



Strategy to minimize fraud in village fund financial governance

Sahala Purba^{1*}, Wie Shi Wudjud², Santy Aji Sitohang³

¹Accounting Study Program, Faculty of Economics, Universitas Methodist Indonesia, Indonesia

²Accounting Study Program, Faculty of Economics, STIE PMCI, Indonesia

³Accounting Study Program, Faculty of Economics, Universitas Darma Agung, Indonesia

Article Info	ABSTRACT
Article history: Received May 23, 2025 Revised Jun 16, 2025 Accepted Jul 1, 2025	<p>The purpose of this research is to find out and analyze whether it can minimize fraud in villagers fund governance when viewed from the capabilities of villagers officials, agency intentions, openness and internal control standards. The research method uses a questionnaire, with a population of all villagers government officials in Sunggal District, Deli Serdang Regency, North Sumatra. This sampling used criteria including the villagers head as the holder of villagers governance authority, the villagers secretary as the technical coordinator of activities, the villagers treasurer as the person responsible for villagers financial administration and the BPD as the representative of villagers residents. The implementation time is September - November 2024. The results of this research are that the capabilities of villagers officials, agency intentions, openness and internal control standards can have a positive and significant impact on minimizing fraud in villagers fund governance in Sunggal District, Deli Serdang Regency, either partially or simultaneously.</p>
Keywords: Fraud; Internal Control System; Organizational Commitment; Transparency; Villagers Apparatus Competence.	

This is an open access article under the CC BY-NC license.



Corresponding Author:

Sahala Purba,
Accounting Study Program,
Faculty of Economics,
Universitas Methodist Indonesia,
Jl. Hang Tuah No.8, Madras Hulu, Kec. Medan Polonia, Kota Medan, Sumatera Utara, 20151, Indonesia
Email: sahala824@gmail.com

1. INTRODUCTION

The amount of villagers funds from the central office to each villagers by the regional apparatus is very large. Therefore, the existence of large villagers costs raises anxiety about how the costs listed can be managed as a responsibility. Financial problems that are continuously controlled by villagers officials will not cause problems in the future. The problem that may arise in the year is that the financial management of rural workers is very weak. The process of managing villagers funds requires Internal Control Standards (ICS) planning and transparency as well as good faith and order of all villagers heads, as well as important poor people, namely the capacity of the villagers head. Villagers officials must have adequate skills in villagers financial management, as one way to eliminate the opportunity for misappropriation during the implementation of the final financial costs of the villagers, considering that the potential for villagers officials to commit fraud is very high, considering the relevant budget funds. Based on Eka Putra and Latrini (2018), misappropriation is an unethical act carried out by individuals without regard to the interests of companies that are profitable to get rich. Meanwhile, fraud prevention is an activity or effort, standards and policies that are able to focus on the motivation for fraud to arise and eliminate or reduce the factors that cause fraud to occur, which have an impact on the physical losses incurred by each individual.

Misuse of villagers funds can be prevented by improving the quality of training of each villagers apparatus employee in accordance with the standards, intentions of each villagers apparatus in performance and relevant internal control standards. Villagers apparatus must carry out their duties accountably and transparently in implementing villagers fund management, so that it is difficult to avoid financial embezzlement Amalya et al., (2017). Therefore, the ability of highly qualified apparatus is very much needed to carry out the tasks and duties of villagers financial management. The ability of a person or individual when experiencing circumstances and atmosphere for carrying out their professional duties at work is a form of human resource capacity.

The findings in the field [LilikAbdi, (2022), Tarigan, (2022) and Harahap, (2017)] that there are villagers officials in villagers in Deliserdang Regency who have committed corruption of villagers funds to the point of being imprisoned, the cause is the lack of capability of villagers officials in managing the villagers funds. Regarding this, it is in accordance with the research conducted by, [Yusuf et al., (2021); Islamiyah et al., (2020); Rohimah & Anna, (2019) and Widiyarta et al., (2017)] which revealed that the capability of villagers officials has an impact on efforts to eliminate fraud in villagers fund governance, but is not in line with that carried out by [Armelia & Wahyuni, (2020) and Mufidah & Masnun, (2021)] which revealed that the capability of villagers officials has no impact on efforts to eliminate fraud in villagers fund governance.

The role of the villagers head's faith in the agency where he works greatly determines the success of villagers fund management. In general, the purpose of the agency is employee loyalty or employee loyalty to the organization where he works. It is the employee's intention to be responsible for all forms of work carried out within the agency and to continue training so that they can coexist as experienced through other entities. [Fitriyani et al., (2018) and Arsjad (2018)] said that the faith index of each villagers official is the level of readiness and readiness of employees to be able to support their leaders when operating, the pride of their employees. where they work, preparation to accept all forms of work that can be trusted, in accordance with the ideals of the organization, and sincerely committed to the organization where they work.

