



The Urgency and Practice of Governance And Accountability in Islamic Boarding School: Principal and Accountant Perception

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ABSTRACT

Governance and accountability play an important role in supporting sustainability in Islamic Boarding Schools. This study aims to explore governance and accountability in Islamic Boarding Schools both in terms of urgency and practice obtained from the perceptions of Islamic Boarding School principals and accountants. In addition, this study aims to compare the urgency and practice of governance and accountability in Islamic Boarding Schools whose finances are independent of Islamic Boarding Schools whose finances come from donations, as well as Islamic Boarding Schools under the auspices of organizations with Islamic Boarding Schools that stand independently. This study is a quantitative study with descriptive and comparative analysis. The findings of this study indicate that governance and accountability are considered very important in Islamic Boarding Schools according to the perceptions of the principals, and from the perspective accountants regarding the practice of governance and accountability, this has begun to be implemented effectively even though it is still not consistently implemented by Islamic Boarding Schools, such as the lack of financial reports presented by Islamic Boarding Schools and incomplete by existing regulations. In addition, the results of the difference test show that there is no significant difference regarding governance and accountability between the groups of Islamic Boarding Schools tested both in terms of urgency and practice.

ABSTRAK

Tata kelola dan akuntabilitas memiliki peran yang penting dalam menunjang keberlangsungan di Pesantren. Penelitian ini bertujuan untuk mengeksplorasi tata kelola dan akuntabilitas di Pesantren baik dari sisi urgensi ataupun praktiknya yang diperoleh dari persepsi *principal* dan akuntan Pesantren. Selain itu, penelitian ini bertujuan untuk membandingkan urgensi dan praktik tata kelola dan akuntabilitas di Pesantren yang keuangannya mandiri dengan Pesantren yang keuangannya berasal dari donasi, serta Pesantren yang berada di bawah naungan organisasi dengan Pesantren yang berdiri secara independen. Penelitian ini merupakan penelitian kuantitatif dengan analisis deskriptif dan komparatif. Temuan penelitian ini menunjukkan bahwa tata kelola dan akuntabilitas dianggap sangat penting keberadaannya di Pesantren menurut persepsi *principal*, dan dari sisi akuntan akuntan mengenai praktiknya tata kelola dan akuntabilitas ini sudah mulai diimplementasikan dengan efektif meskipun masih belum konsisten

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diimplementasikan oleh Pesantren, seperti masih minimnya laporan keuangan yang disajikan oleh Pesantren dan belum lengkap sesuai dengan aturan yang ada. Selain itu, hasil uji beda menunjukkan bahwa tidak terdapat perbedaan yang signifikan mengenai tata kelola dan akuntabilitas diantara kelompok Pesantren yang diuji baik dalam hal urgensi maupun praktiknya.

INTRODUCTION

Indonesia, which is known as one of the most Muslim countries in the world, has a role in the world of education, especially those based on Islamic Boarding Schools. This is evidenced by the number of Islamic Boarding Schools in Indonesia reaching 26,975 Islamic Boarding Schools spread across all provinces (PPDP Kemenag 2022). Islamic Boarding Schools emerged as a form of response to the situation and conditions of society that was faced with a decline in morals (Abdullah 2016). According to Naz'aina (2012), Islamic Boarding Schools are known as the center of culture. This is in line with the function of the Islamic Boarding School itself as stated in Law No. 18 of 2019, namely as a center for education, both formal and non-formal, a center for preaching in the spread of Islam, and a center for community empowerment. In addition, it was also explained by Biduri et al. (2019), that Islamic Boarding Schools in Indonesia have a focus and role in empowering the people's economy. However, the current condition of Islamic Boarding Schools often experiences ups and downs, in the article it is stated that the problem often experienced by Islamic Boarding Schools is in terms of poor financial management, because the personal finances of the Islamic Boarding School owners are sometimes still mixed with the pure money belonging to the Islamic Boarding School (Fahmi, 2022).

Islamic Boarding Schools which are classified as non-profit institutions that are oriented towards community welfare are often considered not to need an accountability system because they only focus on their main goal of providing selfless, effective, and efficient services. This causes the non-profit organization to not pay attention to further guarantees regarding the funds obtained. This mindset puts non-profit organizations under threat because it shows poor governance and accountability (Dellaportas, et al., 2012). According to Coule (2015), the theory of non-profit governance is still very underdeveloped when compared to corporate governance. According to López-Arceiz & Bellostas (2020), the concept of good governance was only known in England in 1992 and in developing countries that are members of the Organization for Economic Cooperation and Development (OECD), a group of developed countries in Western Europe and North America, began to practice it in 1999. The concept of governance in Islam presents distinctive characteristics, integrating elements of monotheism, shura, and sharia rules, and maintaining goals without ignoring social welfare (Kurniasari, Sawarjuwono, and Ryandono 2019).

