

Internal Control and Risk Mitigation in Regional Election Grant Fund Management: A Public Financial Governance Perspective

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ABSTRACT

This article analyzes the internal control system and risk mitigation practices used in the management of regional election grant funds at a provincial election supervisory institution in North Sulawesi. The study is positioned within public administration and public financial management because regional election grant funds are not ordinary operational funds; they are public resources transferred through a specific intergovernmental grant mechanism and used to support high-intensity electoral supervision. A qualitative descriptive approach was used through interviews, observation, and document analysis involving strategic, technical, and operational actors in grant fund management. The findings show that the management mechanism has been implemented through a relatively complete cycle of planning and budgeting, fund disbursement, activity implementation, administration and accountability, reconciliation, reporting, monitoring, and follow-up. Internal control supports accountability through authority division, layered verification, accountability checklists, hierarchical coordination, and follow-up on audit findings. However, the system remains less than optimal because recurring risks still appear, including delays in accountability reports, weak documentation, tax administration errors, travel cost discrepancies, limited human resources, and the absence of a specific risk register for regional election grant funds. The article argues that internal control is reasonably effective for detection, correction, and follow-up, but preventive control must be strengthened through standardized procedures, staff capacity development, digital archiving, risk-register preparation, and integration between planning, implementation, and accountability systems. The study contributes to public administration by linking internal control, risk mitigation, and electoral grant fund accountability in one analytical framework.

Keywords: accountability, election supervision, internal control system, public financial management, regional election grant funds, risk mitigation.

INTRODUCTION

Public financial governance is a central requirement for democratic institutions because every public rupiah must be planned, used, reported, and controlled in a way that protects public trust. In electoral governance, this requirement becomes more important because elections are politically sensitive, time-bound, and administratively complex. Regional election grant funds are provided to support the implementation and supervision of regional elections; consequently, they must be managed under strict principles of accountability, transparency, effectiveness, efficiency, regulatory compliance, and risk awareness. When grant funds are absorbed at a very high rate, the main governance question is not only whether money has been spent, but also whether the spending cycle is supported by reliable internal control and systematic mitigation of administrative and compliance risks.

The management of regional election grant funds involves several institutional relationships. Local government provides the grant through a regional budget mechanism, while the recipient election supervisory institution later manages and accounts for the funds under state financial procedures. This transition creates a hybrid governance environment: planning begins in the regional budget domain, but accountability follows national public finance standards. Such a configuration increases administrative burden because the organization must align regional grant agreements, activity planning, activity implementation, payment verification, tax administration, documentation, reconciliation, reporting, and audit follow-up. In a dynamic election calendar, these processes must operate under pressure from overlapping election and regional election stages.

The empirical context of this article shows that the 2024 regional election grant allocation amounted to Rp42,500,000,000, with realization of Rp42,345,601,797 and a remaining balance of Rp154,398,203. The realization rate reached 99.637 percent. This level of budget absorption indicates that the programmatic workload was extensive and that the fund was substantially used for electoral supervision activities. However, high realization does not automatically prove strong accountability. A financial management system may spend almost all of its allocation while still experiencing delays in accountability reports, weak supporting documents, mistakes in tax calculation, or travel expenditure inconsistencies. Therefore, the focus of analysis must move from absorption alone to the quality of control and mitigation along the whole grant management cycle.

The article addresses three analytical questions. First, how is the management mechanism of regional election grant funds organized from planning to reporting? Second, how does the internal control system support accountability in the management of these funds? Third, how effective is internal control in mitigating the risks attached to grant fund management? These questions are important because the literature on public grants often focuses on distribution and general accountability, while fewer studies integrate mechanism analysis, internal control, and risk mitigation in the specific context of election supervisory institutions. The article therefore contributes to public administration by showing how control instruments work in practice and where preventive risk management still requires institutional strengthening.

The novelty of the article lies in its integrated perspective. Grant fund management is treated not merely as administrative compliance but as a risk-bearing public financial process. The analysis links public financial management, agency theory, good governance, government internal control, and risk management. By doing so, it explains why the existence of procedures is not enough. The crucial issue is whether procedures become a coherent control system capable of detecting, correcting, and preventing risks. The article also highlights that internal control becomes effective

only when supported by adequate human resources, standardized documentation, digital archives, and a formal risk register that identifies risk owners, likelihood, impact, mitigation actions, and follow-up status.

THEORETICAL FRAMEWORK

Public financial management refers to the systematic management of public money through planning, budgeting, implementation, administration, reporting, monitoring, and accountability. Mardiasmo (2018) emphasizes that accountable and transparent financial management is a core principle of good governance. In the public sector, financial management is not limited to accounting techniques; it is connected to public value, legal compliance, budget discipline, and the ability of institutions to use resources effectively for public purposes. Bastian (2020) argues that public financial management should integrate planning, budgeting, implementation, and accountability so that public spending supports both organizational objectives and public service outcomes.

Agency theory provides a useful lens for understanding why internal control is necessary in grant fund management. In a principal-agent relationship, the principal delegates authority to an agent, while the agent has more operational information than the principal. This informational asymmetry can create moral hazard, administrative negligence, or weak accountability if there are no control mechanisms. In the management of regional election grant funds, the public and the grant-providing government act as principals, while the implementing institution acts as an agent entrusted to manage funds according to legal and programmatic objectives. Therefore, internal control, reporting obligations, audit trails, and transparency are mechanisms for reducing agency costs and strengthening accountability (Sutisna et al., 2024).