This statement is also supported by research conducted by [Hadi et al., (2021); Meutia, (2021); Leatemia & Febryanti, (2020); Mandolang et al., (2020) and Natasya et al., (2017)] which revealed that the agency's intentions have an impact on efforts to eliminate fraud in villagers fund governance but are not in line with [Suarniti & Sari, (2020) and Kurrohman & Widyayanti, (2018)] which revealed that the agency's intentions do not have an impact on efforts to eliminate fraud in villagers fund governance.

The phenomenon that occurred in Lalang villagers where the villagers head sold the remaining rice assistance from BLT villagers funds (Daulay, 2022), in this case the head of Lalang villagers did not provide transparency in recording data on his residents who needed basic food assistance, so that the basic food assistance was excessive and used to enrich the villagers head personally, so with this transparency it is hoped that efforts to eliminate fraud can be avoided in the management of villagers funds. This explanation is also supported by research conducted by [Rifa'i et al., (2021); Paramitha & Adiputra, (2020); Kurniawan & Izzaty, (2019); Rowa & Arthana, (2019); Rowa & Arthana, (2019) and Larasati & Surtikanti, (2019)] which revealed that openness has an impact on efforts to eliminate fraud in villagers fund governance, but does not agree with that carried out by Adiko et al., (2019) which revealed that openness has no impact on efforts to eliminate fraud in villagers fund governance.

The implementation of Internal Control Standards (ICS) is a preventive effort to eliminate fraud in BPD governance. Internal management steps are a system designed to distribute reasonable responsibilities to achieve portfolio targets; operational efficiency and effectiveness, financial information skills, compliance with applicable laws and regulations, and protection of assets. Villagers officials need to develop SPI (internal management standards) to achieve operational efficiency, which includes soft control and hard control (Wonar et al., 2018).

This is in accordance with the statements carried out by [Yusuf et al., (2021); Hadi et al., (2021); Herlita & Bayunitri, (2021); Leatemia & Febryanti, (2020); Mandolang et al., (2020), Paramitha

& Adiputra, (2020); Armelia & Wahyuni, (2020), Islamiyah et al., (2020); (Inayatu & Devi, 2019); (Septia & Surtikanti, 2019); (Cahyo & Nur Izzaty, 2019); (Kadek et al., 2017), (Novenia et al., 2017)] which stated that internal control standards have an impact on efforts to eliminate fraud in villagers fund governance, but do not agree with the research carried out by [(Kivaayatul Akhyaar et al., 2022); (Tuti, 2021); (Damayanti & Primastiwi, 2021); (Suyono, 2020) and (Adiko et al., 2019)] who revealed that internal management standards had no impact on efforts to eliminate fraud in villagers fund governance.

Agency theory is a contractual interaction between managers (agents) and shareholders (principals) agents Clariska Henny Tanisiwa et al., (2018). The parties to the agreement have their own freedom and goals. According to Jensen and Meckling (1976) in the concept of agency, agency interaction applies when one or more people (principles) use other people (principles) to perform services, then provide services. Customer conclusion collection authority.

Ayem dan Kusumasari (2020) stated that fraud is an unlawful act or violation of the law that is carried out and carried out intentionally for a certain purpose with the hope that the end result of the act will bring personal gain or collective loss to other parties. Indicators in efforts to eliminate fraud in villagers fund governance according to Wijayanti et al., (2020), Paramitha dan Adiputra (2020). Are as follows: 1) there is punishment for all motives of misappropriation, 2) Consideration of the capabilities of villagers officials, 3) Sincerity of Thought, 4) Presence of law, 5) Implementation of standards..

Personal ability to operate, which includes parts of intelligence and expertise that meet the expected standards is a form of capability. Widiyarta et al., (2017) showed in his research that misappropriation of villagers funds can be reduced with the right skills of each employee. The indicators used to measure the skills of villagers officials according to Mada et al., 2017 are: 1) knowledge consisting of: expertise to add wisdom, 2) skills consisting of: system intelligence and research intelligence. solving problems, 3) behavior that includes: ideas when operating; Friendly and polite, independence, professional competence, work environment

Agency intention is the attitude of employees of the organization where they work. An employee will certainly stand with the agency where he works to maintain his membership in the agency where he works. The indicators of agency intention according to Hayatunnupus and Mandasari (2020) are as follows: 1) Effective promises, 2) ongoing promises, 3) normative promises

Article 4 paragraph 7 of the Regulation of the Minister of Home Affairs of the Republic of Indonesia No. 37 of 2007 concerning Guidelines for Regional Financial Governance, it is emphasized that continuity is a transparent principle that requires the public to understand and achieve the widest possible path of regional financial information. Transparency put forward by Kristianti (2006) states that transparency can be measured using a number of indexes, including: 1) Availability and accessibility of certificates, 2) Clarity and completeness of explanations, 3) Stage presentation, 4) Context of regulations that support transparency.

