

Internal Control and Budget Execution in Peruvian Municipalities

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The study examined the relationship between internal control and budget execution in Peruvian municipalities. A representative sample of 53 municipal workers from two Peruvian provinces was selected based on basic research and a quantitative correlational methodology. In contrast, standardized surveys and questionnaires were employed as data collection instruments. These were evaluated for content and construct validity, as well as reliability, through the use of Cronbach's alpha to ascertain the internal consistency of the questionnaires. The results demonstrate that all the variables under investigation, including internal control, control environment, risk assessment, control activities, information and communication, and supervision, are significantly correlated with budget execution. These notable correlations indicate that enhancements in these domains could have a favorable influence on budget execution.

Keywords: internal control, execution, municipalities, budget.

1. Introduction

The execution of municipal budgets around the world is confronted with a multitude of considerable challenges that impede their efficiency and effectiveness. These include the dearth of financial management capacity among local authorities, the scarcity of trained personnel, the absence of expertise in project planning and execution, and the prevalence of corruption and poor governance. These issues result in an inefficient use of public funds, with resources being allocated to private interests. This erodes citizens' trust in municipal institutions, particularly when coupled with a lack of coordination between different levels of government and local entities, which further contributes to an incomplete allocation of resources and duplication of efforts (Profiroiu and Nastaca, 2022).

In order to effectively address this challenge, a number of different streams of knowledge have emerged. One of the primary streams of knowledge emphasizes the enhancement of local financial management through the implementation of optimal practices in municipal budget planning, execution, and control. This entails the development of tools and systems that facilitate greater transparency, efficiency, and accountability in the management of public

resources. Another pertinent trend is based on the promotion of citizen participation in the budget process, which entails involving citizens in decision-making and ensuring a resource allocation that is more aligned with the needs and demands of the community. Nevertheless, one of the most frequently discussed topics at the present time is the significance of internal control and the study of municipal officials in management. This is with a view to enhancing their capacity to plan, implement and evaluate projects and programs in an effective manner (Brugnara et al., 2023). Internal control has become a fundamental instrument for ensuring efficiency, transparency, and legality in the management of municipalities. The implementation of policies, procedures, and control systems enables the safeguarding of municipal assets and resources, as well as the prevention and detection of irregularities or acts of corruption. Consequently, it instills confidence in citizens and taxpayers by guaranteeing that public resources are utilized in an appropriate and responsible manner. Furthermore, it enhances decision-making processes by furnishing reliable and timely information on financial and operational management. Moreover, it enhances accountability by establishing mechanisms for monitoring and evaluating results, and it promotes efficiency and effectiveness in processes by identifying areas for improvement and promoting good management practices (García et al., 2021).

Notwithstanding the measures that have been taken, there are still obstacles to the effective implementation of these controls in Latin America and Peru. Despite the implementation of normative frameworks and regulations with the objective of strengthening this crucial aspect of public management, limitations persist in their effective application. These limitations impede the capacity of municipalities to identify and mitigate risks, prevent corruption, and enhance the quality of public services (Alvarado, 2020). At present, the field of public administration is undergoing expansion; however, there is a paucity of comprehensive studies and analyses that specifically address the challenges and best practices in these areas. This deficiency in knowledge constrains the capacity of decision-makers to implement efficacious policies and practices that advance transparent, efficient, and accountable management of public resources. Consequently, the absence of rigorous research impedes the identification and rectification of shortcomings in budget execution systems through best practices, such as internal control, which may result in the perpetuation of inefficient, ineffective, and potentially corrupt practices.

To address this knowledge gap in Peru, a correlational study is required to analyze the relationship between the variables of budget execution quality and internal control implementation. This analysis will identify the existence of links and possible mutual influences between these variables, as well as the key factors influencing budget execution and internal control effectiveness. This, in turn, will inform the development of more effective strategies and policies to improve financial management and strengthen transparency and accountability in Peru. This is achieved through a rigorous, systematic, relevant, and meaningful approach. It is therefore pertinent to examine the interrelationship between internal control and budget execution in Peruvian municipalities.

From a social perspective, this research is significant in that it has the potential to enhance transparency and accountability in the administration of public resources at the local level. Furthermore, this research can assist in identifying existing deficiencies in internal control mechanisms and provide recommendations for their enhancement, thereby facilitating more

effective and sustainable financial management at the municipal level. From a theoretical and methodological standpoint, this research can contribute to the expansion of the academic corpus on public administration and financial management, offering novel perspectives and approaches to address challenges related to internal control and budget execution.