In an article written by Wiguna (2022) it was stated that there was a case of misappropriation of the Darul Huffaz Islamic Boarding School Operational Assistance (BOS) funds and one of the motives was to make fictitious accountability reports. This is the impact of the lack of financial governance at the Islamic Boarding School. According to the Indonesian Institute of Accountants (IAI 2018), Islamic Boarding Schools that are legal entities of Foundations must provide financial reports that present financial position, financial performance, and cash flow accompanied by disclosures following applicable provisions. In the research of Dewi et al. (2020), it was stated that most Islamic Boarding Schools only prepare cash flow reports consisting of cash receipts and disbursements, this is also not following accounting principles. In the research of Syukri et al. (2023) at the Al-Muthmainnah



Islamic Boarding School, it was stated that the financial reports of this Islamic Boarding School did not comply with existing Islamic Boarding School accounting standards, as evidenced by simple and incomplete financial reports. The implementation of good governance is also supported by good accountability. In the research of Feng et al. (2019), it was stated that strong governance will make it easier for non-profit organizations to obtain accountability certification to support their reputation to gain trust from the community. According to Naz'aina (2012), accountability practices are very necessary for religious organizations such as Islamic Boarding Schools to realize good governance. As a form of manifestation to support good governance and accountability in Islamic Boarding Schools, the Indonesian Institute of Accountants and Bank Indonesia have issued accounting guidelines and standards for Islamic Boarding Schools. However, until now these guidelines have not been fully implemented by Islamic Boarding Schools, thus impacting the governance and accountability of Islamic Boarding Schools which are still minimal.

Muntholib (2018) in his book states that the future of Islamic Boarding Schools is highly dependent on managerial factors. Management has a very important role in determining governance that will have an impact on the development of Islamic Boarding Schools, including financial governance and accountability. In addition, to form good governance and accountability, the principal is expected to be able to provide ideas that are to the needs of the organization (Naz'aina 2012). The study by Dewi et al. (2020) stated that all decisions in the Islamic Boarding School must be based on the direction of the principal such as Kyai, if they decide to implement something, the administrators below will immediately implement it. The implementation of Islamic Boarding School governance and accountability is one of the factors that can increase the development of Islamic Boarding Schools because Islamic Boarding Schools have greater responsibilities than other non-profit entities. In the study of Dellaportas et al. (2012) it was stated that the lack of governance and accountability in the non-profit sector can increase the opportunity for fraud and the risk of financial manipulation that can affect public trust. Therefore, the research was conducted to provide benefits and updates regarding governance and accountability in Islamic Boarding Schools. Research on Islamic Boarding Schools is still lacking, especially the increasing phenomenon of fraud in Islamic Boarding Schools which requires research on the urgency and practice of governance and accountability. Where governance and accountability in Islamic Boarding Schools have a very important role in maintaining trust and as evidence of the Islamic Boarding School's accountability to the community.

LITERATURE REVIEW

Governance is everything related to actions or behavior that are directive, controlling, and influencing to realize the values to be achieved (Kamaluddin 2019). In Bank Indonesia Regulation Number 8/14/PBI/2006, good governance is defined as a concept of governance that applies the principles of transparency, accountability, responsibility, independence, and fairness. The principle of governance is discussed in the Quran, one of which is in Surah Al-Isra verse 36.

وَلَا تَقْفُ مَا لَيْسَ لَكَ بِهِ عِلْمٌ إِنَّ السَّمْعَ وَالْبَصَرَ وَالْفُؤَادَ كُلُّ أُولَٰئِكَ كَانَ عَنْهُ مَسْئُولًا

“And do not pursue that of which you have no knowledge. Indeed, the hearing, the sight and the heart - about all those [one] will be questioned.”

In the interpretation of Ibn Kathir, it is explained that a servant will be held accountable for what he does. In the context of this verse, the principle of accountability is associated with an attitude of responsibility for everything that has been done and transparency in financial management. The research of Yunanda et al. (2016) stated that Islam places a strong emphasis on accountability, where



this accountability is not only to fulfill social obligations but ultimately to fulfill religious obligations as well.

The implementation of the principles of governance and accountability can be realized, one of which is in the form of financial reports. Islamic boarding schools that are included in non-profit organizations, in terms of presenting their financial reports are regulated in ISAK 35 which states that users of financial reports of non-profit entities generally have an interest in assessing management responsibility and obtaining information on financial position, performance, and cash flow for decision making.

Hypothesis Development

In this study, the type of Islamic boarding school that is the object of research is based on the type of funding, namely independent financial Islamic boarding schools and donation financial Islamic boarding schools. Islamic boarding schools that are financially independent mean having a stable and sufficient source of income to support daily activities. So that the Islamic Boarding School can control and manage its finances well, which makes the governance of the Islamic Boarding School better according to existing standards. On the other hand, Islamic Boarding Schools whose finances come from donations do not have a fixed income, causing difficulties in controlling and managing their finances, which can affect the governance of the Islamic Boarding Schools. In the research of Tacon et al. (2017) when a non-profit organization makes public funds its main income, it will raise concerns about the independence of the organization. From this description, the hypothesis formulated is as follows.

H1a: The urgency of governance in Islamic Boarding Schools that are independent in terms of finance is different from Islamic Boarding Schools whose finances come from donations.

H1b: Governance practices in Islamic Boarding Schools that are independent in terms of finance are different from Islamic Boarding Schools whose finances come from donations.

