

# The fraud portrait in budget planning by the regional government apparatus

Nova Indriani<sup>1\*</sup>, Moh. Nizarul Alim<sup>2</sup>, Bambang Haryadi<sup>3</sup>

<sup>1,2,3</sup>Trunojoyo University of Madura, Telang Street PO. BOX. 02, Kamal Bangkalan, Jawa Timur, Indonesia

## ARTICLE INFO

### Article history

Received : 3 August 2018

Revised : 29 May 2019

Accepted : 12 June 2019

### JEL Classification:

P37; H72

### Key words:

Budgeting Planning,

Estimate,

Fraud.

### DOI:

10.14414/jebav.v22i1.1374

## ABSTRACT

*This study aims to identify the existence of fraud that appears in the practice of budget preparation. It is a case study conducted in Blue Zone Regional Device by using participant observation method. The informants were the financial managers. The results showed that fraud on budgeting involves all parties ranging from planners, PPTKs, executive staff, and exchequer. Besides that, fraud on budgeting occurs in the form of commitments (fees), separation of funds for non-budgetary activities (pressure), the use of legal gaps that are less effective supervision system (opportunity) and assume reasonable what is done and all the Regional Tools do their jobs (rationalization).*

## ABSTRAK

*Penelitian ini bertujuan untuk mengidentifikasi adanya fraud yang muncul dalam praktik penyusunan anggaran. Penelitian adalah studi kasus di Perangkat Daerah Hijau Daun dengan menggunakan metode participant observation. Informan adalah para pengelola keuangan. Hasil penelitian ini menunjukkan bahwa fraud pada penyusunan anggaran melibatkan semua pihak mulai dari perencana, PPTK, staf pelaksana dan bendahara. Fraud pada penyusunan anggaran terjadi berupa komitmen (fee), pemisahan dana untuk kegiatan non budgeter (tekanan), pemanfaatan celah hukum yang kurang efektif sistem pengawasannya (kesempatan) serta menganggap wajar apa yang dilakukan serta semua Perangkat Daerah melakukan hal yang serupa (rasionalisasi).*

## 1. INTRODUCTION

It has been since the existence of regional autonomy, many problems have arisen in the regional finance management. It is due to the unpreparedness of the regional government in implementing Law No. 23 of 2014. The rise of corruption cases in the regions is also due to regional autonomy. The aim of regional autonomy is to provide flexibility to the regions for managing the regions based on their own potential and interests. However, the reality happening right now actually triggers present serious problems. The power possessed by the regions causes mismanagement of financial management, according to data released by the Ministry of Home Affairs, until December 2014 there were around 343 regional heads involved in corruption cases (Kompas Daily, 2015).

Most corruption cases in regional financial management are budgeting, procurement of goods and services, regional taxes and levies,

grants and social expenditures, and official travel expenses. One example of a corruption case in regional financial management is that carried out by the former Banten governor Ratu Atut Chosiyah who was sentenced to 5 years and 6 months in prison. It was proved that she had committed corruption by arranging the budgeting process for the procurement of Banten medical equipment. 79 billion (Detik.com News, 2017).

Another case also happened to Jambi Governor Zumi Zola who had been named as a suspect for alleged bribery in the design of the Jambi Province Regional Budget Plan (RAPBD) in the 2018 budget year. The Provincial Government had prepared Rp. 6 billion for Jambi DPRD (house of representatives) members (Indonesian CNN News, 2018).

Poor planning and budgeting and not based on the principles of regional financial management have the potential for corruption

\* Corresponding author, email address: <sup>1</sup>novaindriani87@gmail.com

and fraud in the APBD. Research by Setiawan et al (2013), Ri-harjo & Isnadi (2009) and Halim and Abdul-lah (2006) show that financial management savings starts from budgeting by proposing non-priority activities.

Pariury and Adi (2010) argued that the budgeting process could not be separated from the political interests of the relevant parties, namely the executive and legislative parties. Abdullah and Asmara (2007) found that opportunistic behavior in budgeting did not only occur in the initial APBD (Regional Income Budget) preparation period but also during budget revisions or changes. Budget changes can occur due to political, economic, social reasons, changes in regulations, and policies of the central government. The reality is that if the budget is structured as a political tool, its preparation tends to be in fraudulence and not based on priority scale. (Arfian-syah, 2015).

Changes in the budgeting process are permitted to be carried out but may not hinder the operations of the agency. Aristiowati (2015) mentioned that there are two choices for the implementation of activities, first, the activities are carried out waiting until the changes are finished or the second option, the activities continue but the accountability is postponed until the changes are complete. Too often making changes indicates that the preparation of the budget in the Regional apparatus is not good enough.