According to Government Regulation of the Republic of Indonesia No. 60 of 2008, regarding government internal control standards are: "An integral process of actions and activities carried out continuously by leaders and all employees to provide adequate assurance of achieving agency goals through effective and efficient activities, reliable financial reporting, securing state assets, and compliance with laws and regulations." The indicators for internal management standards according to PP No. 60 of 2008 are measured using: 1) Control area, 2) Effect evaluation, 3) Management activities, 4) Information and communication, 5) Observation (monitoring).

In Agency Theory, agents are contracted by the principal, in this case the villagers government apparatus as the agent and the local government and local community as the principal, wanting the contracted agents to have capabilities in their respective fields in managing villagers funds, so that by having high villagers apparatus capabilities, it can eliminate fraud in the management of villagers funds launched by the central apparatus. Wonar et al., (2018) which shows that the capacity of villagers apparatus is an aspect that can have an impact on the responsibility of

financial management for the success of its duties. Main Skills Villagers apparatus must fully understand the legal policies in place in the villagers, know their roles and responsibilities as villagers apparatus, and have a reasonable understanding of the standards of supervision by the local government. H₁: Villagers apparatus capabilities have a positive impact on efforts to eliminate fraud in villagers fund management.

In Agency Theory, it is stated that the contracted agent must have an attitude of loyalty to each villagers in Sunggal District to run the villagers government in accordance with the regulations issued by the principal for the welfare of the principal and must really use the villagers funds in accordance with the previous budget effectively and efficiently in efforts to eliminate fraud in the management of villagers funds. The agency's obligations symbolize the decision of loyalty that individuals have to the institution they lead and symbolize a form of ownership of the institution where they work. With obedience and a sense of belonging to the agency, the possibility of agency fraud assumes that problems within the agency are also employee problems. The results of the study (Novenia et al., 2017), (Senda & Nickita Febryanti, 2020), (Febby et al., 2020), (Muhsin et al., 2021) and (Tuti, 2021)] show that the variables have a significant impact on preventing fraud (fraud) with a positive effect. The higher the individual's agency in relation to the institution where he works, the greater his responsibility, in order to prevent the possibility of corruption in the villagers treasury. H₂: The agency's intention has a positive impact on efforts to eliminate fraud in villagers fund governance.

In Agency Theory, agents in carrying out their work starting from design, implementation, administration, notification and obligations must be truly transparent so that the level of principal trust will be higher in the agents employed in the agencies they own. And with the increasing level of openness in the implementation of villagers government, efforts to eliminate fraud in villagers fund management can be implemented. In line with research conducted by [(Wirna & Komang, 2019), (Cahyo & Nur Izzaty, 2019); (Wirna & Komang, 2019), (Septia & Surtikanti, 2019), (Yulia & Pradana, 2020) and (Muhammad et al., 2021)] prove that the openness factor has a relevant positive impact on the elimination of misappropriation (fraud). The increasing openness of the villagers government will clearly be followed by the development of accountability so that opportunities for corruption of villagers funds can be avoided. H₃: Transparency has a positive impact on efforts to eliminate fraud in villagers fund governance.

In Agency Theory, agents must implement internal management standards in implementing government so that villagers funds obtained from the center can be on target, successful and appropriate, so that by implementing good internal control standards, efforts to eliminate fraud can be carried out properly as expected by the principal. This statement is supported by the observations of Wijayanti and Hanafi (2018) which show that internal implementation standards are needed to control the behavior of agents (villagers officials or civil servants) in implementing villagers fund spending so that there is no enrichment of their activities that can sacrifice the interests (public) of clients. According to a study by (Kadek et al., 2017), (Novenia et al., 2017), (Inayatu & Devi, 2019), (Septia & Surtikanti, 2019), (Cahyo & Nur Izzaty, 2019), (Senda & Nickita Febryanti, 2020), (Febby et al., 2020), (Yulia & Pradana, 2020), (Ayu & Arie, 2020), (Faridatul et al., 2020); (Marwah et al., 2021), (Muhsin et al., 2021) and Herlita & Bayunitri, (2021)] which revealed that internal control has a positive impact on eliminating fraud. H₄: Internal control standards have a positive impact on efforts to eliminate fraud in villagers fund governance.

