

Forensic accounting as antibiotic for pressing corruption infection in Indonesia

Ghusti Ayu C. Rolihlahla¹, Made Dudy Satyawan², Ni Nyoman Alit Triani³

^{1, 2, 3} State University of Surabaya, Ketintang Street, Surabaya, 60231, East Java, Indonesia

ARTICLE INFO

Article history:

Received 21 October 2015

Revised 3 April 2017

Accepted 9 October 2017

JEL Classification:

F65

Key words:

Forensic Accounting,
Corruption, and
Interpretive.

DOI:

10.14414/jebav.v20i2.1123

ABSTRACT

Effectiveness of corruption cases aimed at making the corrupt severely punished in a court of corruption and bring the deterrent effect for public officials who intend to engage in corruption. This study aims to explain the depth of the role of forensic accounting as well as how it applied in the handling and disclosure of corruption cases in Indonesia. The hope of forensic accounting can be accepted and applied by all auditors general inspectorate at the ministry/government agencies at both central and local levels, so that corruption can be detected early on using the science of forensic accounting. This study uses a qualitative methodology with an interpretive approach, with key informants from the Directorate Investigator and Special Economic Crime, the Criminal Investigation Police, KPK, as well as the Financial and Development Supervisory Agency. The result of this study indicates that the forensic accounting interpreted as potent antibiotics to suppress the rampant corruption in Indonesia. Investigation method often used investigator/auditor using forensic accounting knowledge to produce valid evidence in court corruption, including documentary evidence of the state audit the calculation of financial loss and statement of experts (auditors) in the corruption trial.

ABSTRAK

Efektifitas dari pengungkapan kasus korupsi bertujuan membuat para koruptor dijatuhi hukuman berat dalam pengadilan tindak pidana korupsi dan membawa efek jera bagi pejabat publik yang berniat untuk melakukan korupsi. Penelitian ini bertujuan menjelaskan kedalaman peran akuntansi forensik serta bagaimana penerapannya dalam penanganan dan pengungkapan kasus korupsi di Indonesia. Harapannya akuntansi forensik dapat diterima dan diterapkan oleh seluruh auditor inspektorat jenderal pada kementerian/lembaga pemerintahan baik di pusat maupun daerah, sehingga korupsi dapat dideteksi sejak dini melalui penggunaan ilmu akuntansi forensik. Penelitian ini menggunakan metodologi kualitatif dengan pendekatan interpretif, dengan key informan dari Penyidik Direktorat Tindak Pidana Ekonomi dan Khusus, Barekskrim Polri, Komisi Pemberantas Korupsi, serta Badan Pengawas Keuangan dan Pembangunan. Hasil penelitian ini menunjukkan bahwa akuntansi forensik dimaknai sebagai antibiotik yang ampuh untuk menekan maraknya kasus korupsi di Indonesia. Metode Investigasi seringkali digunakan penyidik/auditor dengan memakai ilmu akuntansi forensik untuk menghasilkan alat bukti yang sah dalam sidang pengadilan tipikor, di antaranya bukti surat dari audit penghitungan kerugian keuangan negara dan keterangan ahli (auditor) dalam persidangan tipikor.

1. INTRODUCTION

Disclosing and handling the corruption crime up to now have been done, but the comparison between disclosure and the results of financial loss is not yet balanced. The comparison data can be seen from that owned by the Financial Supervisory Agency

(BPKP) and Development and Indonesia Corruption Watch (ICW). From October 2004 to April 30, 2011, BPKP had data on Corruption Crime Handling (TPK), which were 1,130 cases of alleged TPK submitted to law enforcement officers. The financial losses were successfully revealed only reaching

* Corresponding author, email address: ¹ arolihlahla@gmail.com.

by Rp 2,877 trillion and US \$ 35.97 million. In addition to the data presented by BPKP, there are also studies conducted by ICW.

A study conducted by ICW on cases handled by the Provincial Prosecutor's Office in 2008 indicated that there were 275 cases of TPK with a potential state financial loss of Rp 18.72 trillion. While the financial losses of the state that was saved and deposited into the State Treasury or Regional Cash in the period of January 1 to December 15, 2008, amounted to Rp 406.352.031.726, -.

The data shows how big the value of state financial losses due to corruption. The state institutions in the field of TPK handling is therefore the State also still has to work in TPK. Although TPK is not easy to do because of its hidden nature, the phenomenon seems to be in danger. Such a phenomenon was also revealed by Tuanakotta (2012), in which it is not clear when seen from outside so that it looks iceberg. While the iceberg beneath the surface, when it is seen inside, it is deeper and bigger. That is the thing, which is disclosed, has not yet been revealed.

