

Peffect of Internal Control and Good Corporate Governance on Trend Prevention Accounting Fraud on Bappeda Parepare City

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Abstract. This study aims to examine the effect of internal control and good corporate governance on prevention accounting fraud tendencies in Parepare City Regional Development Planning Agency. The method used in this study is a quantitative method in the form of primary data using a questionnaire. The sampling technique used is the purposive sampling method. The population in this study were permanent employees and non-permanent employees at DParepare City Regional Development Planning Agency with a sample of 80 respondents. Data collection is done by giving questionnaires directly to respondents via google form. The data in this study were tested using the Software Statistical Package for Social Sciences (SPSS) version 21. The results of this study indicate that internal control has an effect on prevention accounting fraud tendencies, while good corporate governance has a positive effect on prevention accounting fraud tendencies. The results of the study which stated that the effectiveness of internal control had a negative and significant effect on preventing the tendency of accounting fraud. that the internal control effectiveness variable has a significant effect on the tendency of accounting fraud. The regression coefficient for the effectiveness of internal control is negative, namely -0.365, indicating that the effectiveness of internal control has a negative influence on the tendency of accounting fraud at the Regional Development Planning Agency of Parepare City, and the effect is significant, meaning that statistically the effectiveness of internal control in the Regional Development Planning Agency of Parepare City is good. so that the tendency for accounting fraud to occur is low. On the principle of accountability, it can be seen that with procedures that have been carried out by all employees, there is no access for the perpetrators to commit fraud. Based on the principle of responsibility, all employees have known and understood all applicable regulations. Meanwhile, in terms of the principle of fairness, working relations are carried out fairly and fairly to all employees. The results of the second hypothesis in this study state that good corporate governance has a positive effect on preventing the occurrence of accounting fraud tendencies. According to KPMG in (Goal, 2014), it shows that weak internal control is the highest cause of fraud. One of the risks faced by the government due to failure to implement ineffective internal controls, fraud will easily occur so that it has a negative impact on performance. In addition, internal control is a process to assess performance by paying attention to employee satisfaction in working optimally and reducing employee dissatisfaction which will later lead to irregularities such as fraud, misstatement of financial statements, and manipulating finances as a form of fraud.

Keyword: internal control, good corporate governance and fraud tendency