  |
| 6.   | SOF funds are distributed to all students without exception.   |
| <b>Transparency</b>  |  |
| 1.   | SOF fund financial reports are published regularly/periodically.   |
| 2.   | Financial reports and information about activities related to SOF funds can be freely accessed by students/parents.                        |
| 3.   | All SOF fund management activities are communicated to students/parents.   |
| 4.   | SOF fund financial reports are published to all students/parents.  |
| 5.   | All types of information related to SOF funds are published to students/parents.   |
| 6.   | Students/parents understand the financial policies related to SOF funds.   |
| <b>Internal Control</b>  |  |
| 1.   | The head (principal) always establishes rules regarding teachers' behavior and ethical standards.  |
| 2.   | The head always has a plan to manage or reduce the risk of violations of the accounting system and procedures.                             |
| 3.   | The head has conducted a complete and comprehensive risk analysis of the possibility of violations of the accounting system.               |
| 4.   | All transactions entered and processed into the computer are only those transactions that have been authorized.                            |
| 5.   | Information is provided in a timely manner and allows corrective actions to be taken appropriately.  |
| 6.   | The head always reviews and evaluates findings that indicate weaknesses and the need for improvements.                                     |