Many people who handle the corruption are satisfied and proud of the results achieved. Yet, the TPK is a crime that will be disclosed in the Court then it takes special discipline. Therefore, the disclosure can be accepted in the Court and disclosure lawful. To achieve this, the science of Forensic Accounting is supposed to be a tool to handle TPK.

Forensic accounting science expertise is undoubtedly. As such, forensic accounting is proved being able to solve the case of Bank Bali (1999), dismantling corruption cases in General Election Commission (KPU) conducted by BPK and the case in Bank Negara Indonesia (BNI) Financial Transaction Reporting and Analysis (PPATK) (Tuanakotta 2012: 15-17).

According to Yadav (2013), forensic accounting is urgently needed by the public at large where a forensic accountant has accounting skills in the matters involving potential or actual civil and criminal litigation, but not limited to generally acceptable accounting and auditing principles. As Crumbley (2002) argued forensic accounting is an accurate accounting for legal or accounting purpose that is resilient to the test in the framework of the dispute during court proceedings. The most important reason for this research is the lack of research on forensic accounting in Indonesia, so the researchers are motivated to do this study.

It has been noted that the work of forensic accounting can be used as one of the judges' considerations to impose penalties on corruption cases

that are very detrimental to the state. Government agencies that handle the TPK are required to find evidence for the key to success on the disclosure of corrupt practices in the court session. Thus, the questions which are raised in this study is the reason "Why does the forensic accounting science have a role in the handling and disclosure of corrupt cases in Indonesia?"

2. THEORETICAL FRAMEWORK AND HYPOTHESES

In reference to Forensic Accounting and Forensic Auditing, there are some proponents to note. For example, Tuanakotta (2012: 19), stated that as Forensic Accounting, it cannot be separated from the three disciplines namely science Audit, science Accounting and law. The three sciences have their respective roles that are interconnected. However, the government Institution still calls such science as Forensic Audits such as in Police and at KPK.

The perception is also described by the KPK Spokesman, Mr "JB" as follows

"Corruption handling like KPK is called Forensic Audit Audits are only conducted by government agencies, namely BPKP and state institutions, such as BPK. If the KPK needs a forensic expert (finance), then we are working with the agency".

Here is the statement from PPA. "SS" from the police as follows

"We are familiar with the Forensic Audit and that is only done by central BPKP and those representatives in the region. It depends on the case ... If there is a case of TPK (Corruption Crime) that requires a forensic audit, we work with BPKP, we delegate there (BPKP) , Even though we are equipped with such knowledge, we cannot do that yet (Forensic Audit). It is because that it is not our authority ".

Statement from AKP. "SS" is also supported by Mr. "NW", CFE as the head of investigation section at BPKP Center.

"In BPKP, there is forensic accounting and we also have a forensic laboratory. They (the KPK and the Police) are calling forensic audits because they only know the investigation for the search for evidence, but if forensic accounting is much longer the process goes to the realm of law, and for that (legal domain) we only do litigation support by sending expert witnesses. And we help Law Enforcement Officials to handle cases with Forensic accounting that they cannot do ".