This study is founded upon fundamental research and employs a quantitative methodology. Furthermore, the study group comprised employees in the administrative sector of two Peruvian provinces, with a total of 106 individuals. A representative sample of 53 workers was selected for analysis. In addition, standardized surveys and questionnaires were employed as data collection instruments. These were evaluated for content and construct validity, as well as reliability, through the implementation of Cronbach's alpha test, with the objective of determining the internal consistency of the questionnaires. Subsequently, descriptive and inferential statistical analyses were conducted using Excel and SPSS V26, including Kolmogorov-Smirnov tests and Spearman's correlation coefficient. The results demonstrate a robust correlation between all the variables under examination, including internal control, control environment, risk assessment, control activities, information and communication, and supervision, and budget execution. These notable correlations indicate that enhancements in these domains could have a favorable influence on budget execution.

2. Theoretical framework

2.1. Background of the study

The study by Tiussi et al. (2023) focuses on the Participatory Budget (PB) in the municipality of Porto Velho/RO. The study's primary objective was to assess the implementation of the participatory budget at the municipal level. This involved examining the extent to which the population was engaged in the process, including their ability to participate through voting, engage in discussions, make decisions, influence the allocation of funds, and hold leaders accountable. The study employed a qualitative, descriptive, and exploratory methodology, analyzing reports from the Municipal Secretariat of Planning and Management (SEMPLA) of Porto Velho. The primary findings indicate that, through this mechanism, citizens were able to propose and vote on investment projects, which resulted in enhanced transparency and legitimacy of the budgeting process.

Raudla and Douglas (2021) examine the impact of the austerity era on budgetary flexibility and control. In order to gain further insight into the subject matter, interviews were conducted with key officials involved in budget execution in Portugal and Austria. The findings indicate that the fiscal crisis and the period of austerity tend to result in increased control and constrained flexibility in budget execution. This study makes an original contribution to the literature by exploring the budget execution phase, which has been little investigated thus far.

In a study published in 2021, Rayo examined the supervision and control of the European Union budget, emphasizing the key findings and focusing on the challenges inherent to the supervisory process, including the inherent complexity and instances of lack of transparency. Furthermore, the necessity for enhanced coordination between the EU institutions and the Member States in budgetary oversight was underscored.

In their 2020 study, Dahan and Strawczynski examine the role of budget institutions in *Nanotechnology Perceptions* Vol. 20 No. S16 (2024)

government effectiveness. The use of four-year panel data from OECD countries revealed that budget centralization is associated with lower government effectiveness in areas such as health and infrastructure, but not in tax collection. These results indicate the necessity of establishing a equilibrium between fiscal responsibility and government effectiveness, whereby excessive centralization in budget execution is avoided in order to achieve enhanced effectiveness in areas such as health and education. This study makes a contribution to the ongoing debate on the issue of decentralized budgetary power at the level of the central government.

Sytныk et al. (2019) directs attention to the challenges inherent in state budget management in Ukraine and Kazakhstan. A comparative analysis of macroeconomic development patterns, political and social issues in the context of financial management of state budget execution was conducted. The primary areas of development and enhancement in financial management, with respect to management processes, control, and standardization, were identified. A classification of financial management standards into three categories—organizational, functional, and special—was proposed, along with recommendations for short-, medium-, and long-term implementation.

Lu and Zhu (2019) investigates the effect of difficult adjustments in budget expenditure targets on budget execution and budget performance, focusing on the contingent effect of strategic communication. Hard adjustments in budget spending targets negatively affect executive budget flexibility and budget performance in medical organizations with low strategic communication. However, in medical organizations with high strategic communication, these adjustments negatively reduce executive budget conflict and result in positive budget performance.

2.2 Theories and concepts

2.2.1. Theories of internal control

The agency theory, as put forth by Niskanen, is concerned with the agency relationships that emerge when one entity (the principal) delegates authority to another entity (the agent) to undertake specific tasks on its behalf. Accordingly, he suggests that in such circumstances, there may be a potential for conflicts of interest between the principal and the agent, which could result in unanticipated actions on the part of the agent (Mahmood et al., 2023).