In terms of organizational auspices, there are Islamic Boarding Schools that are under the auspices of organizations and independent Islamic Boarding Schools. Islamic Boarding Schools that are under the auspices of organizations mean that the Islamic Boarding School is regulated and managed by the organization that oversees it, where the organization will be responsible for its funding and financial management. So that the Islamic Boarding School may have greater resources, which causes more effective governance, and more transparency in its financial management and reporting. Meanwhile, independent Islamic Boarding Schools will be directly responsible for their management and funding. So that it may emphasize more on efficiency and flexibility in its financial management rather than on transparency which affects governance in Islamic Boarding Schools. From the description, the formulated hypothesis is as follows.

H2a: The urgency of governance in Islamic Boarding Schools under the auspices of an organization is different from Islamic Boarding Schools that stand independently

H2b: Governance practices in Islamic Boarding Schools under the auspices of an organization are different from Islamic Boarding Schools that stand independently

Islamic boarding schools that are financially independent are certain to have sufficient sources of income to support the daily activities of the boarding school. The level of accountability of Islamic boarding schools that are financially independent is likely to be lower when compared to Islamic boarding schools whose finances come from donations. This is because Islamic boarding schools that are financially independent have the freedom to make financial decisions that tend to be freer and more flexible, making it difficult to monitor and evaluate. Meanwhile, Islamic boarding schools whose



finances come from donations must be more open and transparent in receiving and managing funds. This is because the funds received must be accounted for, so the level of accountability will be higher to facilitate monitoring and evaluation by the authorities. In the study by Tacon et al., (2017), a non-profit organization that is highly dependent on public funding will cause tension on the accountability side and prioritize accountability to the funders. From this description, the hypothesis formulated is as follows. H3a: The urgency of financial accountability in Islamic boarding schools that are financially independent is different from Islamic boarding schools that are financially funded by donations

H3b: The practice of financial accountability in Islamic boarding schools that are financially independent is different from Islamic boarding schools that are financially funded by donations

Accountability is one of the important components of a good governance system. Islamic boarding schools that are under the auspices of an organization should have a stricter and more structured governance system, which has an impact on a better level of accountability. This is because the Islamic boarding school must meet the accountability standards that have been determined by the organization that oversees it. Meanwhile, for independent Islamic boarding schools, the governance system applied is more flexible and is determined by the management of the Islamic boarding school itself. So in this case, the level of accountability may be lower and can be prone to fraudulent practices. From this description, the hypothesis formulated is as follows.

H4a: The urgency of financial accountability in Islamic boarding schools under the auspices of organizations is different from independent Islamic boarding schools

H4b: The practice of financial accountability in Islamic boarding schools under the auspices of organizations is different from independent Islamic boarding schools.

RESEARCH METHODOLOGY

The population in this study were all Islamic Boarding Schools in Indonesia that were registered with the Ministry of Religion and the Ministry of Education and Culture. The sample selection in this study used the convenience sampling technique with a sample of more than 100 respondents. The criteria for selecting the sample for this study are as follows.

1. Islamic Boarding Schools are located in Indonesia and registered with the Ministry of Religion (Kemenag) and the Ministry of Education and Culture (Kemendikbud)
2. Islamic Boarding Schools that are financially independent and Islamic Boarding Schools whose finances come from donations. The meaning of Islamic Boarding Schools that are financially independent are Islamic Boarding Schools whose financial sources are only from Islamic Boarding School business units and students, this is because Law number 18 of 2019 states that students are part of Islamic Boarding Schools. Meanwhile, Islamic Boarding Schools whose finances come from donations are Islamic Boarding Schools whose finances are mixed with finances from government assistance, grants, endowments, etc.
3. Islamic Boarding Schools that are under the auspices of organizations and Islamic Boarding Schools that are independent. The meaning of Islamic Boarding Schools under the auspices of an organization is an Islamic Boarding School that is under the auspices of a community organization so that the Islamic Boarding School will follow the regulations set by the organization. Meanwhile, Islamic Boarding Schools that are independent are Islamic Boarding Schools that operate independently, and usually, these Islamic Boarding Schools are founded by individuals.
4. Principals include the founders, leaders, secretaries, and treasurers of the Foundation.



5. Islamic Boarding School Accountants include the finance department and daily treasurer.

The data collection technique in this study was by distributing questionnaires to the principals and accountants of the Islamic Boarding School via personal chat on WhatsApp, with cellphone numbers coming from the Islamic Boarding School accounting forum database. In addition, this study applies a literature study in collecting theories and data that are relevant to the problem topic.

Operationalization of Variables

The variables in this study were measured from the five principles of governance put forward by (KNKG 2011) and also the three dimensions of financial accountability put forward in the study (Dellaportas, Langton, and West 2012). These dimensions were measured using a questionnaire as a research instrument.