The information gatherings on Forensic Ac-

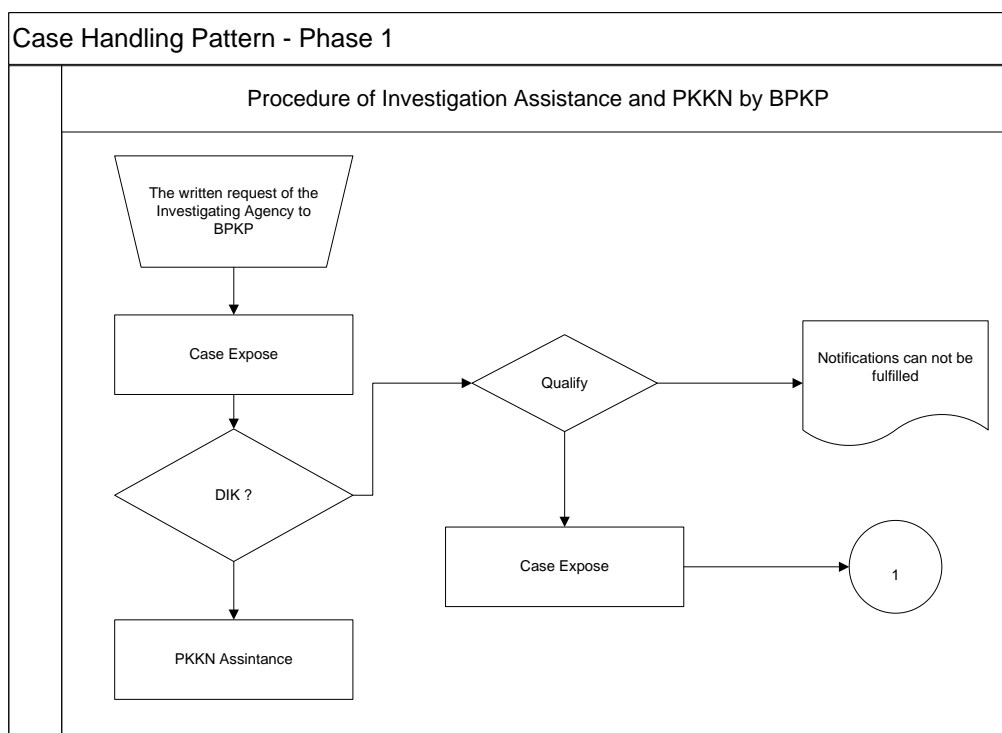


Figure 1
Case Handling Patterns or Cases of BPKP Assi stance to Investigating Agency

Source: Central BPKP.

counting and Forensic Auditing with three Institutions have been conducted. The statement has a similar meaning as the theory put forward by Tuanakotta (2012: 19). Therefore, it can be concluded that forensic accounting can only be done by Government Auditors and State Auditors namely BPKP and BPK, and Forensic Accounting can enter the realm of law and support in the Court. However, forensic audits are limited to gathering evidence using investigations.

Forensic Audit as an Evidence Collection Tool

The Forensic Audit is the starting point for implementing the Forensic Accounting. In handling and disclosing the TPK, Forensic Audit is very necessary. The following is the statement from Mr. "JB" (KPK Spokesman);

"If the case of handling (TPK), forensic audit is higher level than other audits ... Forensic audits are used to seek more investigation in the financial losses of the state by looking for evidence. From the evidence, it is more likely to know the extent of the impact on Country or state losses In a forensic audit, the results could bring up new evidence in the field. And, that evidence can be used by Law Enforcement Apparatus. It will be proven, for more details, by getting more information to the authorized

(BPKP) only ".

According to "JH", the Forensic Audit is different from other audits. Forensic audits have a higher position, although the audits are used to collect evidence on the TPK, the evidence from the Forensic Audit process can be analyzed more deeply to determine its impact on the financial losses of the country. Thus, this process is very necessary to handle crime of corrupt. If Mr. "JH" provides a statement regarding the Functions of Forensic Audits, the Chief Investigation of BPKP has more to say on the technical evidence collection. The following statement from Mr. "NW", CFE;

"Forensic audits can be conducted on the basis of any complaints from the public, upon request (APH other than BPKP), and upon the development of the Global Operations Audit. Meanwhile, in handling TPK that will be delegated to Law Enforcement Officials (APH). Forensic audits are conducted to collect evidence by way of investigation ... Yes ... do not escape the basis of accounting as well ... There are several mechanisms that will be implemented in the search for evidence until the evidence is calculated In PKKN (Calculation of State Financial Losses). PKKN may only be done by BPKP, KPK and the Police. They should not do this. The mechanism can be seen from the fol-