In budgeting, it involves the executive and technical implementation officers (PPTK) and the authorities of budget users (KPA) as financial managers both directly and indirectly in regional government apparatus in the process perceiving budgeting, the needs, and desires of each individual or group differently (Aristiowati, 2015). This difference in perception can cause financial managers to become perpetrators of fraud.

The reasons for the possibility of fraud and corruption in the regional budget preparation can be such as low levels of competency and motivation of financial managers, conditional and situational factors. These factors are such as limited time to implement Regional Work Budget Plans (RKA), and the absence of standards or formats for filling out the regional apparatus' RKA. The purpose of this study was to identify indications of fraud that arose in the preparation of regional budgets.

## **2. THEORETICAL FRAMEWORK AND HYPOTHESES**

### **Budget**

Law number 17 of 2003 budget is defined as a tool of accountability, management and economic policy. Public sector budget is financial planning dealing with estimating the expenditure and revenues, expected to occur in the future. This can be done by looking at data obtained from the past as a reference for budgeting.

Development planning and budgeting are interrelated and must be balanced. As a management tool, planning must be a strategic guide in realizing the goals to be achieved. Both are two things that are very necessary to manage regional development efficiently and effectively. Good results will be achieved if the two are given balanced attention; budgeting does not dictate the planning process and instead planning needs to consider the availability of funds (Ministry of Finance of the Republic of Indonesia, 2010).

### **Regional Finance Management**

Regional Financial Management is all the activities which include planning, implementin, administering, reporting the regional financial accountability and supervision. Article 4 paragraph 1 Ministry Regulation Number 13 of 2006 concerning Regional Financial Management affirms that the regional finance management is orderly, obedient to regulations, effective, efficient, economical, transparent and responsible with due regard to the principle of justice, compliance and expediency for society.

The budgeting process begins with drafting General Budget Policy (KUA) and the temporary priority and ceiling budget document (PPAS). Both documents are discussed with the legislature to produce a memorandum of understanding. Based on the memorandum of understanding, the Regional Head submitted a circular letter containing the draft of regional budget plan (RKA) which was then followed up by the regional apparatus by preparing the RKA.

RKA-PD contains an income plan and expenditure plan for each program and activity, as well as a costing plan for the planned year detailed up to the details of the object of income, expenditure, and financing as well as advanced estimates for the following year. RKA-PD contains information about regional government affairs, organizations, standard costs, work performance to be achieved

including indicators, performance benchmarks and performance targets of programs and activities. These indicators include inputs, outputs and results. Performance benchmarks are a measure of work performance to be achieved from the original state by considering the quality, quantity, efficiency and effectiveness of the implementation of each program and activity.

### **Fraud Theory**

The Association of Certified Fraud Examiners (ACFE) in Tuanakotta (2010) classified fraud into three categories, namely Asset Misappropriation, Fraudulent Statement, and Corruption. Asset deviations include the use or theft of assets or the company's assets or other parties. Fraudulent statement is a fraud committed by the management in financial statements that can make investors and creditors get the lost. Corruption can be in the form of bribery, use of authority, conflict of interest. Unlike assets that are easily detected, as they can be calculated, corruption is actually a fraud that is difficult to detect because it involves many parties who work together to enjoy benefits.

One of the well-known theories of fraud motivation is the Fraud Triangle, which is the three conditions behind a fraudster doing fraud. These three conditions include pressure, opportunity, and rationalization (Singleton and Single-ton, 2010: 44).

According to Setiawan, et al (2013), the power factor causes people to commit fraud simultaneously. Power is defined as someone's ability to invite other people to commit fraud. Power consists of: (1) reward power that is the ability of the fraud perpetrator to convince other parties to be involved in the action, (2) coercive power which is the ability of fraud perpetrators to use penalties to force other parties to participate, (3) perceived expert power meaning the ability of the fraud perpetrator to influence other parties because of their expertise, (4) legitimate power that is the ability of fraud perpetrators to use the legitimacy possessed by other parties to be involved, and (5) referent power that is the use of colleagues to convince fraudsters to rationalize their actions.

In the drafting process of the regional budget, the power factor is certainly considering the budgeting process which involves many parties. They are KPA, PPTK, and the aparatures. All these three also have

different backgrounds and perceptions so that they also have different pressure, opportunity and rationalization.