2. RESEARCH METHOD

This research uses a quantitative approach. This quantitative approach begins with a focus on the theoretical framework that has been formed, the ideas of experts, and the author's interpretation according to his experience, then developed into problems and proposed solutions to obtain confirmation of research in the form of empirical field data. The research location is in villagers in Sunggal District, Deliserdang Regency. This research was conducted from September to November 2024. This research uses primary information, namely information that is directly received from respondents by submitting questionnaires from previous research questionnaires. The population in

this research is all government officials from villagers throughout Sunggal District. In each villagers, the researcher took four (4) villagers officials in 17 villagers in Sunggal District as research objects, so the total population of this research is 68 samples. The sample criteria are as follows: the Village Head is responsible for managing village funds, the Secretary is responsible for technical activities, the Treasurer is responsible for financial administration, while the BPD is an internal supervisor in managing village finances. The calculation formula and multiple linear regression style applied in this research uses: $Y = a + b_1CVO + b_2II + b_3OP + b_4ICS + e$

The Y variable is the effort to eliminate fraud in villagers fund governance, a is a constant, b_1 to b_6 are the Regression coefficients, X_1 is the Villagers Apparatus Capability, X_2 is the Agency's Goodwill, X_3 is Transparency, X_4 is the Internal Control Standard, and e is the error.

$0.310CVO + 0.424II + 0.722OP + 0.241ICS + e$

3. RESULTS AND DISCUSSIONS

Respondent Characteristics Based on Gender

Displays a panel of respondents based on the gender of the respondents. The table shows that the respondents in this study were mostly male, namely 46 people (32.35%) and 22 women (67.65%).

Respondent Characteristics Based on Age

Composition of respondents based on their age. Respondents under the age of 25 years were 6 people (8.82%), aged 25-35 years were 13 people (19.12%), aged 36-45 years were 13 people (48.53%), aged 46-55 years were 24 people (35.29%), and those over 55 years were only 12 people (17.65%). The age group with the most channels is the 46-55 age group, namely 24 people (35.29%).

Respondent Characteristics Based on Last Education

Displays a panel of respondents according to the respondent's latest information. The graph shows that in this observation there were no respondents with a high school education or below, 31 respondents (45.59%) had a high school education, 12 respondents had a D3 education (17.65%), 20 S1 respondents (29.41%) and 5 respondents with a S2 education (7.35%)

Characteristics of Respondents Based on Length of Work

From the results of the respondents that the researcher studied, it showed that 21 people (30.88%) had work experience of less than 5 years, while those aged 5 to 10 years were 42 people (61.76%) and finally those aged over 10 years were 5 people or 7.35%.

Normality Test

In the image above, it can be seen that the observation hiatogram is normally distributed because the graph is balanced, not skewed to the left or right. Therefore, it can be concluded that this observation meets the classical assumptions. The points are spread around the diagonal line. These results indicate that the regression model is valid because it meets the normality assumptions. To support the results of the normality test based on the graph test above, the researcher also conducted a statistical normality test using the graph test above, the observer also ran a statistical normality test using the Kolmogorov-Smirnov one-sample test. The table above shows that the Asymp.Sig value (2-sided) is 0.200, greater than 0.05. Therefore, it can be concluded that the data used in this study is normally distributed.

Multikolienarity Test

Based on Table above, it can be concluded that there is no multicollinearity fact in the interaction of independent variables because the accepted VIF behavior of each independent factor is less than 10 and the Tolerance level of each variable is above 0.1.

Heteroskedastisitas Test

Based on the output results above, it is known that the level of significance for each variable has a value above 0.05, which is in accordance with the rules for drawing conclusions in the Glejser test. It can be concluded that there are no symptoms of heteroscedasticity in the regression model.