Table 1: Operational Definition of Variables

Variable	Definition	Dimension	Indicator
Governance	Governance is a mechanism or procedure for managing resources to create an orderly institution or organization, both in terms of reporting documentation and others.	Transparency (KNKG 2011)	<ol style="list-style-type: none"> 1. Timely, adequate, clear, accurate, and easily accessible information for stakeholders 2. The principle of openness and compliance with regulations regarding the confidentiality of organizational information and personal rights 3. Completeness of the information provided 4. Availability of written and proportional information and communication to stakeholders
		Accountability (KNKG 2011)	<ol style="list-style-type: none"> 1. Suitability of the job description of the administrators with the vision and mission of the Islamic Boarding School 2. Suitability of the capabilities of the Islamic boarding school administrators with their duties, responsibilities, and roles in the Islamic Boarding School 3. The existence of an effective control system 4. The existence of performance measures for all employees or administrators of the Islamic boarding school and the existence of a reward and sanction system 5. Compliance of employees or administrators of the Islamic boarding school with the code of ethics



Variable	Definition	Dimension	Indicator
			6. Guaranteeing all procedures and mechanisms by guaranteeing the halal, tayib, and tawazun of the entire process
		Responsibility (KNKG 2011)	1. Compliance with the principle of prudence, laws, and regulations. 2. Implementing all contents of the agreement and fulfilling the rights and obligations agreed upon 3. Carrying out social responsibility towards the surrounding environment
		Independence (KNKG 2011)	1. Be independent, avoid intervention from any party, and be free from conflict of interest 2. Carry out functions and duties following regulations and do not shift responsibility or dominate each other
		Fairness and Equality (KNKG 2011)	1. Be fair and provide opportunities for stakeholders to provide suggestions and input and open access to information following the principle of transparency. 2. Provide equal and fair treatment following the benefits and contributions provided. 3. Be professional in carrying out tasks and recruiting employees
Financial Accountability	Financial accountability is responsibility for the use of resources as stated in the report,	Disclosure of Financial Statements to the Public (Dellaportas et al., 2012)	1. Income from non-commercial activities (e.g. donations) 2. Income from government 3. Total expenditure to achieve objectives 4. Summary of financial information
		Advantages and Disadvantages of Enhanced Financial Disclosure (Dellaportas et al., 2012)	1. Increase public trust 2. Increase oversight of financial performance 3. Attract donations or support from the government 4. Attract qualified staff
		Considerations for Specific Accounting	1. Comply with accounting standards 2. Select and disclose revenue recognition



Variable	Definition	Dimension	Indicator
		Standards (Dellaportas et al., 2012)	3. Select and disclose accounting policies 4. Select and disclose asset valuation methods 5. Classification and adjustment of financial statement formats

The data analysis techniques used are descriptive statistics and difference tests where the data is processed in IBM SPSS software with a quantitative approach. Descriptive statistics are used to describe data characteristics using averages, minimum values, etc. The difference test analysis is used to test the difference in a variable from two different groups.

RESULTS AND DISCUSSION

Urgency of Governance and Accountability in Islamic Boarding Schools According to Principal Perception

A survey aimed at founders, leaders, and administrators of foundations on the governance variable, showed that each indicator in each dimension was considered very important by the majority of respondents. In the accountability dimension with 4 supporting indicators, 75.7% of respondents stated that each stakeholder expects the reliability of the information provided and ease of access. The second indicator regarding the existence of the principle of openness and compliance, 85.7% of respondents stated that stakeholders expect protection of their data privacy. Then regarding the completeness of the information provided, 77.1% of respondents stated that this is important because the completeness of the information can support the financial transparency of Islamic Boarding Schools. The last indicator, the availability of written and proportional information, 64.3% of respondents stated that this can help stakeholders in making the right decisions.

The second dimension regarding accountability with 6 supporting indicators stated that 75.7% of respondents considered the suitability of the job description of the administrators and understanding of the vision and mission of the Islamic Boarding School very important, this shows the importance of Islamic Boarding School administrators carrying out their duties in line with the goals and directions that the Islamic Boarding School wants to achieve. The second indicator, 75.7% of respondents consider the suitability of the management's abilities with their duties and responsibilities to have a very important role, where the management of the Islamic Boarding School is expected to be able to make a positive contribution to the Islamic Boarding School. The third indicator regarding an effective control system in the Islamic Boarding School is that 81.4% of respondents consider it very important, this is an effort to prevent the risk of misuse of funds and fraud in running programs in the Islamic Boarding School. The fourth indicator, performance evaluation, and reward and sanction systems in the Islamic Boarding Schools 72.9% of respondents consider it very important, where performance evaluation helps in identifying the strengths and weaknesses of the management, while the reward and sanction system provides incentives and appropriate consequences to encourage performance and accountability in the Islamic Boarding School. Then regarding the implementation of the code of ethics and handling of violations, 67.1% of respondents consider it very important, the principal hopes for a clear code of ethics and handling of violations, to maintain integrity and professional standards in the Islamic Boarding School. The last indicator, procedures, and mechanisms to guarantee halal, tayib, and



tawazun, were considered very important by 72.9% of respondents, principals expect clear and structured steps in maintaining integrity, feasibility, and balance in implementing activities at Islamic Boarding Schools.