In accordance with this theory, the primary objective of internal control is to mitigate agency problems and guarantee that the agent acts in accordance with the principal's interests. Accordingly, control mechanisms, including supervision, accountability, and incentives, are recommended to mitigate conflicts of interest and align the objectives of the principal and the agent (Onjewu et al., 2023).

The theory of public accountability, as developed by Bryson, places significant emphasis on the importance of accountability and responsibility within the context of public organizations. This argument posits that public organizations bear a responsibility to utilize resources in an effective and efficient manner, in order to fulfill their mandate and meet the needs of society (Oforl, 2021).

Accordingly, this theory proposes that public organizations should implement control mechanisms to ensure transparency, responsibility, and accountability. This entails the

establishment of policies, procedures, and internal controls that facilitate the evaluation of organizational performance, the identification of risks, and the implementation of corrective actions when necessary (Ofori, 2021).

The theory of administrative efficiency, as developed by Taylor and Fayol, is concerned with the improvement of efficiency and productivity within organizational contexts. This theory posits that control is an indispensable function of management for the realization of efficiency in organizations. Furthermore, the theory underscores the significance of planning, coordination, the establishment of performance standards, and supervision to guarantee the efficacious execution of operations and the attainment of established objectives. Consequently, internal control is regarded as a mechanism for monitoring and evaluating performance, rectifying deviations, and facilitating continuous improvement in organizational processes (DeCanio, 2021).

2.2.2. Theories of budget execution

Rawls and Nozick's theory of distributive justice approaches municipal budget execution from perspective of equity and resource distribution. According to this theory, distributive justice is based on the principle social and economic inequalities should be structured in a way that benefits the less privileged members of society. This implies that budgetary resources should be used in a way that reduces inequalities and promotes the welfare of most vulnerable citizens (Meier, 2022).

In addition, he argues against the forced redistribution of resources, arguing that any state intervention in the distribution of wealth is unjust and violates individual rights. According to his theory, municipal budget execution should focus on protecting private property and guaranteeing the freedom of citizens to use their resources as they see fit, without government interference (Meier, 2022).

The theory of bounded rationality proposed by Simon and Thaler argues, on municipal budget execution, suggests that public managers and decision makers may face difficulties in making optimal decisions due to the complexity of financial problems and the limitations of time and knowledge (Ashraf, 2021).

According to this theory, individuals tend to make decisions based on heuristics, mental shortcuts and rules of thumb simplify decision making rather than exhaustively analyzing all options. In the context of municipal budget execution, this implies public managers may face difficulties in evaluating all alternatives and optimizing the use of budgetary resources, which may lead to suboptimal or biased decisions (Ashraf, 2021).

The public financial management theory proposed by Clopper and Buss focuses on the effective management of financial resources in the public sector, including municipal budget execution. This theory seeks to improve efficiency and effectiveness in local government financial management. According to this theory, municipal budget execution should be based on principles of transparency, accountability, efficiency and effectiveness. Thus, it emphasizes the importance of establishing adequate control and supervision systems, as well as using financial management tools to monitor and evaluate budgetary performance, and promotes citizen participation and accountability as key elements in public financial management (Tetteh et al., 2021).

2.2.3. Internal control and budget execution

Contingency theory posits that no singular internal control approach is universally effective across all organizational contexts. Accordingly, the proponents of this theory posit that the distinctive attributes of an organization, including its structural configuration, technological capabilities, external environment, and strategic orientation, shape the optimal design and implementation of internal control mechanisms (Pang et al., 2023).

In accordance with this theory, the efficacy of internal control is contingent upon the adaptation of control practices to the specific circumstances of the organization. Consequently, an organization with a rigid hierarchical structure and stable technology may necessitate a more bureaucratic and formalized internal control system. Conversely, an organization with a more flexible structure and constantly changing technology may benefit from a more decentralized and participation-based approach (Yusuf et al., 2023).

Furthermore, it is acknowledged that organizations operate within dynamic and complex environments, necessitating adaptive internal control approaches in response to varying circumstances. This theory underscores the significance of alignment between the design of internal control and the core characteristics of the organization and its environment (Yusuf et al., 2023).

The resource dependence theory concentrates on the manner in which organizations rely on external resources for their continued existence and prosperity. In accordance with this theory, the internal control of an organization can impact its capacity to procure and retain essential resources (Zakarla and Zaharrudlin, 2020).