Hypothesis Testing

Multiple Linear Regression Analysis

In accordance with the table 2 above, the multiple regression analysis model between the Independent and Dependent factors can be said in the following regression model: $Y = -5.663 + 0.310CVO + 0.424II + 0.722OP + 0.241ICS + e$. From the independent variables tested, the results obtained were that the openness variable had the highest value of the 3 other variables in influencing minimizing village fund fraud, namely 72.2%. From the results of the regression equation, each independent factor can be seen the impact value on the variable of efforts to eliminate fraud in villagers fund governance, namely as follows:

Coefficient of Determination Test

Table 1. Coefficient of Determination Test (Adjusted R²)

Model	R	R Square	Adjusted R Square
1	.869 ^a	.755	.739

Source: SPSS Data Processing Result 26, 2025

Based on Table 1, the high level of Adjusted R Square is 0.739 which means that 0.739 (73.9%) of the independent variables, namely villagers apparatus capability, agency intention, openness and internal control standards are able to explain or describe efforts to eliminate fraud in villagers fund governance. While the remaining 26.1% is explained or described by other factors that are not included in this research model.

t Test (Parsial)

Table 2. t Test Result (Parsial)

Model	B	T	Sig.	Hypothesis
1 (Constant)	-5.663	-1.284	.204	
Capabilities of villagers officials	.310	2.605	.011	Accepted
Institution's Intentions	.424	2.262	.027	Accepted
Openness	.722	3.281	.002	Accepted
Internal Control Standards	.241	2.479	.016	Accepted

Source: SPSS Data Processing Results 26, 2025

Discussion

Villagers Apparatus Capability to Efforts to Eliminate Fraud in Villagers Fund Management.

The results of the H₁ assumption are accepted, meaning that the Villagers Apparatus Capability has a positive and significant effect on efforts to eliminate fraud in villagers fund management. The results of the research test indicate that the competence of villagers apparatus partially has a positive and significant impact on efforts to eliminate fraud in villagers fund management in villagersss throughout Sunggal District. Theoretically, the results of this research are in line with the theory of agency because the agents or villagers governments who have worked already have the capability in terms of graduates, the majority of whom are S₁ graduates and some have even graduated from S₂, so in terms of education the agents have met the requirements in terms of villagers apparatus capability, so that with the capabilities possessed by villagers apparatus, they can eliminate fraud in villagers fund management, as evidenced by the real facts found in the field, only 1 villagers committed fraud in managing villagers funds.

In addition to being in accordance with the agency theory, this research also agrees with the explanation carried out by research related to efforts to eliminate fraud, as stated by (Kadek et al., 2017), (Inayatu & Devi, 2019), (Faridatul et al., 2020) and (Marwah et al., 2021)] which stated that the

capability of villagers officials has an impact on efforts to eliminate fraud in villagers fund governance, but does not agree with what was done by (Ayu & Arie, 2020) and (Mufidah & Masnun, 2021)] which stated that the capability of villagers officials does not have an impact on efforts to eliminate fraud in villagers fund governance.

Agency Intentions Towards Efforts to Eliminate Fraud in Villagers Fund Governance

The results of Assumption H₂ are accepted, meaning that Agency Intentions have a positive and significant effect on efforts to eliminate fraud in villagers fund governance. As shown by the results of the research test, it shows that the agency's intention partially has a positive and significant impact on efforts to eliminate fraud in villagers fund governance in villagersss throughout Sunggal District. Theoretically, the results of this research are in line with the theory of agency because the agent or villagers government already has the agency's intention in running the agency is a mandate given by the principal to the agent in carrying out villagers government activities whose purpose is to build infrastructure, health, especially for handling malnutrition and education, especially for preschool children, with the implementation of good governance, it is hoped that the use of villagers funds can be right on target according to the needs of local residents, if seen from the results of this research, villagers government officials in the villagersss of Sunggal District already have good agency intentions, as evidenced by the real fact that only 1 villagers committed fraud in villagers fund governance, namely the sale of BLT rice to other communities which should have been given to poor villagerss.

The statement of this agency theory is supported by research conducted by research that examines the relationship between agency intentions and efforts to eliminate fraud, including those conducted by (Novenia et al., 2017), (Senda & Nickita Febryanti, 2020), (Febby et al., 2020), (Muhsin et al., 2021) and (Tuti, 2021)] which revealed that agency intentions have an impact on efforts to eliminate fraud in villagers fund governance but are not in line with [Suarniti & Sari, (2020) and (Kurrohman & Widyayanti, 2018)] which revealed that agency intentions do not have an impact on efforts to eliminate fraud in villagers fund governance.

Transparency to Efforts to Eliminate Fraud in Villagers Fund Management

The results of the H₃ assumption are accepted, meaning that Transparency has a positive and significant effect on efforts to eliminate efforts to manage villagers funds. This is indicated by the results of testing in the research showing that Transparency partially has a positive and significant impact on efforts to eliminate fraud in villagers fund management in villagersss throughout Sunggal District. Theoretically, the results of this research are in line with the theory of agency because the agent or villagers government has carried out transparency in villagers fund management, in accordance with the contract with the principal where the agent must carry out the management of the villagers funds must be transparent in the use of villagers funds, so that the principals can see or know whether the use of the villagers funds is in accordance with the actual facts, so that if there are things that deviate or are not in accordance with the truth, then the principal can provide a warning, or input to the villagers government so that it can be fixed, with this good transparency the agent and principal can work together in advancing their respective villagersss.