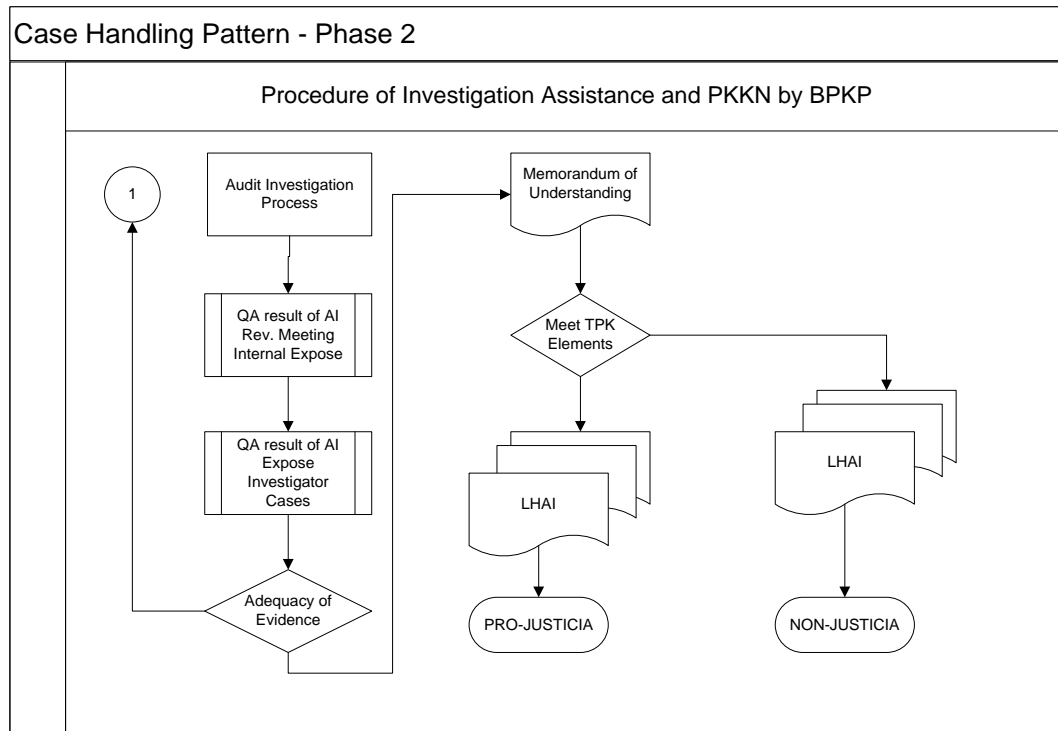


Figure 2
Case Handling Patterns/Cases of BPKP Assistance to the Investigating Agency

Source: Central BPKP.

lowing chart (while showing the document containing the investigation path) ".

When Nasrul's statement is linked to KPK and Police statement, it can be interpreted that the Forensic Audit in TPK handling process is done on request by the law enforcement officers who process TPK. Forensic audits are conducted using investigative techniques. In conducting the investigation, there are several stages that must be implemented. The stages are a mechanism by not releasing the science of Accounting in the process.

Investigation Mechanism

According to the Head of Investigation BPKP Center Mr. "NW", there are three stages that must be implemented in the investigation process. The stages can be presented in Figure 1.

The first stage of the applicant agency is required to send an official letter delivered to the BPKP Investigation Deputy with a copy to the Head of BPKP. After sending this letter, BPKP then replies to the letter by requesting the applicant's agency for presentation on the general description of the case (the title of the case). BPKP will first review and make decisions. If the applicant's agency asks to carry out the PKKN by bringing the supporting documents, BPKP will accept and do the calculation, but if not yet fulfill the requirement

they will propose the requirement that must be fulfilled.

Like PKKN documents, after the documents are obtained and it can be reviewed by BPKP. Then, BPKP may refuse if they do not qualify as non-original documents, no copy of the authorization from certain officials. The rejection is accompanied by an official letter of rejection. BPKP can accept if the conditions can be met. When BPKP as a forensic expert accepts such a requirement, they must do a case degree with the applicant's agency (KPK/police).

A case degree is an effective step taken to discuss cases with the presence of investigative teams. In the title case, they have discussed the development of the case, and potential cases that may occur or need special attention. In the case title, the joint investigation team planned several things that would be done to conduct an initial investigation. This is where early forensic skills are needed. Forensic experts (BPKP) will use their knowledge to refine cases, and summarize hypotheses. This needs to be done, so that these experts can focus their work. The experts understand clearly the problem and understand the development of the case. Thus, a second-stage procedure can be performed.

The implementation mechanism in the second stage, can be presented in Figure 2.

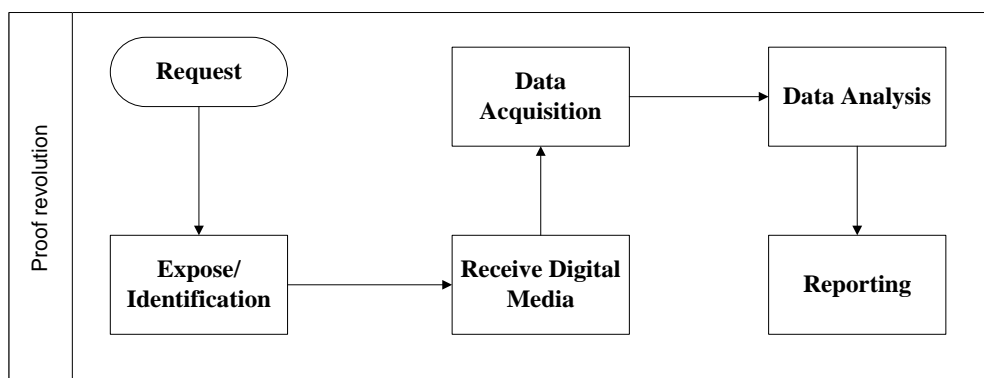


Figure 3
Mechanism of Computer Forensic Used by BPKP

Source: Central BPKP.

Table 1
Sources and Patterns of Calculating the State Financial Losses

No	Source of State Financial Losses	Loss Calculating Pattern	No	Source of State Financial Losses	Loss Calculating Pattern
A.	Receipt		8	Asset Disposal	The realization price minus the fair price Opportunity Cost
1	Payer is not paid	Principal and interest			
2	Mandatory collection is not paid	Principal and interest			Total loss
3	Reduction in revenue	Principal and interest			
B	Expenditure		9	Asset utilization	Interest for loss of time Opportunity Cost Interest for loss of time
4	Fictitious Activities	Principal and interest			
5	Legislation is no longer valid	Principal and interest	10	Asset Placement	Principal and interest
6	Faster Expenditure	Interest	11	Bad loans	Principal and interest
C	Assets		D	Liabilities	

Source: Central BPKP 2014.