### **3. RESEARCH METHOD**

This is a qualitative research. Creswell (2009) defines qualitative research as a tool for discussion, or a meand of exploring and understanding the meaning of individuals or groups that meet social or human relationships to obtain an in-depth description of something of a symptom.

It is also a cse study, using the participant observation method. The reason to choose this method is that the researchers want to focus on one problem, namely the preparation of the aparatus' regional budget plan (rka). The choice of this method is because the informants who will become the object of research vary, from their both educational background, knowledge, position in the organizational structure, responsibilities and functions in the preparation of the regional government apparatus' budget plan. The data were collected by a direct interview with the informants. Interviews were also carried out using a stuctrued and informal manner in various situations. The interview process was carried out continuously, depending on the situation and conditions. By doing so, the informant feels comfortable and can provide complete information.

### **4. DATA ANALYSIS AND DISCUSSION**

Based on observation, the budgeting activities of the aparatus *daerah hijau daun* were divided into 2 stages. The first stage is the pre rka preparation and the second stage is the rka preparation. Rka is an improvement from the pre rka that had been prepared. The rka preparation at the daerah hijau daun aparatus was carried out by the head of regional aparatus assisted by the budget planner, pptk, expenditure treasurer, and the staff who helped PPTK.

The Pre RKA and RKA were compelted after there was a Circular Letter from the Head of the Region concerning the pre RKA and RKA preparation by the regional aparatus. In the circular letter, there is no nominal limit for the budget, but there is a deadline for preparation. Doni the RKA operator said:

*"My plan is only to give a global budget per activity, whatever account details I don't know, the important thing is that everything is right and done on time".*

Deni as a senior operator is also almost the same when asked about the RKA preparation process:

The process of compiling the RKA has been going on for a long time, the important thing is to submit it first, and this is only a proposal and not necessarily agreed. They just want to know what activities are being proposed. When you can budget the maximum, who knows if it is agreed. "

Based on the explanation given by Doni and Deni, the pre-RKA drafting process is generally the same, namely the existence of too limited time and a pressure to make many regional apparatus compile the RKA in an "inconsequential" manner. By being "inconsequential" it means that it is to compile activities with a high ceiling with 1 (one) or more details of the nominal expenditure with a nominal that is still global (better known as log).

Both the above statements suggest that, in the preparation of the budget, it seems that it is in a hurry because it is being chased by the time and not they didn't pay attention to the contents. The priority is to send the RKA proposal on time without paying attention to the clear contents. This finding corroborates Halim and Abdullah's research results which show that financial management deviations begin with budgeting by proposing activities that are not priorities.

Doni and Deni both feel they had an external pressure in the form of a very limited time pressure in the RKA preparation. This makes them compile RKA carelessly. This finding is in line with Albrecht's findings stating financial factors, certain conditions, and external pressure can also trigger the apparatus get pressed. This is also in accordance with the theory of fraud triangle, that one of the factors causing fraud is pressure.

The deadline for the preparation of the Pre RKA and RKA for direct shopping activities is very short. This has led to the preparation of activities on the *Daerah Hijau Daun* apparatus tend to be the same from year to year. The planners of PPTK are based on the previous year's budget and they had made little changes. Rani said:

*"Just the same as that of the last year, complicated, still to the relevant agencies and other teams. Not to mention later the findings of the regional Office, wasteful budgets, inefficient and others."*

It is the same as stated by Roni:

*"the activities have just operated, we are requested to propose again. If so, just make the proposal the same as last year, make the same budget, if not enough, just reduce the frequency, number of the people, or the days. Make also the others just the same, or try to manipulate it to make safe and comfortable, not to make it complicated in the end."*

The complexity of the bureaucratic process has made PPTKs reluctant to innovate and tend to be bogged down and thus, they do not change their activities every year. If there are changes or additions to the activities, they must coordinate in advance with the authorized agencies that handle the preparation of the budget and with other budget teams. The complicated and long-time coordination process that Roni acknowledged was complicated. This finding reinforces the finding of Abdullah (2009) that one form of budgeting problems is prioritization that is not in accordance with public preferences.

The budget planners of PPTK was done with Treasurer and staff who help PPTK plan the spending account details at each activity. What is meant by planning here is that they deliberately choose the details of an easy to account (SPJ) spending account.

The details of the spending account are overtime, stationary, copying, spending for materials or training materials (such as bags, block notes, etc.). Stationary and multiplication are better known as general cost. The amount is less than 15% of the total ceiling for each budget. The allocation of the general budget to each activity raises based on the crucial problem because there are activities that specifically deal with office operations and the greater budget.