In line with the agency theory that the researcher explained, this research is also supported by previous research that conducted research on the relationship between openness and efforts to eliminate fraud in villagers fund governance conducted by (Wirna & Komang, 2019), (Cahyo & Nur Izzaty, 2019), (Wirna & Komang, 2019), (Septia & Surtikanti, 2019), (Yulia & Pradana, 2020) and (Muhammad et al., 2021)] which revealed that openness has an impact on efforts to eliminate fraud in villagers fund governance, but is not in line with that carried out by (Adiko et al., 2019) which revealed that openness has no impact on efforts to eliminate fraud in villagers fund governance.

Internal Control Standards for Efforts to Eliminate Fraud in Villagers Fund Governance

The results of Assumption H₄ are accepted, meaning that Internal Control Standards have a positive and significant effect on efforts to eliminate fraud in villagers fund governance. As shown by

the results of the research test, the internal control system partially has a positive and significant impact on efforts to eliminate fraud in villagers fund management in villagersss throughout Sunggal District. Theoretically, the results of this research are in line with the theory of agency because the agent or villagers government has been responsible for all that is their responsibility in the internal control standards to the community, to the regional government or central government and even to the local community as the principal.

The results found in this research are in line with research by [(Senda & Nickita Febryanti, 2020); (Febby et al., 2020); (Yulia & Pradana, 2020); (Ayu & Arie, 2020); (Faridatul et al., 2020); Yusuf et al., (2021), (Muhsin et al., 2021) and (Herlita & Bayunitri, 2021)] which revealed that internal control standards have an impact on efforts to eliminate fraud in villagers fund governance, but are not in line with research conducted by [(Kivaayatul Akhyaar et al., 2022); (Tuti, 2021); (Damayanti & Primastiwi, 2021) and Suyono, (2020)] which revealed that internal control standards had no impact on efforts to eliminate fraud in villagers fund governance.

4. CONCLUSION

The conclusion of this study is that the Capability of Villagers Apparatus, Institutional Intention, Transparency and Internal Control Standards have a positive and significant impact on efforts to eliminate fraud in villagers fund governance in villagersss throughout Sunggal District, Deli Serdang Regency.

To avoid confusion in discussing the problems in this research, the author needs to limit the problem to be more detailed and clear so that the solution is more focused. The limitations of the problem are that the variable of efforts to eliminate fraud in villagers fund governance is only studied from the variables of villagers apparatus capability, institutional intention, transparency and internal control standards, the research location is only in villagersss in Sunggal District, the researcher only chooses a few respondents including: villagers head, villagers secretary, finance head and Villagers Representative Body and the observation year is only in 2024.

For further researchers: Adding other variables outside the variables that have been studied such as Good Corporate Governance, Utilization of Information Technology, internal supervision and others, because in the results of the determination coefficient test there is still an impact of other variables, Increasing respondents in further research to obtain clearer and more accurate information, and Adding more references and expanding research objects such as researching other sub-districts or researching districts. the recommendations that researchers suggest to the Inspectorate and BPD to really carry out good supervision, and if possible the Inspectorate and BPD carry out surprise inspections, so that the real facts in the field can be seen without any systematic manipulation

REFERENCES

- Adiko, R. G., Astuty, W., & Hafisah. (2019). Pengaruh Pengendalian Intern, Etika Auditor, dan GCG Terhadap Pencegahan Fraud PT. Inalum. *Jurnal Akuntansi Dan Keuangan Kontemporer*, 2(1), 52-68.
- Ayu, P., & Arie, M. (2020). Pengaruh Kompetensi Aparatur Desa, Efektivitas Pengendalian Internal, dan Moral Sensitive terhadap Pencegahan Fraud dalam Pengelolaan Keuangan Desa. *Vokasi : Jurnal Riset Akuntansi*, 9(2), 61-70. <https://doi.org/10.23887/vjra.v9i2.26125>
- Cahyo, P., & Nur Izzaty. (2019). Pengaruh Good Corporate Governance Dan Pengendalian Internal Terhadap Pencegahan Fraud. *ECONBANK: Journal of Economics and Banking*, 1(1), 55-60. <https://doi.org/10.35829/econbank.viii.2>
- Damayanti, A. F., & Primastiwi, A. (2021). Pengaruh Pengendalian Internal , Good Corporate Governance , dan Sistem Pengukuran Kinerja. *Invoice: Jurnal Ilmu Akuntansi*, 3(2), 232-245. <https://36.89.54.123/index.php/invoice/article/download/6029/pdf>
- Daulay, R. (2022). *Pasar Murah 2020, Diduga Kades Lalang Jual Beras Sisa*. Mudanews.Com. <https://mudanews.com/sumatera-utara/2020/06/25/pasar-murah-2020-diduga-kades-lalang-jual-beras-sisa/>
- Faridatul, Made, A., & Sari, A. R. (2020). Pengaruh Kompetensi Aparatur Desa, Moralitas, Sistem Pengendalian Internal, Dan Whistleblowing Terhadap Pencegahan Fraud Dalam Pengelolaan Dana Desa Di Kecamatan Wajak. *Jurnal Riset Mahasiswa Akuntansi*, 8(1), 1-13. <https://doi.org/10.21067/jrma.v8i1.4452>