Good governance emphasizes transparency, accountability, rule of law, efficiency, effectiveness, participation, and responsiveness. In grant fund management, these principles require that budget allocations be clear, spending be supported by valid documents, reporting be timely, and corrective actions be taken when weaknesses are found. Mardiasmo (2018) defines accountability as an obligation to explain and report the implementation of organizational mandates to parties that have the right to receive such information. Kantohe and Maukar (2023) also explain accountability as an obligation attached to every program carried out under delegated authority. Thus, accountability is both a legal requirement and an ethical commitment in public administration.

Risk management is the structured process of identifying, analyzing, evaluating, treating, monitoring, and communicating risks that may affect the achievement of organizational objectives. ISO 31000 (2018) defines risk as the effect of uncertainty on objectives. This definition is relevant because grant fund management is full of uncertainties, such as changes in activity schedules, differences in interpretation of regulations, workload intensity, document delays, tax errors, and audit findings. Alijoyo and Vorst (2024) argue that risk management in the public sector should move beyond formal documents and become integrated with planning, budgeting, implementation, and reporting. A risk-aware organization does not wait for audit findings before acting; it builds preventive controls into daily procedures.

Risk mitigation is the treatment of risk through actions designed to reduce likelihood, reduce impact, transfer risk, avoid risky activities, or consciously accept residual risk within the organization's risk appetite. Yusnita (2023) explains that mitigation involves selecting appropriate strategies and monitoring effectiveness periodically. Nardo (2022) places mitigation within risk

treatment through controls, procedures, and contingency planning. In regional election grant fund management, mitigation may include standardized activity proposals, budget reviews, separation of duties, tiered verification, checklists, tax review, digital archiving, reconciliation, and periodic evaluation meetings. These instruments should not exist only as paper requirements; they must be embedded in work routines.

The Government Internal Control System, or SPIP, provides the operational framework for internal control in Indonesian public organizations. Government Regulation No. 60 of 2008 defines SPIP as a control system implemented comprehensively in central and local government environments to provide reasonable assurance that organizational objectives will be achieved. It includes five components: control environment, risk assessment, control activities, information and communication, and monitoring. These components are conceptually aligned with the COSO framework. A strong control environment reflects integrity, ethics, competence, and clear structure. Risk assessment identifies and analyzes possible obstacles. Control activities translate policies into verification, authorization, segregation of duties, and reconciliation. Information and communication ensure that relevant information is timely and accurate. Monitoring evaluates whether controls continue to operate effectively.

In the context of regional election grant funds, SPIP and risk management must be integrated. A control system that checks documents after activities have been implemented may detect problems but may not prevent them. Conversely, a risk register without verification and monitoring may become an unused document. Effective public financial governance requires both. The risk register identifies key risks and mitigation strategies, while internal control procedures operationalize those strategies through daily verification, documentation, and accountability mechanisms. This integrated approach is the theoretical basis for analyzing whether the existing system is merely reactive or genuinely preventive.

METHOD

This article uses a qualitative descriptive design. The purpose of the design is to understand the management mechanism, internal control implementation, and risk mitigation practices in the specific institutional context of regional election grant fund management. Qualitative research is appropriate because the study seeks to understand processes, meanings, institutional practices, and the interaction between formal regulations and field realities. The data were collected through interviews, observation, and document analysis. This combination allowed the article to compare formal procedures with the experiences of actors who directly manage, verify, and report grant fund usage.

Informants were grouped into strategic, technical, and operational categories. Strategic informants provided information on policy direction, institutional accountability, and high-level coordination. Technical informants provided information on commitment-making, treasury, payment verification, and accountability documents. Operational informants provided information on activity implementation, document preparation, and practical constraints encountered in the field. This distribution of informants was important because internal control does not operate at one level only; it connects leadership decisions, technical financial procedures, and field-level administrative discipline.

The research focus consisted of three main dimensions. The first dimension was the management mechanism of regional election grant funds, including planning and budgeting, fund disbursement and activity implementation, administration and accountability, and reconciliation

and reporting. The second dimension was the implementation of internal control, based on the SPIP components: control environment, risk assessment, control activities, information and communication, and monitoring. The third dimension was the effectiveness of internal control in mitigating administrative, compliance, operational, human-resource, and documentation risks. The data were analyzed through data reduction, data display, interpretation, and verification, using triangulation between interviews, observations, and documents.

The analysis did not function as a financial audit and did not assess the material correctness of every transaction. Instead, it examined the governance quality of the system: whether grant fund management followed a coherent mechanism, whether internal control supported accountability, and whether risk mitigation reduced recurring weaknesses. This distinction is important because the article evaluates administrative and managerial effectiveness rather than producing an audit opinion. Nevertheless, audit-related concepts such as verification, reconciliation, documentation, and follow-up are treated as essential evidence for evaluating accountability.