Thus, it is also the same as said by Rika that the general costs has been available since a long time ago:

*"Since long ago, the general cost has been provided, but the name for it was administration project cost, the total was about 5 to 15% from the total budget ceiling of those activities, it was recommended by verification teams of RKA".*

The excessive budgeting is often encountered in the process of preparing the pre RKA and RKA. This means that budgeting details of spending accounts are not important. For example, meetings are done more than needed, but the guests are regularly budgeted even though in reality their number cannot be predicted every month. It can also increase the

number of days, the number of participants in the ournumber of meetings, stationary, and excessive amount by doubling. Safa (the staff who helped PPTK) said:

*"The meals and drinks for meetings are intentionally made excessive because the number includes the participants plus the committee. Along time ago, we could get activity honorarium, but the present regulation does not allow it. So, it is a pity for the committee if in that way."*

In the budgeting process, the planning of activities that is made for those activities above causes inefficiency. The the quantity in each spending account details is adjusted to the available budget.

Also, a mark up price is also found in the budgeting process. The price stated on the RKA is the standard price of goods that have been compiled in book form and applied to the system of finance. The price standard prepared have been determined through the Regent Regulations. The price stated in the standard price book and the efficiency system is the price of goods that have added taxes, both VAT, Income Tax and a profit of 10%. This is done to accommodate activities that are on the third side or contracted. This finding is also related to that of Asmara (2010) stating that in the budgeting process, government agencies tend to inflate the mark up which makes the budget allocation higher than they should.

Overall the practice of fraud in the RKA preparation is manipulating the figure both in quality and quantity. Quality and quantity follow the available budget, not based on their needs. This is not in accordance with Minister Regulation Number 13 of 2006 as amended by Ministry Number 21 Year 2011 article 4 paragraph 1. It is stated that regional financial management is carried out in an orderly, law-abiding, effective, efficient, economical, transparent, responsible manner with regard to the principle justice, compliance and benefit for the community.

This figure manipulation was carried out jointly by the budget planners, PPTK, assisted by their staff in implementing the activities, and involving the treasurer. The involvement of the treasurer in the RKA drafting process is considered quite important in order to facilitate the implementation process. Fraud at the stage of budgeting is carried out systemically and it involves various interrelated elements. Albrecht, et.al. (2009) suggested that in many cases fraud was carried out jointly. Fraud will

occur if all elements carry out their roles and work simultanously.

In the budgeting process (RKA), the interests of the parties involved, namely the executive and the legislature, cannot be separated. The RKA that has been completed will be the draft regional government budget (APBD) which will be discussed in commission meetings or factions in the legislature (DPRD). When this discussion occurred, there was a tug of interest between the two parties (better known as a hearing).

The hearing is that between the legislative and executive hearings. In the hearing, the Regional Apparatus must maintain their programs and activities that have been compiled in the RKA. Hearing should be a means for the legislature to question the performance of the executive, instead it becomes a media to convey the legislatures' commitment to the executive. Each Regional apparatus explains what programs and activities are in the RKA. As explained by Rina:

*"In the hearing, we have to explain in details, telling about what programs and activities we arrange, how much budget we need for it, and for what else. If not clear, they will think our programs are not real and not necessary. Finally, thour budget will be reduced or remains the same with high commitment."*

This commitment is defined as an agreement or agreement on the budget ceiling that has been given to the regional apparatus. The amount depends on the agreement between the two parties. Roni said:

If our head agrees with that commitment, then how do we fulfill our obligation not to conduct an investigation".

Roni's statement implies that he was actually forced to plan several details of a shopping account to cover the fee demands. Fee is called commitment. Fee can be said as an unwritten and non-budgetary obligation, meaning that this is only an agreement.

In fulfilling this commitment, Roni kept thinking of security by choosing spending accounts related to the activities. He deliberately chose a safe and reasonable account to provide. This means that he keeps the principle of prudence.

In addition to such commitment, there are also other factors, namely the existence of non-budgetary funds. The existence of non-budgetary funds is used when there are unexpected activities. This activity can be such

as a contribution to the panoramic print media, donations for participation in anniversaries, other holidays or the handover of certain official positions. Roni continued saying that:

*"If there is someone asking a donation, we cannot see how to give it, because that donation fund cannot be stated in the job activity. So, we must be clever how to allocate it but not stated in the no-budgetary plan."*

Isa (the spending treasurer) also stated like confirming above statement:

*"If there is donation request, do we have to use our private money? Therefore, we have to take it from the non-budgetary fund; we cannot manipulate the job contract statement. If we do it, we will be condemned"*.