- Febby, Chamariyah, & Subijanto. (2020). Pengaruh Pengendalian Internal, Komitmen Organisasi Dan Moralitas Individu Terhadap Pencegahan Kecurangan (Fraud) Provider Jaminan Kesehatan Nasional (Studi: Pemberi Pelayanan Kesehatan RSUD Mohammad Noer Pamekasan). *Jurnal Manajemen Dan Administrasi Publik*, 2(4), 459-471. https://www.researchgate.net/publication/269107473_What_is_governance/link/548173090cf22525dcb61443/download%0Ahttp://www.econ.upf.edu/~reynal/Civil_wars_12December2010.pdf%0Ahttps://think-asia.org/handle/11540/8282%0Ahttps://www.jstor.org/stable/41857625
- Harahap, L. (2017). *Selewengkan dana desa ratusan juta, kades ini ditahan Kejari Deliserdang*. Merdeka.Com. <https://www.merdeka.com/peristiwa/selewengkan-dana-desa-ratusan-juta-kades-ini-ditahan-kejari-deliserdang.html>
- Herlita, S., & Bayunitri, B. I. (2021). Pengaruh Pengendalian Internal Terhadap Pencegahan Kecurangan. *Jurnal Akuntansi Bisnis Dan Ekonomi*, 7(1), 1805-1830.
- Inayatu, & Devi, Y. (2019). Faktor-Faktor Yang Mempengaruhi Pencegahan Fraud. *Jurnal Riset Akuntansi Dan Perbankan*, 13(1), 67-76.
- Kadek, Herawati, N. T., & Atmadja, A. T. (2017). Pengaruh Kompetensi Aparatur, Budaya Organisasi, Whistleblowing Dan Sistem Pengendalian Internal Terhadap Pencegahan Fraud Dalam Pengelolaan Dana Desa (Studi Empiris Pada Pemerintah Desa Di Kabupaten Buleleng). *E-Journal S1 Ak Universitas Pendidikan Ganesha*, 8(2), 1-12.
- Kivaayatul Akhyaar, Anissa Hakim Purwantini, Naufal Afif, & Wahyu Anggit Prasetya. (2022). Pengaruh Kepatuhan Pelaporan Keuangan, Sistem Pengendalian Internal Dan Whistleblowing System Terhadap Pencegahan Fraud Pengelolaan Dana Desa. *KRISNA: Kumpulan Riset Akuntansi*, 13(2), 202-217. <https://doi.org/10.22225/kr.13.2.2022.202-217>
- Kurrohman, T., & Widyayanti, P. (2018). Analisis Faktor-Faktor Yang Mempengaruhi Kecenderungan Kecurangan (Fraud) Di Perguruan Tinggi Keagamaan Islam Negeri. *Journal of Applied Managerial Accounting*, 2(2), 245-254. <https://doi.org/10.30871/jama.v2i2.945>
- LilikAbdi. (2022). *Diduga Ada Indikasi Penyelewengan Dana Desa Betimus Mbaru Sibolangit, Warga Lapor ke Kejatisu dan Surat Presiden RI*. Beritatrends, Medan. <https://beritatrends.co.id/diduga-ada-indikasi-penyelewengan-dana-desa-betimus-mbaru-sibolangit-warga-lapor-ke-kejatisu-dan-surati-presiden-ri/>
- Marwah, Aswar, Ibrahim, I., Yusdhaniar, & Waty, F. I. (2021). Pengaruh Kompetensi Aparatur, System Pengendalian Intern dan Moralitas Individu terhadap Pencegahan Fraud Dana Desa (Pada Pemerintah Desa Sekecamatan Adonara Tengah). *JAE: Jurnal Akuntansi Dan Ekonomi*, 6(2), 1-12. <https://doi.org/10.29407/jae.v6i2.15008>
- Mufidah, & Masnun. (2021). Pengaruh Pengendalian Internal dan Kompetensi Terhadap Pencegahan Kecurangan Pengelolaan Dana Desa di Kecamatan Kumpeh Ulu Kabupaten Muaro Jambi. *Ekonomis: Journal of Economics and Business*, 5(2), 519-525. <https://doi.org/10.33087/ekonomis.v5i2.408>