RESULTS AND DISCUSSION

Program Implementation Through Edward III Dimensions

The findings show that regional election grant fund management has been implemented through a complete but demanding cycle. The cycle begins with planning and budgeting based on election stages, supervision needs, prior experience, and the vulnerability of electoral areas. The proposed activities and budget needs are reviewed internally and through planning-related units before they are discussed with the regional government. This process demonstrates that grant fund planning is linked to program needs rather than being treated as a purely financial exercise. However, the election calendar remains dynamic, and some operational needs may change during implementation. This creates a negative case: planning follows procedure, yet it cannot fully anticipate all field-level changes during dense election stages.

The disbursement and use of funds followed the regional grant agreement and were conducted in stages. The total allocation of Rp42.5 billion was disbursed in three stages: Rp1.25 billion, Rp12.375 billion, and Rp28.875 billion. After receipt, the funds were managed through the state financial mechanism. This shift increased formality and accountability, but it also increased administrative complexity. The use of funds was controlled through proposal review, budget account checking, activity implementation documents, payment verification, and accountability reports. In practice, the system was able to process a large amount of activity expenditure, but several problems appeared, including excess travel cost payments, tax rate mistakes, and delays in submitting accountability documents. See table 1, and figure 1.

Table 1. 2024 Regional Election Grant Budget Realization

Fiscal Year	Description	Allocation (Rp)	Realization (Rp)	Remaining (Rp)	Realization Rate
2024	Grant Expenditure	42,500,000,000	42,345,601,797	154,398,203	99.637%

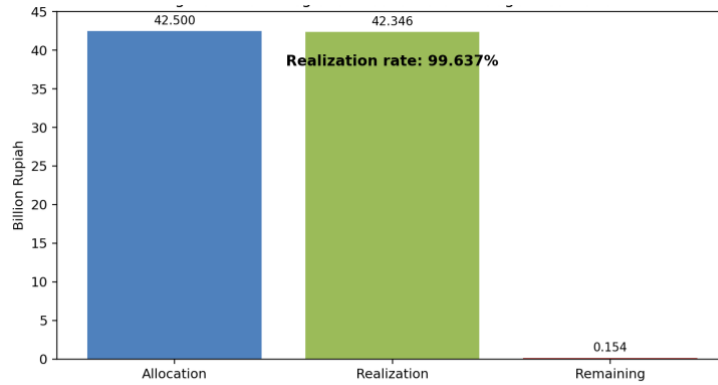


Figure 1. 2024 regional election grand budget realization

The administration and accountability stage was one of the most crucial points in the control system. After activities were carried out, persons in charge had to prepare evidence of activity implementation, transaction documents, attendance lists, photographs, receipts, official assignment letters, activity reports, and other supporting documents. These documents were checked by treasury and financial management staff to ensure completeness, account suitability, payment accuracy, standard cost compliance, and tax obligations. When documents were incomplete, they were returned to the activity implementer. The use of an accountability checklist became one of the most effective control instruments because it translated abstract compliance requirements into concrete document requirements.

Reconciliation and reporting served as the final mechanism for checking consistency between budget realization, financial records, accountability documents, and reports submitted to relevant parties. Reconciliation was used to detect mismatches, correct recording errors, and prepare final accountability reports. The system therefore contained several layers of control: initial planning review, payment verification, accountability checking, reconciliation, monitoring, and follow-up. These layers demonstrate that internal control exists in practice. Nevertheless, the findings also show that several control components are stronger than others. Control activities and monitoring are more visible, while formal risk assessment remains weak because a specific risk register for regional election grant funds has not yet been prepared. See table 2, and 3.

Table 2. Research Focus and Data Sources

Focus	Aspects examined	Main data sources
Grant fund management mechanism	Planning, disbursement, implementation, administration, accountability, reconciliation, and reporting	Interviews, NPHD, work plans, budget realization reports
Internal control implementation	Control environment, risk assessment, control activities, information and communication, and monitoring	Interviews, procedures, checklists, monitoring reports
Risk mitigation effectiveness	Administrative, compliance, operational, human-resource, and documentation risks	Interviews, audit-related documents, accountability reports

Table 3. Informant Coding

Code	Category	Function	Information relevance
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S-I / S-II	Strategic	Institutional leader and head of secretariat	Policy, authority, general supervision
T-I / T-II	Technical	Commitment-making officer and treasurer	Planning, verification, payment, accountability documents
O-I / O-II	Operational	Activity and financial management staff	Activity documents, implementation evidence, SPJ preparation

The internal control analysis based on SPIP reveals that all five components are present but not equally optimal. The control environment is supported by organizational structure and authority division, yet it is weakened by high workload and limited separation of duties in several practical situations. Risk assessment is the weakest component because risks are handled adaptively through meetings and immediate responses rather than documented systematically through a formal risk register. Control activities are relatively active through document verification, checklists, account checks, and layered approval. Information and communication exist through coordination and report submission, but delays in accountability documents show that communication is still not fully timely. Monitoring is carried out through evaluation, reconciliation, and follow-up on examination results, but limited human resources reduce its consistency.