Some activities are not included in the RKA. They are manipulating the spending budget account in preparing the budget, in addition to fulfilling the request for donations, also to cover additional works. No matter how good the plan is in budgeting, there is nothing to deal with the unexpected things. Therefore, both Roni, Rina, and the other PPTK officials are trying to plan some spending records to deal with these unexpected things.

The pressure experienced by financial managers at the *Daerah Hijau Daun* apparatus generally comes from outside (external), both from the leadership, colleagues, and unexpected conditions.

All the rules are used as the guidelines for doing their work. They are made by competent parties for mutual interest. Sometimes, the rules made are not in accordance with reality. For example, Deni assesses the Regent's regulation on the standard price of goods and services as a price tagged up. Deni said:

*"The standard price in our system benefits has a quite a lot different, it can be used to cover fees, it can also be saved, basically, it can be for incidental activities"*.

Deni's statement above shows that he uses the opportunities. A standard price that exceeds the real market price provides an opportunity for him to insert it in the non-budgetary funds.

The examples of prices, which, according to Deni, exceed the real price, are the difference in stationary prices. The price of 1 ream of paper HVS World Rays 70 grams is Rp. 48,100, - while the real price of the paper is only Rp. 38,000, -. This also applies to other stationary such as pens, maps, and others.

The second example is the procurement of laptops for office operations. Even though

the purchase uses an online method, they will get a cashback (purchase discount) from the shop. The price standard is made as a guideline for maximum value in the Regional Apparatus. However, the financial manager thinks that it is to absorb the 100% budget. The rationalization considers fraud as an acceptable statement, carried out by everyone and is still within reasonable limits. This feeling arises as a manifestation of self-defense as expressed by Safa:

*"All are for the instances, the leaders, donation fund and other unexpected things. If we don't do it, we will be said wrong. If the plans are not matched with the execution, we will angrily scolded. So, it is bothersome"*.

Safa thinks that what she did (fraud) is not on personal desires but due to the outside pressure. As a subordinate, she feels like a dilemma, budgeted wrongly. When she did not do it, she would still also be said guilty.

The same thing as Ani stated:

*"All the regional apparatus certainly budget their meetings, no matter the job statement is, in fact the budget plans are not 100 percent true. The proof is that when meeting held, the list of the attendants are so many"*.

Ani's statement above implies that not only the *Daerah Hijau Daun* apparatus committed fraud (planning the budgeted meetings excessively), other Regional apparatus also did the same. He argued that the act of asking for many signatures was part of fraud. Normally, one meeting must be provided with only one list of attendants. This is considered normal yet, there were no participants in the meeting protested such act and considered it an activity of they all the same to do it as a normal way.

## 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

It can be inferred that the apparatus of *Daerah Hijau Daun* have practiced fraud in budgeting. The practice is done by manipulating the figures in the spending budget records. It is done by such as being easily to do the fraud in both quality and quantity. This fraud practice is carried out by the budget planners, PPTK, their staff, and treasurers simultaneously.

The deadline for budgeting and the complexity of the bureaucratic process make the budget planners and PPTKs reluctant to innovate. Thus, they tend to be bogged down and they do not make any changes of that act. In such instances, fraud in budgeting occurs due to pressure in the form of money getting (fees)

and separating the funds for non-budgetary activities. The fraudsters take advantage of the existing constraints in the form of legal or regulatory loopholes and the lack of effective supervision systems. All these make them carry out their bad actions. They rationalize with the assumption that what they do is still within reasonable limits and all regional apparatus do the same thing. Therefore, the guilt they experience rises.

There are some limitations in this study. This includes limited access to have interview with the head whose authority for the whole regional apparatus (KPA). For further research, the researchers should add the informants e.g., the head of the regional apparatus (KPA) in order they can get the important explanation and more details about it.

The KPA are the highest level for the whole government apparatus there. The government internal inspectors (APIP) are important because they have the high roles also in this matter. All the controllers in the *Daerah Hijau Daun* should also be interviewed for getting more references.