The third dimension regarding responsibility, 68.6% of respondents considered it very important for Islamic Boarding Schools to consider the principle of prudence and evaluate compliance with applicable regulations and laws. Furthermore, 68.6% of respondents considered it very important for Islamic Boarding Schools to ensure the fulfillment of the contents of the agreement that has been agreed upon. This is a form of commitment and integrity with other parties. Regarding the involvement of Islamic Boarding Schools in activities related to community welfare, the majority of respondents 57.1% considered it very important. This shows social responsibility and positive contribution to the community around the Islamic Boarding School because it is part of the Islamic Boarding School's mission itself. Then, the fourth dimension is independence, 58.6% of respondents considered it very important that decision-making in Islamic Boarding Schools is carried out independently without intervention from other parties, this supports the objectivity and integrity of the decision. Furthermore, regarding the supervision of each Islamic Boarding School administrator in carrying out their duties, 68.6% of respondents considered this very important as a form of preventing abuse of power and maintaining accountability. The last dimension of the governance variable is fairness and equality, 58.6% of respondents consider it very important to provide sufficient information about the programs being run and respond to input from stakeholders. Related to the role of Islamic Boarding Schools in considering the benefits and contributions of stakeholders, 60% consider it very important, this is evidence of appreciation of the contribution of stakeholders. Furthermore, the principle of justice and equality in Islamic Boarding Schools, 60% consider it very important. Islamic Boarding Schools are required to ensure that every activity is carried out fairly without any discrimination and provide equal opportunities for each of its administrators.

The second variable concerns financial accountability with three supporting dimensions, where financial accountability is a form of accountability regarding the use of resources stated in the report to support decision-making for stakeholders. In the first dimension regarding disclosure of financial reports to the public, 48.6% of respondents consider it very important for Islamic Boarding Schools to disclose information on income from non-commercial activities in their financial reports. Likewise, for the disclosure of information on income received by the government and its use, 54.3% stated that it was very important, and 60% stated that the clarity of the disclosure of the total expenditure needed to achieve the goals of the Islamic boarding school was very important. Finally, the clarity of the disclosure of the summary of financial information was considered very important by the majority of respondents at 57.1%.

The second dimension of financial accountability regarding the advantages and disadvantages of increasing financial disclosure, 57.1% of respondents stated that increasing public trust through increasing financial disclosure is considered very important. Then related increasing supervision of financial performance is also considered very important with a percentage of 54.3%. In the increasing interest in donations through increasing financial disclosure, 50% of respondents consider it very important, and the last one regarding attracting qualified staff through increasing financial disclosure, 62.9% consider it very important. Furthermore, the last dimension of financial accountability is the consideration of special accounting standards, 57.1% of respondents consider it very important to comply with applicable accounting standards. Furthermore, related to understanding the basic principles of revenue recognition, 50% stated it is also very important. In addition, 47.1% consider it very



important to understand and consider special accounting standards when setting accounting policies. Understanding special accounting standards applied in Islamic Boarding Schools and their impact on asset valuation methods, 48.6% of respondents consider it very important. Likewise, understanding and adjusting the format of financial reports with applicable accounting standards, 50% consider it very important.

Governance and Accountability Practices in Islamic Boarding Schools According to Accountants' Perceptions

In governance practices in Islamic Boarding Schools based on the perceptions of accountants, finance departments, or daily treasurers of Islamic Boarding Schools in the first governance dimension, namely transparency, 45% of respondents felt that Islamic Boarding Schools consistently convey information to stakeholders in a timely, clear, and easily accessible manner. In terms of the principle of openness and compliance with regulations regarding the confidentiality of information, the majority of respondents 56.7% stated that Islamic Boarding Schools very often maintain the confidentiality of information and the personal rights of stakeholders. Furthermore, regarding the completeness of information, 40% of respondents stated that the information provided in the Islamic Boarding School financial report was complete, which shows that most Islamic Boarding Schools have implemented the provision of adequate information in their financial reports to increase transparency. Then, the information provided in writing, 36.7% of respondents stated that the information was easy to obtain and understand by stakeholders.

The second dimension of the governance variable is accountability, where in the first indicator 50% of respondents stated that the job description vision, and mission of the Islamic Boarding School have been clearly understood by the management of the Islamic Boarding School. The second indicator, 50% of respondents stated that the suitability of abilities and responsibilities has been running effectively, indicating that most of the management has good abilities in carrying out their duties and responsibilities. The third indicator, 46.7% of respondents stated that the control system is running effectively. This shows that the control system has functioned well in ensuring accountability and reducing the risk of fraud and misuse of funds. The fourth indicator, 46.7% of respondents stated that performance evaluations have been carried out frequently, as an effort to encourage accountability and good performance. The fifth indicator is the implementation of the code of ethics and handling of violations in Islamic Boarding Schools, 40% of respondents stated that it is often carried out in Islamic Boarding Schools. Showing that most Islamic Boarding Schools have made efforts to implement the code of ethics and take action on violations. The last indicator, the procedures and mechanisms to ensure halal, tayib, tawazun in the entire process, 45% of respondents stated that the implementation was clear. Furthermore, in the third dimension regarding responsibility, 55% of respondents stated that Islamic Boarding Schools often consider the principle of prudence and evaluate the compliance of administrators. Furthermore, regarding ensuring the fulfillment of the contents of the agreed agreement, 51.7% of respondents often implement this as a form of responsibility and integrity of Islamic Boarding Schools. Then, regarding the involvement of Islamic Boarding Schools in activities related to community welfare, 40% stated that they very often do this, indicating that Islamic Boarding Schools have a high tendency to be involved in activities that are beneficial to the community and always consider community welfare in their decision-making.