The effectiveness of internal control in risk mitigation can be described as reasonably strong in detection and correction but weaker in prevention. Administrative risks, such as late accountability documents, unidentified transaction evidence, and tax errors, are mitigated through checklists and layered verification. Compliance risks, such as mismatch between activities and grant fund regulations, are handled through treasury and commitment-making officer checks, but these controls are not yet fully effective because regulatory interpretation remains complex. Operational risks arise from the high intensity of election stages; these are mitigated through evaluation meetings and activity adjustments. Human resource risks are related to limited staff and high workload; these are mitigated through task division and monitoring but remain unresolved. Documentation risks, such as incomplete archives and mismatched evidence, have begun to be addressed through digital archiving but require stronger integration. See table 4.

Table 4. Internal Control Implementation Based on SPIP Components

SPIP component	Finding condition	Assessment
Control environment	High workload and limited segregation of functions in several operational situations	Not yet optimal
Risk assessment	Not yet supported by a specific risk register for regional election grant funds	Not yet optimal
Control activities	Administrative and corrective controls through verification, checklist, and layered approval	Partially effective
Information and communication	Coordination exists, but accountability document submission is sometimes delayed	Not yet optimal
Monitoring	Monitoring and follow-up exist, but are constrained by limited human resources	Not yet optimal

A key finding is that the main problem is not the absence of a mechanism. The mechanism exists and is relatively complete. The more serious issue is implementation capacity. Procedures have been formed, authority has been divided, administrative controls have been applied, and audit

follow-up has been conducted. However, limited personnel, overlapping election stages, insufficient technical standardization, and fragmented systems of planning, implementation, and accountability prevent the system from reaching optimal effectiveness. This finding shifts the policy implication from creating procedures to strengthening execution capacity, risk governance, and integrated financial management infrastructure. See table 5, and figure 2.

Table 5. Risk Evaluation and Internal Control Effectiveness

Risk type	Risk forms identified	Controls already applied	Effectiveness level
Administrative	Late accountability reports, unclear transaction evidence, tax administration errors	Checklist and layered verification	Moderately effective
Compliance	Mismatch between activity implementation and grant fund management regulations	Treasurer and commitment-making officer review	Not yet effective
Operational	High intensity of election supervision stages	Evaluation meetings and activity adjustment	Moderately effective
Human resources / organization	Limited staff and heavy workload	Task division and monitoring	Not yet effective
Documentation	Incomplete archives, late documents, and mismatched accountability evidence	Initial digital archiving and document checking	Not yet effective

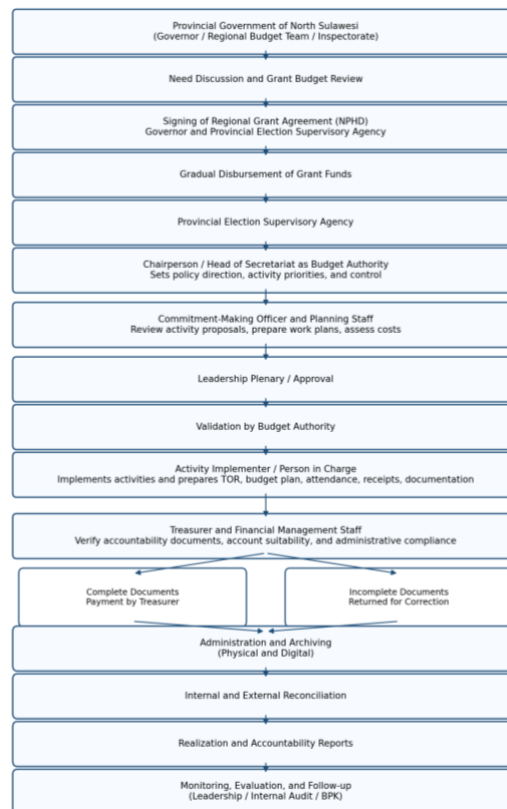


Figure 2. Regional election grand fund management structure

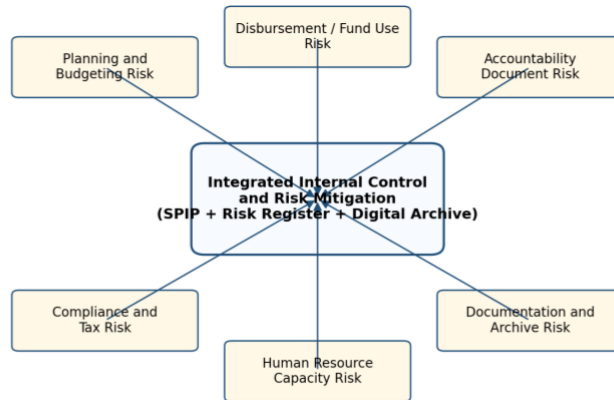
The findings confirm the argument of public financial management that budget absorption must be interpreted together with accountability quality. Mardiasmo (2018) emphasizes that public finance must be managed transparently and accountably, while Bastian (2020) highlights the integration of planning, budgeting, implementation, and accountability. In this case, the realization rate of 99.637 percent shows that the grant was used almost fully, but the governance challenge appears in the administrative trail supporting that realization. Late accountability documents, weak transaction evidence, and tax administration errors illustrate that a high realization rate still requires strong internal control to prove that spending is orderly, compliant, and auditable.