Moreover, organizations are interdependent with their environment, and thus their internal control is influenced by this interdependence. In order to remain operational, they seek to secure key resources, such as funding, supplies, and political support. Consequently, internal control is employed to oversee and synchronize the internal operations of the organization, which subsequently impacts its capacity to procure external resources (Chamchong, 2019).

In conclusion, this theory posits that efficacious internal control can fortify an organization's standing in relation to its resource providers. Accordingly, an organization that demonstrates robust internal control and effective budget execution is more likely to establish trust and credibility, which can facilitate the acquisition of additional financing or the negotiation of favorable agreements with suppliers (Zakarla and Zaharrudlin, 2020).

2.3. Concepts

Internal control refers to policies, procedures, and practices established within an organization to safeguard its assets, promote operational efficiency, and ensure reliability of financial information. It also involves risk assessment and management, implementation of preventive and detective controls, and continuous monitoring to ensure compliance with policies and effectiveness of controls (Tian and Sun, 2023).

Budget execution refers to the process of implementing and carrying out an approved budget. It involves allocation of financial and human resources to carry out planned activities and achieve the objectives set out in budget. During budget execution, spending is monitored, adjustments are made if necessary, and reports are made on budget compliance (Musiega et

al., 2023).

Budget policies and procedures are the guidelines and standards established by an organization to develop, approve and execute budget. They establish the criteria and processes for resource allocation, budgeting, review and approval of budget proposals, and monitoring and control of spending (Huang et al., 2023).

Resource authorization and allocation refers to process of approving and allocating financial, human and material resources to carry out planned activities. It involves allocating budgets and authorizing expenditures based on the objectives and priorities established by the organization (Rozycki et al., 2022).

Supervision and monitoring involve the continuous oversight of activities and performance to ensure that they are being carried out in accordance with established plans and budgets. This represents regular monitoring of progress, review of performance reports, and tracking of key indicators to ensure that established objectives are being met (Curcuruto and Griffin, 2023).

Responsibility and accountability refer to the obligation of individuals and organizations to be responsible for their actions, decisions and results. It involves taking responsibility for assigned tasks, meeting established objectives, and being accountable to stakeholders, whether through financial reporting, performance reporting, or any other form of communication (Cordero et al., 2023).

Internal audit is an independent function within an organization that evaluates and verifies the effectiveness and efficiency of internal controls, operational processes, and compliance with established policies and regulations. It also aims to provide assurance and advice to management and senior management on risk management, corporate governance and process improvement (Alqudah et al., 2023).

Segregation of duties refers to practice of assigning different tasks and responsibilities to different individuals within an organization to avoid conflicts of interest and fraud. It also ensures no one person has complete control over a transaction or process, as the collaboration and verification of several people is required to complete an activity (Yang, 2023).

Risk assessment is a systematic process of identifying and analyzing the potential risks facing an organization. It also involves identifying threats and vulnerabilities, assessing their potential impact and likelihood of occurrence, and taking action to mitigate or manage the risks effectively (Alvarado et al., 2023).

Finally, reporting and communication refers to the presentation and disclosure of financial, performance and compliance information to internal and external stakeholders. This includes the preparation and presentation of financial reports, performance reports, audit reports, and any other form of communication to report on the organization's performance, compliance, and results (Tian and Sun, 2023).

2.4 Hypothesis

In view of the theoretical and conceptual review, the study hypothesis is: there is a direct and significant relationship between internal control and budget execution in Peruvian municipalities.

3. Methodology

The methodology used in this study is framed within basic research, whose main objective is to increase new approaches or knowledge based on the analysis of theoretical proposals and findings obtained. The direct applicability of the results is not sought. The research approach used is quantitative, since the objective reality was analyzed and studied through numerical measurements and evaluations, which allows obtaining reliable data and seeking statistical comparisons and generalized explanations. As for the research design, manipulation of variables was avoided, so it was not experimental. In addition, a simple transactional, correlational design was used, which makes it possible to evaluate connection between two variables and to analyze how one variable changes as a function of the others. Standardized tools such as structured observations, questionnaires, secondary statistics, registers and checklists were used.