In the independence dimension, 40% of respondents stated that decision-making in Islamic Boarding Schools is often done independently. Furthermore, regarding the effectiveness of supervision for Islamic Boarding School administrators in their implementation, 48.3% stated that it was effective,



indicating that Islamic Boarding Schools have implemented an effective supervision system to ensure that each administrator carries out their duties properly by applicable regulations and does not abuse their authority or power. Then the last is about fairness and equality, 50% have often provided sufficient information about the program and responded to input from stakeholders, indicating that the Islamic Boarding School has been transparent and responsive to stakeholders. Then, regarding the frequency of the Islamic Boarding School in treating and considering every benefit from stakeholders, 55% have often implemented it, this is to uphold the values of equality and fairness in treating stakeholders in decision-making. Finally, regarding justice or equality in the Islamic Boarding School in recruiting new administrators and opportunities for other administrators to improve their abilities, 43.3% stated that the Islamic Boarding School has been fair in the recruitment process and provides opportunities for all administrators, indicating that the Islamic Boarding School maintains justice and equality in all activities and decisions taken.

The second variable is financial accountability, in terms of disclosure of financial reports to the public, 33.3% of respondents stated that they often disclose information on income from non-commercial activities in financial reports. Then, disclosure of income information received from the government and its use in financial reports by 38.3% stated that it is often done. Furthermore, disclosure of information on the total expenditure required by the Islamic Boarding School by 48.3% stated that they often disclose it in financial reports. And 43.3% of respondents stated that they often disclose a summary of financial information. Furthermore, regarding the advantages and disadvantages of increasing financial disclosure, 41.7% of respondents stated that Islamic Boarding Schools often increase public trust through financial disclosure. In increasing supervision of financial performance, the majority of respondents (41.7%) stated that it is often done. In terms of increasing interest in donations, 36.7% of respondents stated that they often increase financial disclosure to the public, and finally regarding the recruitment of quality staff, 45% of respondents stated that they often try to attract quality staff. Then the last one regarding the consideration of special accounting standards, 45% of respondents stated that Islamic Boarding Schools often comply with applicable accounting standards in preparing Islamic Boarding School financial reports, 38.3% stated that understanding the basic principles of income recognition in Islamic Boarding Schools was effective, 40% of respondents stated that consideration of special accounting standards in accounting policies had been effectively implemented, then understanding the impact of special accounting standards on asset valuation 38.3% stated a neutral attitude, and regarding the understanding and adjustment of the financial report format 41.7% stated that it had been effectively implemented in Islamic Boarding Schools.

Hypothesis Testing

The Urgency of Governance and Accountability in Islamic Boarding Schools with Financial Independence and Islamic Boarding Schools with Donations

Before testing the hypothesis, a normality test must be carried out first to determine whether the data is normally distributed or not. The normality test in the current study uses the Kolmogorov-Smirnov test, this is because the number of samples in this study is more than 30. If the Sig. value. obtained from the Kolmogorov-Smirnov test is less than 0.05, it can be concluded that the data is not normally distributed. The results of the data normality test of the governance and accountability variables in terms of urgency in Islamic boarding schools that are financially independent with Islamic boarding schools whose finances come from donations get a significance value of less than 0.5, this indicates that the data is not normally distributed. Because the data is not normally distributed, the



hypothesis testing uses the Mann-Whitney test. The criteria for this test are if Sig. (2-tailed) is less than 0.05, it is concluded that there is a significant difference in governance and accountability between the two types of Islamic boarding schools. The Sig. value obtained for the urgency of governance and urgency of accountability is 0.069 and 0.847, which means it is greater than 0.050, so it is concluded that the null hypothesis is accepted, which means there is no significant difference between the urgency of governance and accountability in Islamic boarding schools that are financially independent with Islamic boarding schools whose finances come from donations.

Governance and Accountability Practices in Financially Independent Islamic Boarding Schools and Islamic Boarding Schools Whose Finances Come from Donations

The results of the normality test using Kolmogorov Smirnov for governance and accountability practices in financially independent Islamic Boarding Schools and Islamic Boarding Schools whose finances come from donations obtained significance values of 0.039 and 0.200. One of the significance values in the data is smaller than 0.05 so it can be concluded that the data is normally distributed and will be tested using the Independent Sample T-Test.

Based on the results of the hypothesis test, the Sig. value was obtained as much as 0.440 for governance practices and 0.867 for accountability practices, much greater than the specified significance level. This shows that there is no significant difference between governance and accountability practices in financially independent Islamic Boarding Schools and Islamic Boarding Schools whose finances come from donations.

Urgency of Governance and Accountability in Islamic Boarding Schools Under the Umbrella of Organizations with Independent Islamic Boarding Schools

The results of the normality test for the data on the urgency of governance and accountability in Islamic Boarding Schools under the auspices of organizations with independently established Islamic Boarding Schools show a significance value that is smaller than 0.05 so that it can be concluded that the data is not normally distributed.

The results of the hypothesis test using the Independent Samples Mann-Whitney U-Test obtained a Sig. value of 0.890 for the urgency of governance and 0.625 for the urgency of accountability, which can be concluded that the null hypothesis is accepted and means that there is no significant difference in the urgency of governance and accountability in Islamic Boarding Schools under the auspices of organizations with independently established Islamic Boarding Schools.