The management cycle also supports the logic of agency theory. The recipient institution operates as an agent managing public funds on behalf of the public and the granting authority. Because the agent possesses more detailed operational information, internal control becomes necessary to reduce information asymmetry. Layered verification, checklists, reconciliation, and monitoring function as accountability mechanisms that allow principals and supervisory bodies to understand how funds were used. However, agency theory also explains why informal adaptive responses are insufficient. If risk information is not documented in a formal risk register, organizational learning becomes dependent on individual memory and repeated meetings, rather than institutionalized knowledge.

The SPIP framework provides a precise way to interpret the uneven strength of control components. The control environment and control activities are visible because authority division, verification, and document checks are practiced. Monitoring is also visible through evaluation meetings and follow-up on findings. The weak point is risk assessment. Government Regulation No. 60 of 2008 requires risk assessment as an internal control component, but the findings show that risk identification and mitigation are not yet fully documented in a special risk register for regional election grant funds. This means the system reacts to risk but has not fully converted risk experience into a structured prevention instrument.

From a risk management perspective, this gap is significant. ISO 31000 (2018) emphasizes that risk must be connected to organizational objectives and treated through a systematic process. In regional election grant management, the organizational objective is not merely to spend funds but to ensure that election supervision is financed legally, transparently, and accountably. Risks such as tax errors or travel cost discrepancies can reduce the reliability of accountability even when program activities are completed. Therefore, mitigation must begin before the activity occurs. A risk register would allow the institution to identify high-risk activity types, common document weaknesses, responsible officers, mitigation actions, and deadlines for follow-up.

The use of checklists is one of the strongest practical findings. A checklist may appear simple, but it has important managerial value. It converts regulations into operational requirements, reduces variation between activity implementers, guides financial staff during verification, and supports audit readiness. In risk mitigation theory, this is a form of control standardization. However, checklists should not stand alone. They should be supported by training, digital storage, and periodic review. If a checklist is used only after activities are completed, it will help correction but may not prevent incomplete documentation. If it is introduced before activity implementation, it becomes a preventive instrument. See figure 3.



Preventive controls require standardized procedures, layered verification, staff capacity building, and continuous monitoring.

Figure 3. Risk mitigation model for regional election grant fund management

Digital archiving is another important discussion point. The findings indicate that documentation risks include late archives, incomplete documents, and mismatched accountability evidence. Physical documents may fade, be misplaced, or become difficult to retrieve during reconciliation and audit. Digital archives can strengthen the audit trail, accelerate document retrieval, and reduce the risk of document loss. Nevertheless, digitalization must be managed as a system rather than an informal scanning practice. A strong digital archive requires naming standards, folder structures, access controls, backup procedures, document authenticity rules, and integration with planning and financial reporting data.

The findings also show that human resource capacity is the most persistent constraint. Internal control depends on people who understand procedures, tax rules, documentation requirements, and activity realities. When election and regional election stages overlap, workload increases and the probability of error rises. This confirms that internal control is not only a procedural issue; it is also an organizational capacity issue. Staff training in SPIP, grant fund accountability, taxation, risk assessment, and document verification should be scheduled before high-intensity election stages. Additional temporary support may also be needed during peak activity periods.

The compliance risk observed in the study is closely linked to the complexity of regulation. Regional election grant fund management involves regional finance rules, grant agreements, national electoral supervision regulations, state finance procedures, tax rules, and audit requirements. Different actors may interpret rules differently, especially when grant funds shift from APBD-origin funds to a state finance accountability mechanism. To reduce compliance risk, technical guidelines should be more detailed, operational, and uniform. They should clarify account use, supporting document requirements, payment flow, tax treatment, travel expenditure standards, and reconciliation responsibilities.

The discussion also indicates that risk mitigation should be integrated across the whole cycle. In planning, risk mitigation requires realistic budgeting, review of activity needs, and identification of high-risk activities. In implementation, it requires authorization, segregation of duties, evidence collection, and real-time consultation. In accountability, it requires checklists, tax review, document completeness checks, and timely submission. In reporting, it requires reconciliation, audit trail verification, and follow-up. If these controls are separated, weaknesses from one stage will be transferred to the next. Integrated control prevents accumulation of small administrative errors into larger accountability problems.

The proposed governance model is therefore preventive, not merely corrective. The current system has shown capacity to detect and correct issues through verification, reconciliation, and audit follow-up. The next stage should focus on prevention by standardizing procedures, institutionalizing risk registers, strengthening staff competence, and integrating archives with activity and financial data. Such improvement would change the organizational posture from reactive compliance to proactive risk governance. In public administration terms, this represents a move from procedural accountability toward performance-based and risk-informed accountability.

The practical implications are clear. First, the institution should prepare a regional election grant fund risk register that includes risk descriptions, causes, likelihood, impact, risk owners, mitigation actions, deadlines, residual risk, and monitoring status. Second, accountability checklists should be standardized and distributed as a pocket guide for all activity implementers. Third, digital archiving should be strengthened into a formal system with standard operating procedures. Fourth, technical coaching should be intensified for SPIP, risk management, tax administration, and accountability documentation. Fifth, reporting and reconciliation schedules should be synchronized with activity schedules so that accountability is not concentrated at the end of the period.

