

THE EFFECT OF LOCAL GOVERNMENT FINANCIAL PERFORMANCE ON THE OPINION OF AUDIT BOARD (BPK) LAMPUNG CITY GOVERNMENT

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ABSTRACT

This study aims to prove empirically that there is an influence of Regional Government Financial Performance on the opinion of audit board (BPK) lampung city government. This study uses secondary data obtained through Directorate- General of Regional Fiscal Balance (DJPK). The sample used in this study amounted to 60 data selected based on purposive sampling technique. The data analytical method used to test hypothesis in this study is logistic regression analysis using SPSS Ver 20 program. The classical assumption test in this study used the normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. The results of testing the hypothesis in this study indicate that regional financial independence ratio, effectiveness of regional original income ratio, regional government spending efficiency ratio, regional financial dependency ratio, and the degree of decentralization has no effect on BPK opinion in Lampung.

Keywords: Regional financial independence ratio, effectiveness of regional original income ratio, regional government spending efficiency ratio, regional financial dependency ratio, the degree of decentralization, BPK opinion.