In general, the Investigating Team (combined) has conducted an initial investigation process with procedures designed on the second case degree earlier. After the investigation was completed, the Team met with the internal team. The meeting discussed the results of the investigation to be reported to the official (superior of the Investigation Team). After the team is ready to present the results of the investigation, they hold the case with officials to raise the case to Investigation. They hold the case by carrying evidence. However, the evidence at that time was considered, whether the evidence was sufficient or not. If the evidence is not sufficient, while the investigation is sufficient then there will stop investigation, and the case is returned to the Applicant Agency. However, if sufficient evidence has been analyzed and the case of evidence already fulfilling the elements of TPK, an audit result report (LHAI) shall be accompanied by the opinion of Pro-Justice (a violation of the law). If

evidence does not contain elements of TPK, LHAI Non-Justice will be created. Then, the problem will be handed back to the applicant agency.

In the investigative procedure, the role of forensic auditing lies in the development of case patterns and technical implementation to obtain evidence. Talking about the evidence, then the offender will tend to eliminate the evidence, following the statement of "NW" from the Head of Investigation BPKP as follows

"Evidence is not just evidence in the audit. The evidence through the media also supports such conversations in short message system (SMS), video, CCTV footage, if the perpetrator deletes or omits the evidence. Anticipation will be done, the investigator can use the forensic laboratory to recover the missing evidence"

The third stage is not mandatory, if the two stages are still not corroborated with the evidence/. In this condition, they will collect evidence through

the third stage, with the procedure in Figure 3.

The first step is in the process of data recovery through the forensic laboratory that is doing exposure/identification. By identifying the media, the necessary evidence, and preparing keywords related to the case. Then, forensic experts receive digital media by receiving or assisting investigators confiscating target media. When it has been successfully done, forensic experts perform data acquisition by cloning target media using special tools/software.

After the data were successfully cloned, they are recovered to original, including the lost data that would be presented again. The data from the cloning results were analyzed by the expert and the data will be retrieved according to the case being handled. After the analysis process is completed, forensic experts create reports of acquisition and analysis.

From these three stages, the first phase focuses on the process of understanding the case, and ensures that the case is the authority of BPKP. The second phase focuses on technical evidence collection and evidence analysis, if after analyzing it is felt that the evidence is not strong enough, then there will be a next step. This third stage is not mandatory, the third stage focuses on the recovery of evidence that the offender tends to eliminate. If the evidence has been collected then

The Role of Accounting in Investigation

From the process of seeking evidence, they get A) physical evidence; B). Evidence of confirmation; C). Document evidence; D). Evidence of question and answer; E.) Oral evidence; F) Evidence of analysis; G.) Calculations. In the discovery of such evidence in addition to using investigative expertise, investigators also use the science of accounting. The following statement from Mr. "NW", CFE;

"When we get the documents that are related to the collection of evidence, we will consider the element of reasonableness and materiality, we compare it with other relevant documents. To determine the level of materiality, test analytic is used so that later will be met how the number of material for document will be separated also which is used for PKKN, which indicates the activity of corruption

The statement explains that in the process of collecting evidence in the form of documents, they will analyze Accounting and analytical tests to determine the amount of materials and level of reasonableness. Thus, the document can be used as accurate evidence. It is due to the accumulated evi-

dence that is used to calculate the state financial losses.

Accounting as a Tool to Calculate State Financial Losses

According to Mr. "NW", CFE calculations are used to determine the amount that the offender must substitute. Here is the statement;

"The calculation is used to determine the amount of replacement money or claims for compensation to be settled by the guilty party, if additional criminal is required as regulated in articles 17 and 18 of Law no. 31 Year 1999."

In the article, it is stated that the thing is that can harm the state finance or state economy. Mr. "NW", CFE also provides opinions on state losses, as follows;

"The state losses that really harm the country are not limited to the understanding of losses according to the principle of cash, but also on the basis of the accruals commonly held by the company."

The purpose of the statement is that financial loss of the state not only on that actually has occurred, but also that has not happened such as the existence of state revenue that is received. To determine the amount of the financial loss of the state, they can calculate it. In calculating the financial losses of the state, they do not justify to reject the deviation uniformly because of the diversity of modes. So, the source of the deviation must be clear. The method of calculating between one deviation and another deviation varies.