The theoretical implication is that internal control should be understood as a governance ecosystem. It includes formal structure, ethical culture, competent people, risk assessment, procedures, information systems, monitoring, and learning from findings. When one component is weak, the entire system becomes less effective. The findings show that the control ecosystem is already functioning but still dominated by administrative and corrective controls. Strengthening preventive controls would make the system more resilient and reduce repeated risks in future regional elections. See table 6.

Table 6. Proposed Strengthening Strategy for Grant Fund Control and Risk Mitigation

Management area	Main weakness	Strategic improvement	Expected result
Risk assessment	Risks handled adaptively but not documented systematically	Prepare and update a specific risk register for grant fund management	Preventive, traceable, and accountable risk governance
Accountability documents	Late or incomplete SPJ documents	Standardize checklists and issue a pocket guide for activity implementers	More consistent document completeness and verification
Human resources	Limited staff and high workload	Provide SPIP, tax, risk, and accountability training; add temporary support during peak stages	Improved verification accuracy and timely reporting
Documentation	Physical archives are vulnerable and difficult to trace	Develop structured digital archiving with access control and backup	Stronger audit trail and faster reconciliation
System integration	Planning, implementation, and accountability data are fragmented	Integrate activity planning, budget realization, and accountability reporting	Better monitoring and real-time management decisions

Extended Analytical Synthesis: From Corrective Control to Preventive Risk Governance

The findings can be synthesized into a broader model of public financial governance in which internal control and risk mitigation are not separate administrative activities but mutually reinforcing components. Internal control provides the procedures, authority structures, documentation requirements, and monitoring routines that ensure transactions are valid and traceable. Risk mitigation provides the anticipatory logic that identifies where the system is most likely to fail and determines how controls should be prioritized. When these two components are integrated, grant fund management becomes more than the fulfillment of spending and reporting obligations; it becomes a learning process through which the organization continuously improves its ability to protect public resources.

The first synthesis concerns the difference between control presence and control maturity. The study shows that control instruments exist: activity proposals are reviewed, documents are checked, payments are verified, accountability files are examined, and reports are reconciled. However, control maturity requires more than the presence of instruments. Mature control is characterized by consistency, documentation, automation support, risk-based prioritization, and evidence that controls prevent repeated weaknesses. In this case, controls are active but still rely heavily on human discipline and corrective follow-up. This means the system has reached an operational control stage but has not fully reached an integrated preventive control stage.

The second synthesis concerns the role of timing in accountability. Many weaknesses in grant fund management are not caused by the absence of rules but by late compliance with rules. Accountability documents that are prepared after the activity may be complete eventually, but the delay can affect reconciliation, reporting, and audit readiness. A preventive model should shift document control earlier in the cycle. For example, before an activity is implemented, the activity implementer should receive a document package template, tax guidance, expense standards, and a due-date schedule. After the activity, the submission process should be monitored through a simple dashboard or register. This timing shift would reduce the pressure accumulated at the end of the reporting period.

The third synthesis concerns the relationship between regulation and practical interpretation. Regional election grant fund management is regulated by several overlapping frameworks, including regional finance rules, grant agreement provisions, national election supervisory guidelines, state finance procedures, and tax regulations. Although each regulation has a specific purpose, operational staff must translate them into daily decisions. Ambiguity appears when staff must decide how to classify expenses, what supporting evidence is sufficient, how to calculate tax, and when a correction should be made. Therefore, practical technical guidance is as important as formal regulation. Without practical guidance, internal control may become inconsistent across units and activities.

The fourth synthesis concerns organizational memory. Repeated risks such as late SPJ submission, document incompleteness, or tax errors indicate that the organization has already experienced the same pattern more than once. If lessons from these experiences are not captured systematically, the organization will repeatedly solve similar problems without reducing their recurrence. A risk register and issue log can function as organizational memory. Each finding should be recorded with its cause, responsible unit, corrective action, preventive action, and monitoring result. Over time, the issue log can be used to update checklists, training materials, and procedural guidance.

The fifth synthesis concerns the connection between human resources and system design. Limited staff and heavy workload are genuine constraints, but they also reveal weaknesses in system design. A well-designed system should reduce dependence on individual memory, manual checking,

and last-minute coordination. Digital templates, standardized naming conventions, automated reminders, shared archives, and fixed reporting calendars can reduce the cognitive burden on staff. Training is still essential, but training will be more effective when supported by tools that guide staff through the expected procedure. Thus, capacity building should combine people development and workflow redesign.

The sixth synthesis concerns the role of leadership. Internal control cannot be treated only as the responsibility of the treasurer or financial staff. Leadership is needed to establish a culture of discipline, ensure that activity implementers understand accountability obligations, allocate time for document preparation, and enforce deadlines. Leadership also decides whether risk management becomes a formal agenda in planning and evaluation meetings. If leadership focuses only on activity completion, accountability may be treated as an afterthought. If leadership integrates accountability into every activity phase, financial governance becomes part of organizational performance.

The seventh synthesis concerns transparency and trust. Public trust in electoral institutions is shaped not only by the quality of election supervision but also by the integrity of the resources used to conduct supervision. Grant fund management that is documented, reconciled, and auditable reinforces the legitimacy of the institution. Conversely, even small recurring administrative errors can create reputational risk if they are interpreted as weak governance. Therefore, internal control and risk mitigation have democratic significance. They protect not only money but also the credibility of election supervision and public confidence in democratic procedures.