Governance and Accountability Practices in Islamic Boarding Schools Under the Umbrella of Organizations with Independent Islamic Boarding Schools

The results of the normality test for data on governance and accountability practices in Islamic Boarding Schools under the auspices of organizations with independently established Islamic Boarding Schools, show a significance value of 0.200, which means it is greater than 0.05, so it can be concluded that the data is normally distributed. For hypothesis testing, the Independent Sample T-test will be used. The criteria for this test are if the Sig. value is less than 0.05, then it can be concluded that there is a significant difference in governance and financial accountability practices between the two groups.

Based on the results of the hypothesis test using the Independent Samples T-Test, the Sig. value (2-tailed) was obtained as 0.237 for governance practices and 0.271 for accountability practices, which can be concluded that the null hypothesis is accepted, meaning there is no significant difference in



governance and accountability practices in Islamic Boarding Schools under the auspices of organizations with independently established Islamic Boarding Schools.

Discussion of Differential Test

Governance Based on Type of Islamic Boarding School

Governance according to the principal's view has a very important role in Islamic Boarding Schools, while from the accountant's view related to its practice, this governance has begun to be implemented effectively. According to respondents, governance in Islamic Boarding Schools has a very important role in achieving the vision and mission of the Islamic Boarding School itself. In Islamic Boarding School governance, cooperation is needed between stakeholders and Islamic Boarding School administrators. Furthermore, related to governance practices in Islamic Boarding Schools, Islamic Boarding School accountants stated that governance practices based on supervision and evaluation were good, but still needed to be strengthened. In addition, respondents stated that there were Islamic Boarding Schools that had conducive governance but experienced limited income and a lack of qualified administrative staff. There are five principles of governance, starting from transparency which is considered important when viewed from its urgency. The principal hopes to implement this transparency principle because good governance is considered if it can ensure that its transparency has a positive relationship with increasing public and government trust in the Islamic Boarding School (Yunanda, et al. 2016). However, in the practice of this transparency, there is still room for improvement starting from the availability of information and the completeness of information in financial reports.

Furthermore, the principle of accountability is considered very important when viewed from its urgency according to the principal. Islamic Boarding Schools must pay attention to indicators that support the process of implementing this accountability because it is a crucial aspect that plays a role in achieving progress, sustainability, and the success of Islamic Boarding Schools in carrying out their functions. This is in line with stewardship theory, which states that each individual will carry out their duties and work well to achieve the goals of the organization (Nurillah et al. 2020), in line with the management of the Islamic Boarding School who will strive to achieve the goals of the Islamic Boarding School through the suitability of work with the vision and mission of the Islamic Boarding School. In terms of practice, this principle of accountability has been effective and clear when implemented in Islamic Boarding Schools. Then the principle of responsibility is considered very important by the principal of the Islamic Boarding School, which shows that the Islamic Boarding School must have a strong commitment to carrying out all its responsibilities. When viewed from the practical side according to the Islamic Boarding School accountant, there are Islamic Boarding Schools that often implement this principle and there are also Islamic Boarding Schools that have a low frequency in practice.

The next principle is independence which is considered very important according to the perception of the principal and the accountant stated that it has been effective in its implementation. This shows that there is an awareness of the importance of independence. In the study of Feng et al. (2019) it was also explained that the more the management of an organization is independent, the more it can strengthen its governance practices. The last principle regarding fairness and equality is considered very important according to the perception of the principal. Islamic Boarding Schools are required to commit to ensuring justice in various aspects. In line with the stakeholder theory which requires a good relationship between internal and external parties (Wasito, et al. 2016), in this case, the Islamic Boarding School must maintain its good relationship with stakeholders, namely by providing



information and responding to suggestions from stakeholders. In practice, according to accountants, this fairness has begun to be consistently implemented, although improvements are still needed by taking into account all suggestions and input received for the sustainability of the Islamic Boarding School.

Financial Accountability Based on Type of Islamic Boarding School

Financial accountability is considered to have an important role in Islamic Boarding Schools according to the principal's perception and in practice according to accountants, this has been quite effective. According to respondents, this financial accountability is considered to have a role in ensuring that Islamic Boarding School finances are systematic, neat, transparent, orderly, effective, proportional, and professional. In general, according to Islamic Boarding School accountants in practice, this financial accountability is still in the development process and requires some training for administrators related to the implementation of this financial accountability to improve the competence and skills of the staff on duty. Research by Dewi et al. (2020) states that technical assistance or training is a factor that has a major influence on the formation of accountability, such as the preparation of financial reports. This accountability practice provides transparency, and relevant information, maintains integrity, and allows for effective monitoring and supervision.