Methods, Sources, and Patterns of Calculating State Financial Losses

To calculate the losses, forensic experts should be able to refine TPK elements. Each TPK raises a different case depending on the motive and pattern of the case, then the calculation will be done with different methods.

The method used is; A. Total loss method; B. Total loss method with adjustment; C. Method of net loss; D. The price method is reasonable; E. Basic cost method; F. The opportunity cost method. Interest method is used as an element of state loss. In each counting pattern, one can use one method or more than one method. It depends on the type of deviation performed. Table 1 is the source of calculation of state losses.

In calculating the losses, they get the result that will be used for one considering the imposition of criminal punishment to the perpetrator and the verdict of the amount of compensation that must be

Table 2
Evidence Used in Proofing in the Trial

Prove of Audit	Tool of Audit	Proving
Based on Audit Standard IT Physical Audit Confirmation Result of audit and document completeness Observation Oral/ written explanation from other parties based on the auditor's questions Result of examination and redetection Analytic Procedure	Based on (Crime Law) Paragraph 184 Witness Explanation Expert Explanation Letter Clues The defendants explanation	(Goods as the proves) Based on Law Suit process Against the law To enrich himself or corporation Making the Country in losses

Source: Central BPKP.

Table 3
BPKP Assistance Delegated to Law Enforcement Officials (APH) from 2005 - 30 September 2013

APH	LHAI		LHPKKN		Expert Explanation		Total
	Report	In Billion	Report	In Billion	Report	Report	
Justice	606	1215	1.909	9.979	2.161	46%	11193.29
Police	628	1.250	1.511	4.444	845	29%	5693.89
KPK	126	991	74	3.761	83	28%	4752.23
Court					3.809	3.809	

Source: Central BPKP.

submitted to the treasury again. In calculating the losses, Accounting has a very important role. The methods are pure methods in Accounting. Thus, calculating the financial losses of the state, they require a special expert that is a very understanding of accounting and understand the sitting of the case last. Besides calculating the loss for the verdict Criminal and compensation, an expert is also required to explain the impact of the case on the economy of the country. The expert, who will later be sent to the court, has to explain the source of the loss and its impact on the country's economy.

Litigation Support in Proof of the Trial

The legal assistance provided by a forensic expert in the trial is the testimony of harm and impact by bringing legal instruments of evidence before him. This will be presented at the hearing. In order for the evidence to be accepted before the law, such evidence shall be pre-established according to law.

Adjustment of Audit Evidence with Legal Proof

Adjustment of evidence is done because of the different logic between the logic of accounting and legal logic. Although the two points of view are different because of the different ways of working, they are basically the evidence that are equally recognizable. Thus, it requires adjustments in accordance

with applicable legislation in Indonesia. Table 2 is the evidence that can be used in the trial verification;

Table 3 has explained that there are 7 types of evidence according to audit standards, whereas according to law there are 5 pieces of evidence under the Criminal Procedure Code 184. The evidence resulting from the forensic audit process is adjusted to the legal evidence which, if proven in the Court, The existence of unlawful acts, enriching themselves or corporations and harming the state's finances. If the customized evidence meets the substance of the evidence in the Court then the evidence is acceptable. Although the legal standards already have their own rules, evidence that may be brought before the Court is not necessarily the fifth evidence according to the law.

The following statement of Mr. "JB" KPK Spokesperson regarding the evidence to be brought to Court;

"The evidence submitted to the Court is at least two valid legal proofs that may be admitted to the evidence in the Court, and has elements against the law by enriching themselves and harming the state's finances"

The statement was also supported by the statement of "NW" Head of BPKP Central Investigation, as follows

"To count the losses of the state there is a lot of strong and probable evidence, but the evidence that can be brought to court may be valid and lawfully adjusted evidence. To reinforce again we also send expert witnesses who know more about the setting matter, who will deliver in the hearing by bringing with them at least two of the evidence. "

Both statements have stated that the minimum of two shreds of evidence can already be used to prove in the Court. However, corruption is an extraordinary crime category. To reinforce the evidence, forensic experts are also required in the hearing

The Sending of an Expert Witness to the Trial

Forensic experts are sent by BPKP in order to make light of a case. Not all investigators can become forensic experts. The forensic expert who can be an expert witness in the trial is one BPKP investigator who is expert in understanding all cases raised, experts in calculating state losses and can explain the impact on the country's economy. The expert's information is the judge's consideration in deciding the case. So the position of an expert witness is important. Thus, for corruption cases, BPKP as a financial forensic expert in Indonesia is always asked for help to become an investigator, calculate state financial losses and become an expert witness who must master both to be brought to court. Table 3 is assistance of BPKP to Law Enforcement Officials from 2005 to 30 September 2013;

From Table 3, it can be illustrated that in the Attorney Office BPKP provides the most assistance to be an expert witness. In the BPKP Police provide the most assistance as a counter to state financial losses, while in KPK BPKP most provide assistance in the field of investigation as an investigator. In addition, BPKP is also asked for assistance by the Court to provide information as an expert. Thus, BPKP as State forensic accountant has an important role in disclosing and handling corruption in Indonesia.