The eighth synthesis concerns the value of digitalization. Digital archiving should not be understood merely as scanning paper documents. It should be designed as an accountability infrastructure. Each activity should have a digital folder linked to the activity code, budget account, implementer, date, document checklist, verification status, and reconciliation status. A digital archive can support faster audit response, reduce document loss, and allow supervisors to monitor which activities have incomplete files. If combined with access control and backup systems, digital archiving can become a powerful preventive control.

The ninth synthesis concerns the need for risk-based sampling and review. Not every activity carries the same level of risk. Activities involving travel, honoraria, procurement, multi-location implementation, or large participant numbers may require stronger verification than routine office expenses. A risk register can classify activities according to risk level and determine the intensity of control. High-risk activities may require pre-activity review, additional tax checking, and immediate post-activity document verification. Low-risk activities may follow standard checking. This risk-based approach makes control more efficient because limited staff can focus on the most vulnerable areas.

The tenth synthesis concerns continuous improvement. The control system should follow a cycle similar to Plan-Do-Check-Act. In the planning phase, risks and document requirements are identified. In the implementation phase, activities are carried out using standardized controls. In the checking phase, verification and reconciliation identify weaknesses. In the action phase, procedures, templates, training, and risk registers are updated. This cycle prevents the organization from repeating the same weaknesses and transforms audit findings into institutional learning.

Based on this synthesis, a practical model can be proposed. The first stage is risk-informed planning, where the organization maps activities, identifies high-risk expenditure categories, and prepares mitigation requirements. The second stage is controlled implementation, where activity implementers receive clear guidance, templates, and deadlines before spending occurs. The third stage is layered verification, where financial staff check completeness, account suitability, tax obligations, and standard cost compliance. The fourth stage is digital documentation, where every verified document is stored in a structured digital archive. The fifth stage is reconciliation and

reporting, where data are matched and corrected before final submission. The sixth stage is evaluation and learning, where risks and findings are entered into the risk register and used to revise future procedures.

This model provides an operational bridge between SPIP and risk management. The control environment is strengthened through leadership commitment and role clarity. Risk assessment is strengthened through the risk register. Control activities are strengthened through standardized checklists and verification. Information and communication are strengthened through digital archiving and reporting calendars. Monitoring is strengthened through reconciliation, evaluation meetings, and follow-up logs. In this way, SPIP components are not treated as abstract categories but are translated into operational instruments that can be used during the grant fund management cycle.

The model also responds to the negative cases found in the study. Late accountability documents can be reduced through pre-activity document packages and submission monitoring. Weak documentation can be reduced through digital archives and standard file naming. Tax errors can be reduced through tax review sheets and periodic coaching. Travel cost discrepancies can be reduced through pre-approved travel cost standards and evidence verification. Human resource limitations can be reduced through task distribution, peak-period support, and workflow simplification. The absence of a risk register can be resolved by creating a living document that is updated during planning, implementation, and reporting.

For public administration scholarship, the case demonstrates that accountability is not only a formal report submitted at the end of a fiscal period. Accountability is produced through a sequence of managerial decisions and control practices. A report becomes reliable when supported by planning evidence, payment authorization, document verification, tax compliance, archive completeness, reconciliation, and follow-up. Therefore, accountability should be studied as a process, not merely as an output. This process view is especially important in election finance because the time pressure and political sensitivity of election stages may increase the risk of administrative shortcuts.

For practice, the case suggests that future grant fund management should adopt a risk-based accountability calendar. The calendar should identify the deadline for each stage: activity planning, document preparation, activity implementation, SPJ submission, verification, correction, digital archiving, reconciliation, and reporting. Each deadline should be connected to a responsible officer and a monitoring mechanism. The calendar would help prevent the accumulation of accountability work at the end of the period and make delays visible earlier. When delays are visible earlier, corrective action can be taken before they become audit findings.

Finally, the synthesis emphasizes that strong control does not mean bureaucratic rigidity. In election supervision, activities must remain responsive to dynamic field conditions. Therefore, the recommended system should combine discipline and flexibility. Procedures should be standardized, but they should also include a documented mechanism for urgent activities, budget adjustments, and exceptional situations. Flexibility without documentation creates risk, while documentation without flexibility can hinder program implementation. The ideal model is controlled flexibility: adaptive action that remains traceable, justified, authorized, and accountable.

CONCLUSION

This article concludes that the management mechanism of regional election grant funds has been implemented through a relatively complete and structured cycle: planning and budgeting, fund disbursement, activity implementation, administration and accountability, reconciliation,

reporting, monitoring, and follow-up. The mechanism is more complex than ordinary grant management because the funds originate from the regional budget but are later accounted for through state financial procedures. This increases formality and accountability but also expands administrative workload. The internal control system supports accountability through authority division, layered verification, accountability checklists, coordination, monitoring, reconciliation, and follow-up on examination results. However, not all internal control components operate optimally. Control activities and monitoring are more visible than formal risk assessment. The absence of a specific risk register for regional election grant funds is the most important weakness because it prevents risk management from becoming fully systematic and preventive. Internal control is reasonably effective in detecting, correcting, and following up risks. It has mitigated several administrative and operational risks through checklists, verification, digital archiving, reconciliation, and evaluation. However, recurring risks still appear, including late accountability documents, weak transaction evidence, tax administration errors, travel cost discrepancies, limited human resources, and incomplete documentation. Therefore, the effectiveness of control is stronger in detection and correction than prevention.