- Muhammad, Jubertus, J., & Susanti, R. A. D. (2021). Pengaruh Kompetensi, Sistem Pengendalian Internal, Kepatuhan Pajak, Dan Partisipasi Masyarakat Terhadap Akuntabilitas Pengelolaan Alokasi Dana Desa. *Jurnal Sains Sosio Humaniora*, 5(2), 919-928. <https://doi.org/10.22437/jssh.v5i2.16044>
- Muhsin, Ariyanti, R., & Notoatmojo, M. I. (2021). Pengaruh Pengendalian Internal dan Komitmen Organisasi dalam Pencegahan Fraud Pengadaan Barang (Studi Kasus Pada Rsud Bendan Kota Pekalongan). *Jurnal Aktual Akuntansi Keuangan Bisnis Terapan*, 4(1), 21-28.
- Novenia, T., Karamoy, H., & Lambey, R. (2017). Pengaruh Komitmen Organisasi Dan Pengendalian Internal Terhadap Resiko Terjadinya Kecurangan (Fraud) Dalam Pelaksanaan Jaminan Kesehatan Di Rumah Sakit Bhayangkara Tk. Iv Polda Sulut. *Going Concern: Jurnal Riset Akuntansi*, 12(2), 847-856. <https://doi.org/10.32400/gc.12.2.18274.2017>
- Senda, & Nickita Febryanti. (2020). PENGARUH PENGENDALIAN INTERNAL DAN KOMITMEN ORGANISASI TERHADAP PENCEGAHAN FRAUD PENGADAAN BARANG (Studi Empiris pada Rumah Sakit Pemerintah di Kota Ambon). *Arika*, 14(1), 15-22. <https://doi.org/10.30598/arika.2020.14.1.15>
- Septia, Y., & Surtikanti. (2019). Analisis Faktor-faktor yang Berpengaruh Terhadap Pencegahan Fraud di Dalam Proses Pengadaan Barang dan Jasa (Riset Empiris pada Direktorat Jenderal Pengelolaan Ruang Laut KEMENTERIAN KELAUTAN dan PERIKANAN). *Journal of Accounting, Finance, Taxation, and Auditing (JAFTA)*, 1(1), 31-43. <https://doi.org/10.28932/jafta.v1i1.1526>
- Suarniti, N. L. P. E., & Sari, M. M. R. (2020). Pengaruh Moralitas Individu, Komitmen Organisasi dan Kesesuaian Kompensasi pada Kecurangan Akuntansi. *E-Jurnal Akuntansi*, 30(2), 319. <https://doi.org/10.24843/eja.2020.v30.i02.p04>
- Suyono, W. P. (2020). Pengaruh Komitmen Organisasi, Whistleblowing System dan Integritas Terhadap Asset Missappropriation Dengan Pengendalian Internal Sebagai Variabel Moderasi. *Prosiding Seminar Nasional*,

- 3(ISSN (P) : 2615-2584), 1-7.
- Tarigan, G. N. P. br. (2022). *Didakwa Korupsi Dana Desa, Kades dan Bendahara di Pancurbatu Disidang*. Medan.Tribunnews.Com.
- Tuti. (2021). Pengaruh Pengendalian Internal Dan Komitmen Organisasi Terhadap Pencegahan Fraud Pada Rumah Sakit Umum Daerah Aceh Timur. *Jurnal Mahasiswa Akuntansi Samudra*, 2(2), 79-90.
- Wirna, C., & Komang. (2019). Pengaruh Good Corporate Governance Terhadap Pencegahan Fraud Pada Bank Perkreditan Rakyat Di Kota Kupang. *Jurnal Akuntansi: Transparansi Dan Akuntabilitas*, 7(2), 122-137. <https://doi.org/10.35508/jak.v7i2.1702>
- Yulia, P., & Pradana, M. (2020). Pengaruh Whistleblowing System , Good Corporate Governance Dan Efektivitas Pengendalian Internal. *Jurnal Ilmiah Mahasiswa Akuntansi*, 11(2), 33-42.