This financial accountability has three indicators that can support its implementation. First, regarding the disclosure of financial reports to the public, this is considered important in Islamic Boarding Schools according to the principal's perception. This is related to the urgency of financial accountability itself which is correlated with the obligation of financial reporting to the government, foundations, or the public. In line with research from Dellaportas et al. (2012) which states that all information regarding the disclosure of income and expenses must be disseminated. In practice, according to Islamic Boarding School accountants, disclosure of financial reports to the public has been implemented, but some Islamic Boarding Schools are still not consistent in implementing this. This is also evidenced by their financial reports, not all Islamic Boarding Schools have all the financial reports that have been set in existing standards. The second indicator regarding increasing financial disclosure is considered very important and provides significant benefits according to the principal's perception, in line with Dellaportas et al. (2012) that increasing financial disclosure is considered very profitable. Related to its practice according to Islamic Boarding School accountants, increasing financial disclosure has begun to be implemented in Islamic Boarding Schools although some are still not consistent in doing so. Increasing financial disclosure helps Islamic Boarding Schools avoid mistakes, provide assurance and credibility, and increase public trust.

Finally, regarding the consideration of special accounting standards that are also considered important according to the principal's perception. This shows that Islamic Boarding Schools must be aware of the importance of maintaining the quality and accuracy of the financial information presented. In this case, it is in line with the research of Dellaportas et al. (2012) which states that the development of special accounting standards can increase the accountability of non-profit organizations, which means that the development of these special accounting standards has an important role. In practice, according to the perception of Islamic Boarding School accountants, considerations regarding these accounting standards have been implemented by Islamic Boarding Schools, although not yet fully consistent. The consideration of these accounting standards is intended so that Islamic Boarding Schools have neat, valid financial bookkeeping that is by applicable accounting standards. However, in practice,



there are still Islamic Boarding Schools that use a simple financial report format and do not follow applicable accounting standards, which causes the risk of fraud.

From the results of the hypothesis testing, it was found that all hypotheses were rejected, stating that there was no significant difference in the urgency and practice of governance and accountability in Islamic boarding schools that are financially independent of Islamic boarding schools whose finances come from donations or Islamic boarding schools that are under the auspices of organizations with Islamic boarding schools that stand independently. The lack of practice in terms of governance and accountability is possible due to a lack of understanding from the management of the Islamic boarding school or it is possible because there is no demand from the donor or the organization that oversees it to make financial reports that are the material for accountability. This is contrary to Tacon et al. (2017) who in their research stated that when a non-profit organization relies on public funds as its main income, it is feared that its level of independence will decrease, and if a non-profit organization is very dependent on public funds, it will cause tension in terms of accountability and prioritize accountability to the top and the difficulty of accountability to the bottom.

CONCLUSION

This study is intended to explore financial governance and accountability both in terms of urgency and practice in Islamic Boarding Schools. The results of this study, according to the principal, governance is considered to have a very important role in Islamic Boarding Schools. Furthermore, regarding financial accountability, seen from the principal's perception, this financial accountability is considered important in Islamic Boarding Schools which aims to support operations and ensure that Islamic Boarding School finances are well organized. The results of this study, from an accountant's perspective regarding governance in practice, have begun to be implemented well but still need improvement due to limited funds and also the lack of administrators who have the appropriate competence. These five principles of governance in practice have been running well even though not all Islamic Boarding Schools consistently implement these principles. Furthermore, financial accountability has begun to be implemented even though it is still in the development process and requires special training for administrators to improve the competence of the administrators on duty. This accountability indicator starts from the disclosure of financial reports that have not been consistently implemented and is proven by the preparation of incomplete Islamic Boarding School financial reports, related to the increase in financial disclosures that have not been consistently carried out, and finally regarding the consideration of accounting standards that have been implemented but some Islamic Boarding Schools still use a simple financial report format and are not following the established accounting standards. This study provides results that there is no significant difference regarding the urgency and practice of governance and accountability in Islamic Boarding Schools whose finances are independent of Islamic Boarding Schools whose finances come from donations or in Islamic Boarding Schools that are under the auspices of organizations with Islamic Boarding Schools that stand independently. All consider that this governance and accountability have an important role. This shows that all Islamic Boarding Schools of any type are required to practice this governance and accountability because these two things can help Islamic Boarding Schools to be more organized and run with clear guidelines for future sustainability.

Based on the results of the study, there are several views of researchers that can be used as suggestions so that Islamic Boarding Schools can maximize their financial governance and accountability practices. For the Islamic Boarding School to be able to further maximize the



implementation of its financial governance and accountability, this can be started by forming competent human resources by holding training or workshops. In addition, Islamic Boarding Schools are expected to be able to implement existing Islamic Boarding School accounting guidelines so that they can support the process of making financial reports following existing regulations. In addition, the government has an important role in implementing governance and accountability in Islamic Boarding Schools, namely by providing a forum or support for human resources in Islamic Boarding Schools in forming appropriate competencies and the government is expected to be able to strengthen regulations regarding Islamic Boarding School financial reporting obligations to improve monitoring of Islamic Boarding School conditions. Then for further research, it is expected to involve more Islamic Boarding Schools from each region in Indonesia and by using more complete data collection techniques so that the results obtained will be more comprehensive. This study also has several limitations. First, this study only focuses on looking at the debate on the urgency and practice of governance and accountability in each Islamic Boarding School group so this study does not explore further the factors that cause differences in urgency and practice from each perception. Second, there are indications of differences in perception between Islamic Boarding Schools due to differences in the environment or culture in the related Islamic Boarding Schools. Third, the number of samples determined tends not to be able to represent the population so it does not reflect the diversity that exists. Fourth, there are indications of potential bias that can reduce the validity and objectivity of the research results.

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