In addition, the study underlines that public financial accountability should be interpreted as a continuous administrative discipline rather than a final reporting event. The same data that are needed for audit also serve managerial learning: they reveal which activities are vulnerable, which documents are frequently delayed, which tax treatments are misunderstood, and which officers need additional support. When accountability data are used only for compliance, the organization repeats the same weaknesses. When they are used for learning, the institution can transform repeated findings into new procedures, better training, and improved risk awareness. This learning orientation is essential for institutions that operate in a fast-moving electoral environment where legal compliance, program responsiveness, and public trust must be maintained simultaneously. The main policy direction is to strengthen preventive risk governance. This requires a special risk register, standardized accountability procedures, improved human resource capacity, digital archive integration, detailed technical guidance, and stronger coordination between planning, implementation, and reporting. These improvements would allow public financial governance in election supervision to move beyond procedural compliance toward integrated, risk-informed, and sustainable accountability.

Recommendations for Future Practice

For national technical supervisors, detailed and operational technical guidelines are needed to reduce different interpretations in regional election grant fund management. Such guidelines should cover grant agreement follow-up, account classification, payment flow, document standards, tax treatment, travel expenditure requirements, archiving standards, reconciliation, and audit response. Uniform guidance will help provincial and district-level institutions apply the same accountability logic while still adapting to local workload conditions.

For the provincial institution, a grant fund risk register should be prepared before the high-intensity election stage begins. The risk register should be updated through monthly monitoring and should be connected to activity planning. Each risk should have a designated owner, mitigation action, evidence of mitigation, and follow-up status. This will allow the organization to learn from repeated risks rather than treating each delay, tax error, or document weakness as a separate incident.

For local government as grant provider, coordination should be maintained from planning to reporting. Early communication regarding allocation size, disbursement schedule, reporting expectations, and regulatory requirements can reduce mismatch between field supervision needs

and financial procedures. For future researchers, the topic may be expanded through comparative studies across provinces or through a mixed-method design that measures the effect of digital archiving, risk-register implementation, or internal audit follow-up on the quality of grant fund accountability.

Limitations and Future Research Agenda

This article is based on a qualitative descriptive design, so its main strength lies in contextual depth rather than statistical generalization. The findings explain how grant fund management, internal control, and risk mitigation operate in a specific institutional setting. However, the results should be interpreted carefully when transferred to other provinces or institutions because grant allocation size, staffing patterns, local government coordination, digital infrastructure, and intensity of electoral stages may differ. Future research can broaden the empirical base by comparing several provincial and district election supervisory institutions to identify whether similar risks appear across locations or whether specific risks are shaped by local administrative capacity.

A second limitation concerns the nature of documentary evidence. The study uses interviews, observations, and documents to understand the management cycle, but it is not designed as a forensic audit or transaction-level verification of every expenditure. Future studies may combine qualitative inquiry with document sampling, audit trail analysis, or compliance scoring to produce a more precise assessment of which document categories generate the highest risk. Such work could classify SPJ documents by activity type, document completeness, tax accuracy, correction frequency, and submission timeliness. This would provide stronger empirical evidence for designing risk-based verification procedures.

A third limitation is that the analysis emphasizes institutional processes rather than the broader political economy of election finance. Grant fund management is influenced not only by internal control but also by the timing of regional budget decisions, the negotiation of grant agreements, the release of funds, national technical guidance, and the pressure of electoral timetables. Future research could examine how intergovernmental coordination affects grant fund accountability. A network governance approach would be useful because the management of regional election grants involves multiple actors: local government, election supervisory institutions, internal auditors, external auditors, budget teams, and program implementers.

Future research may also test the practical effect of specific reforms recommended in this article. For example, one study could evaluate whether a standardized accountability checklist reduces the frequency of incomplete SPJ documents. Another study could examine whether digital archiving reduces document retrieval time during reconciliation and audit preparation. A further study could assess whether a risk register improves the ability of managers to identify recurring risks before activities are implemented. These intervention-based studies would move the topic from descriptive analysis toward evidence-based improvement of public financial governance.

Another promising research agenda is the development of a grant fund accountability maturity index. Such an index could measure five dimensions: regulatory clarity, internal control strength, risk assessment quality, digital documentation readiness, and human resource capacity. Each dimension could be scored through indicators such as availability of standard operating procedures, completeness of risk registers, timeliness of SPJ submission, quality of digital archives, frequency of training, and follow-up on audit findings. A maturity index would allow institutions to benchmark their progress from basic compliance toward integrated risk-informed accountability.

Finally, future studies should explore the relationship between financial governance and electoral institutional performance. Grant funds are not an end in themselves; they support prevention, supervision, public participation, violation handling, and institutional operations

during regional elections. If financial accountability is weak, program implementation may be delayed or institutional reputation may be affected. Conversely, strong financial governance can strengthen operational readiness and public trust. A comprehensive research agenda should therefore connect grant fund management with the quality, timeliness, and credibility of electoral supervision.

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