The selection of the study group was based on several crucial aspects. One of them is the uniformity of the sample, taking into account temporal and spatial constraints. In this case, all employees in administration area of two Peruvian provinces were included, with a total of 106 individuals. The inclusion criteria covered designated workers in the administration area, of legal age, residents in the city, of both genders and who had signed the voluntary and conscientious agreement. On the other hand, exclusion criteria were applied to workers from other non-administrative areas, those who had difficulties in answering the survey and those who had suspended contracts.

Subsequently, a representative sample of total set or subgroup of the population was selected, consisting of 53 workers in administration area in both provinces of Peru. As for sampling, a non-probabilistic approach by convenience was used for this study, and the unit of analysis was defined as the administrative worker in the Peruvian provinces.

The data collection techniques and instruments used in this study included the survey and questionnaire. The survey was used to investigate various aspects of the individuals or groups examined, using standardized forms. On the other hand, the questionnaire was used as a rigid tool to collect data from individuals through questions posed in a standardized manner, seeking to ensure a uniform psychological state when formulating questions and guaranteeing comparability of the responses. Thus, two Likert scales were used to assess the responses, with questionnaire names corresponding to variables of internal control and budget execution, with 25 questions each.

As for validity, it was evaluated in terms of content and construct. The former refers to whether the instruments developed are valid for measuring the topics of study, and in this case, three experts in the field of education evaluated the instrument, who demonstrated an adequate assessment index for the instrument. The construct validity was analyzed through statistical techniques, especially factor analysis, which allowed corroborating the theoretical construct validity of the instruments.

As for reliability, the Cronbach's Alpha statistical test was used to determine the internal consistency of the questionnaires, and a pilot test was conducted with 20 workers, in which high reliability coefficients were obtained for internal control and budget execution variables, indicating instruments used are reliable for measuring the variables of interest in provinces.

In this study, both descriptive and inferential statistical analyses were performed using the data extracted from the questionnaire. For descriptive statistics, an Excel matrix was used to organize data and tables were prepared to visualize the frequencies and proportions in each variable and dimension studied, which provided a general and detailed view of data collected, facilitating their interpretation and analysis.

On the other hand, the SPSS V26 statistical program was used to carry out the inferential statistical analysis, applying Kolmogorov-Smirnov analysis, which allows us to evaluate whether the data follow a specific distribution, according to an established significance level of 5% adjusted for the sample size; thus, it helped to determine the adequacy of the data to a theoretical distribution.

In addition, Spearman's correlation coefficient was used to evaluate the assumptions of the study, used to measure the relationship between two variables, particularly when variables do not follow a normal distribution or the data are of a random nature.

In line with bioethical aspects, consent was obtained from those students who voluntarily participated in research, ensuring that they were fully informed about characteristics, purposes, and principles of the study. Likewise, a judicious choice of participants was made, selecting populations stood out for their relevance to the research area in question.

On the other hand, freedom of participation was respected, ensuring that students fully understood goals and objectives of the study and had the option to participate voluntarily. In addition, compensation and benefits were provided to participants with the aim of maximizing benefits and minimizing the potential for any harm, always ensuring not to affect participants negatively. Finally, researchers assumed responsibility for their actions throughout the research process, being aware of consequences and ensuring that established ethical principles were met.

4. Results and discussion

Given the implications of the information collected, the results on the relationship between internal control and budget execution in Peruvian municipalities are presented.

Table 1: Levels of internal control and budget execution in Peruvian municipalities.

	Province 1				Province 2			
	Internal control		Budget execution		Internal control		Budget execution	
	N	%	N	%	N	%	N	%
Good	18	34	11	20	14	26	17	32
Fair	34	64	39	73	38	71	33	62
Poor	1	2	3	7	1	3	3	6
Overall	53	100	53	100	53	100	53	100

Note. Obtained from processing the questionnaires.

The table shows the results of internal controls and budget execution in the two Peruvian provinces. In the first, it is evident 34% of internal controls are considered good, while 64%

are rated as regular and only 2% are classified as deficient. Regarding budget execution, 20% are considered good, 73% are regular and 7% are considered deficient.

Thus, it is observed that a considerable percentage of internal controls are considered good, indicating that there are effective processes and mechanisms to guarantee integrity and efficiency in the management of resources. However, the majority of internal controls are rated as regular, suggesting that there is still room for improvement and strengthening of existing control measures. On the other hand, it is encouraging to see that only a small percentage of internal controls are classified as deficient, indicating that measures are being taken to correct the identified deficiencies.