3. RESEARCH METHOD

This study uses the qualitative method with an interpretive approach. Qualitative research is a study done in certain settings that exist in real life (natural) with the intent to investigate and understand the phenomenon: what happened, why happened and how it happened? This qualitative research is based on the concept of "going exploring" involving an in-depth and case-oriented study of a number of single cases or cases (Finlay, 2006). The

main purpose of qualitative research is to make facts easy to understand (understandable). This research was conducted in Law Enforcement and Government Supervisory Institution, which have relevance in this research, such as;

1. Directorate of Economic and Special Criminal Act, Criminal Investigation Unit of POLRI. Jalan Trunojoyo No. 3, Kebayoran Baru, Jakarta 12110.
2. Office of the Corruption Eradication Commission on Jalan HR Rasuna Said Kav C-1, Jakarta 12920.
3. Office of the Financial and Development Supervisory Agency. Jalan Pramuka No, 33, Jakarta.

Method of Data Collection

In this study, the authors used in-depth interview method, participant observation. The in-depth interview is the process of obtaining information for obtaining the required data by way of question and answer while meeting face to face between the researchers and informants without using question and answer guide, where researchers and informants interact and engage in social life. The method of observation is the process of giving meaning to some events that occur with various forms and conditions as a reaction that arises because of a number of interests because it is a subjective interpretation.

Sources and Types of the Data

According to Moleong (2010), the main source of data from qualitative research with the alternative approach is the words and actions. The rest are additions such as documents and others. Sources of data in this study were obtained from Key informants (key information) due to maintaining the ethical clearance rather than the original name of the informant replaced with initials or pseudonyms. Key informants selected in this study are law enforcement officers who serve as investigators of economic and special crime, Crime Board Polri at Jalan Trunojoyo No. 3, Kebayoran Baru, Jakarta,

The investigation was at the Corruption Eradication Commission Office due to strict rules than being represented by a KPK spokesman located the office on Jalan HR. Rasuna Said Kav C-1, Jakarta; and the Investigative Auditor who is a forensic audit expert at the Office of the Financial and Development Supervisory Agency. Jalan Pramuka No, 33, Jakarta. All parties are determined by the authors as actors in this study to conduct a semi-structured in-depth interview process in their respective offices. This was done through the fulfill-

ment of the required interviewing permissions required by the agency where the key informants work. The interview period is done.

4. DATA ANALYSIS AND DISCUSSION

First Finding

In connection with some of the above statements, the author tries to assemble what exactly the problems that exist in forensic accounting in Indonesia. Some information indicates corruption handling. The KPK will cooperate with forensic experts in setting up forensic audits. At the time of handling criminal acts of corruption, the forensic audit is done for seeking deeper financial losses of the state, to know the magnitude of the state losses. If there is new evidence in the field, the evidence may be used by law enforcement officers. The evidence found will be brought to the court at least two legally valid proofs that can be accepted on court evidence.

Second Finding

In connection with the issue of forensic audits on the part of the police, the police forensic audit is only performed by the central BPKP and representatives in the region. If there is a case of corruption, which requires a forensic audit in collaboration with BPKP, it will be delegated to BPKP because the forensic audit is not the authority of the police.

Third Finding

Based on the statements from BPKP above, the authors incorporate forensic audit issues. Some information indicates that BPKP has a forensic accounting. They have a forensic laboratory to support the KPK in handling forensic accounting cases since forensic accounting is longer in the legal process. BPKP only conducts litigation support by sending expert witnesses in the process of handling existing lawsuits.

Forensic audits conducted by BPKP are based solely on complaints from the public. A forensic audit is conducted to collect evidence by the investigation, which is based on accounting as well, by carrying out several mechanisms conducted in the search for evidence and calculated by the PKKN audit (calculation of state financial losses). The calculation is used to determine the amount of money demanded compensation to be carried out by the guilty party. The harmful losses of the state are not limited to the understanding of losses according to the principle of cash. In the collection of evidence to calculate the harm required strong evidence and may be many. For evidence brought to trial may be two valid and lawfully adjusted evidence.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

Forensic Accounting is used to deal with and disclose criminal acts of corruption that can harm the state's finances. The Role of Forensic Accounting in Indonesia, namely;

1. As an investigative tool to collect evidence to be submitted in the Corruption Court. In order for the evidence to be accurate, they then consider the level of fairness and materiality in accordance with the basic principles of accounting, the level of material is determined by using analytical tests.
2. As a tool to calculate the state financial losses. The calculation is done by a different method, according to the source and the deviation pattern.
3. As an expert witness at the Corruption Court

Expert information is needed to make the light of a corruption case and become one of the judges' judgment in deciding corruption cases.

Forensic Accounting is expected to be introduced to Ministries or Government Agencies other than BPKP, KPK, and Polri in the future. Forensic Accounting is no longer merely a tool/method of disclosure but it can be a tool/method of preventing the potential of Corruption Crime from an early stage.

REFERENCES

- Albrecht, 2013, 'Corruption and Political Development: A Cost-benefit Analysis, *American Political Science Review*, Vol. 2 No. 2, June 2013.
- Badan Pengawas Keuangan dan Pembangunan Pusat, *Sumber dan Pola Penghitungan Kerugian Keuangan Negara*, Dokumen Internal, Jakarta.
- Badan Pengawas Keuangan dan Pembangunan Pusat, *Bukti dan Alat Bukti*, Internal Document, Jakarta.
- Badan Pengawas Keuangan dan Pembangunan Pusat, *Mekanisme Bantuan Pemeriksaan Komputer Forensik*, Internal Document, Jakarta.
- Badan Pengawas Keuangan dan Pembangunan Pusat, *Pola Penanganan Kasus/Perkara Bantuan BPKP Kepada Instansi Penyidik*, Internal Document, Jakarta.
- Bashin, 2013, 'Survey of Skills Required by the Forensic Accountants: Evidence from a Developing Country', *International Journal of Contemporary Business Studies*, Vol. 4, No. 2 February.
- Biswas and Hiremarth, 2013, 'Forensic Accounting in Indian Perspective', The 5th International Conference on Financial Criminology (ICFC) 2013 'Global Trends in Financial Crimes in the

- New Economic', <<http://mak.trunojoyo.ac.id>>, viewed 8 March 2014).
- Crumbley, D Larry and Nicholas Apostolou, 2002, 'Forensic Accounting: A New Growth Area in Accounting', *The Ohio CPA Journal*, Vol. July-September: 61, 3.
- Digabriele, James A, 2008, 'An Empirical Investigation of the Relevant Skills of Forensic Accountants', *Journal of Education for Business*, July-August, Yogyakarta: Universitas Gajah Mada.
- Faboyede, et al. 2013, 'The Role of forensic Accountants in Fraud Detection And National Security In Nigeria', *International Journal of Business and Social Science*, No. 17, <http://manager.faa.ro/download/721_1710.pdf>, viewed 7 March 2013.
- Finlay, L 2006, *Going Exploring: The Nature of Qualitative Research*, *Qualitative Research for Allied Health Professionals: Challenging Choices*, Edited by Linda Finlay and Claire Ballinger, New York: John Wiley & Sons Ltd.
- Harris, CK and Brown, AM 2000, 'The Qualities of a Forensic Accountant', *Pennsylvania CPA Journal*, Vol. 71 No. 2.
- Komisi Pemberantasan Korupsi, 2006, *Memahami untuk Membasmi*, Jakarta: KPK.
- Moleong, Lexy, 2010, *Metodologi Penelitian Kualitatif*, Revised Ed., Bandung: Remaja Rosdakarya.
- Otalor and Ofiafoh Eiya, 2013, 'Forensic Accounting as a Tool for Fighting Financial Crime in Nigeria', *Research Journal of Finance and Accounting*, vol. 4 No. 6.
- Shleifer, Andrei and Robert W Vishny, 1993, 'Corruption', *Quarterly of Journal Economy*, Vol. CVIII pp. 598-617.
- Suryanto, Rudy, 2005, 'Akuntansi Forensik dan Pengungkapan Kasus Korupsi di Indonesia, Bahan Diskusi', <<http://rudy.staff.ums.ac.id>>, viewed 8 July 2014.
- Tuanakotta, M Theodorus, 2012, *Akuntansi Forensik dan Audit Investigatif*, Jakarta: Salemba Empat.
- Tuanakotta, M Theodorus, 2013, *Mendeteksi Manipulasi Laporan Keuangan*, Jakarta: Salemba Empat.
- Wilopo, Romanus, 2013, *Etika Profesi Akuntan Kasus-kasus di Indonesia*, Surabaya: STIE Perbanas Press.
- Yadav and Shudir Yadav, 2013, Forensic Accounting A New Dynamic Approach To Investigate fraud Cases, *EXCEL International Journal of Multidisciplinary Management Studies(Online)*, Vol.3 (7), July (2013) ISSN 2249-8834, <<http://zenithresearch.org.in>>, viewed 15 March 2013.