In terms of budget execution, a similar situation is also observed in the first province. Although a considerable percentage is considered good, the majority is classified as average. This suggests that there could be areas where adjustments and improvements could be made to ensure better use of allocated resources. However, the percentage of poor budget execution is relatively low, indicating a certain degree of efficiency is being achieved in management of funds.

On the other hand, in the second province, 26% of internal controls are good, 71% are average and 3% are poor. Regarding budget execution, 32% are classified as good, 62% are average and 6% are considered poor.

Here, a slightly different picture is seen. Although the percentage of good internal controls is lower compared to first province, it is still considered an acceptable level. However, most internal controls are rated as average, suggesting the need to strengthen existing control measures and improve efficiency in resource management.

In terms of budget execution, a significantly higher proportion of good budget execution is observed compared to the first province. This indicates better use of allocated resources and more efficient management is being achieved. Although there is still room for improvement, the fact one third of budget execution is considered good is encouraging.

Given an assumed percentage relationship between the variables, inferential statistics are applied to demonstrate the research hypothesis. This is demonstrated in the following table:

Table 2: Relationship between internal control and budget execution.

Variables	Budget execution	N	p
Internal control	.797**	53	.000
Control environment	.933**	53	.000
Risk assessment	.728**	53	.000
Control activities	.841**	53	.000
Information and communication	.630**	53	.000
Supervision	.485**	53	.000

Note. ** is highly significant.

The results show that all variables studied, including internal control, control environment, risk assessment, control activities, information and communication, and supervision, are

strongly correlated with budget execution. These significant correlations suggest that an improvement in these areas can have a positive impact on budget execution.

This implies that strong internal control, a favorable control environment, adequate risk assessment, effective implementation of control activities, clear communication of information, and active supervision can significantly improve an organization's budget execution.

Thus, adequate implementation of internal controls can help ensure integrity and efficiency in budget execution by providing a solid structure for financial decision-making and resource allocation. For its part, the control environment, which includes factors such as organizational culture and tone from senior management, also plays a crucial role in successful budget execution. Furthermore, risk assessment and implementation of effective control activities ensure that risks associated with budget management are adequately addressed.

The results also suggest that information and communication are key aspects for successful budget execution, thus, clear and effective communication of financial and budgetary information within the organization can facilitate informed decision making and promote transparency in the budget process. In addition, active oversight is essential to monitor and evaluate budget performance, identify deviations, and take corrective action when necessary.

The current study highlights similarities with the results of previous antecedents in relation to the importance of internal controls in budget execution. Dahan and Strawczynski (2020) highlighted the relationship between budgetary institutions and government effectiveness, which supports idea of proper implementation of internal controls to ensure integrity and efficiency.

Furthermore, Lu and Zhu (2019) investigated the effect of difficult adjustments on budget expenditure targets, finding that strategic communication plays a key role in budget execution and performance, thus supporting the importance of effective communication noted in the current study. Raudla and Douglas (2021) analyzed austerity and budget execution, emphasizing the balance between control and flexibility, which relates to the need for effective control activities mentioned in the current study.

Also, Rayo (2020) highlighted the importance of budget monitoring and control in European Union, while Sytnyk, Onyusheva, and Holynskyy (2019) explored management issues in state budget execution in Ukraine and Kazakhstan, both findings supporting the importance of active monitoring mentioned in the current study.

Limitations of the study focus on the correlational nature of the research, which prevents establishing definitive causal relationships between variables. Another aspect to consider is that the study focuses on internal variables and does not take into account possible external factors that could influence budget execution. Despite these limitations, measures were taken to mitigate their impact, which is why a rigorous research design was used and appropriate statistical techniques were applied to analyze the data.

5. Conclusions

The study reveals a robust correlation between the variables under examination, namely *Nanotechnology Perceptions* Vol. 20 No. S16 (2024)

internal control and budget execution. The significant correlations observed suggest that enhancements in these areas may yield a favorable impact on an organization's budget execution.

The implementation of internal controls in an adequate manner ensures the integrity and efficiency of budget execution, thereby providing a solid structure for financial decision-making and resource allocation.

The municipalities under review have not yet achieved the optimal level of internal control and budget execution. It would therefore be prudent to develop strategies to improve this situation.

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