## REFERSENCES

- Abdullah, Syukriy dan Jhon Andra Asmara. (2007). Perilaku Oportunistik Legislatif dalam Penganggaran Daerah : Bukti Empiris Atas Aplikasi Agency di sektor Publik, *Jurnal Riset Akuntansi Indonesia* 10 (1).
- Abdullah, Sukriy. 2009. Penelitian APBD: Pengantar untuk Agency Theory.
- Albrecht, W. Steve. (2009). *Fraud Examination, Fourth Edition*. Ohio: Cengage Learning.
- Albrecht, Albrecht, Albrecht, Zimbelman. (2012). *Fraud Examination. South Western*.
- Arfiansyah, Sulton. (2015). Dominasi Peran Politik Anggaran Dalam Pembangunan dan Kemandirian Daerah
- Aristiowati, Ika. (2015). Evaluasi Penganggaran dan Pelaksanaan Anggaran Organisasi Sektor Publik (Studi Pada Lembaga Ilmu Pengetahuan Indonesia) Tesis pada Program Magister Akuntansi
- Asmara, Jhon Andra. (2010). Analisis Perubahan Alokasi Belanja Dalam Anggaran Pendapatan dan Belanja Daerah (APBA) Provinsi Nanggroe Aceh Darussalam. *Jurnal Telaah & Riset Akuntansi* Vol. 3. No. 2
- Badan Pemeriksa Keuangan Republik Indonesia, (2015), Hasil Pemeriksaan Atas Laporan Keuangan Pemerintah Pelangi Tahun Anggaran 2014
- Basri, Ramlah. (2013). Analisis Penyusunan Anggaran dan Laporan Realisasi Anggaran Pada BPM-PD Provinsi Sulawesi Utara. *Jurnal EMBA* Vol. 1 No. 4
- Bastian, Indra. (2006). Sistem Perencanaan dan Penganggaran Pemerintah Daerah di Indonesia. Jakarta : Salemba Empat.
- Cresswell, J.W, (2009). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*, Sage Publication, USA.
- Cresswell, John W. (1998). *Qualitative Inquiry and Research Design: Chosing Among Five Tradition*. London. Sage Publications.
- Halim, Abdul & Syukriy Abdullah. (2006). Hubungan dan Masalah Keagenan di Pemerintahan Daerah: sebuah peluang penelitian anggaran dan akuntansi. *Jurnal Akuntansi Pemerintah* 2(1): 53-64.
- <https://news.detik.com/berita/d-3567351/terbukti-korupsi-alkes-ratu-atut-divonis-55-tahun-penjara>
- <https://www.cnnindonesia.com/nasional/20180201110315-12-273112/jejak-zumi-zola-dalam-kasus-suap-rapbd-jambi-2018>
- Keputusan Menteri Dalam Negeri Nomor 29 tahun 2002 tentang Pedoman Pengurusan, Pertanggungjawaban dan Pengawasan Keuangan Daerah serta Tata Cara Penyusunan Anggaran Pendapatan dan Belanja Daerah, Pelaksanaan Tata Usaha Keuangan Daerah dan Penyusunan Perhitungan Anggaran Pendapatan dan Belanja Daerah, Dirjen OTDA DEP DAGRI, Jakarta, 2002
- Lupia, Arthur & Mathew McCubbins. (2000). Representation or abdication? How citizens use instutions to help delegation succeed. *European Journal of Political Research* 37:291-307.
- Martinez-Vazquez, Jorge, F. Javier Arze, and Jameson Boex. (2004). *Corruption, Fiscal Policy and Fiscal Management. Working Paper*, Georgia State University.

- Moleong, L, J. (2004). *Metodologi Penelitian Kualitatif*, PT. Remaja Rosdakarya, Bandung.
- Pariury, Gabrielle Issabelle O dan Priyo Hari Adi. (2010). Political Interest Legislatif Dalam Pengalokasian Anggaran Daerah Pada Sektor Pekerjaan Umum (Studi Pada Pemerintah Provinsi Maluku).
- Peraturan Menteri Dalam Negeri Nomor 13 Tahun 2006 tentang Pedoman Pengelolaan Keuangan Daerah
- Peraturan Menteri Keuangan Nomor 143.02 Tahun 2015 tentang Petunjuk Penyusunan dan Penelaahan Rencana Kerja dan Anggaran Kementerian Negara/Lembaga
- Pusdiklatwas BPKP. 2008. Fraud Auditing. Modul disampaikan pada Diklat Sertifikasi JFA Tingkat Perjenjangan Auditor Ketua Tim, Edisi Revisi Ke-5, Bogor, Jawa Barat, Desember 2008, ISBN 979-3873-09-4.
- Putera, Prakoso Bhairawa. 2012. Analisa Korupsi di Daerah: Salah Jalan Penyelenggaraan Administrasi Daerah. *Jurnal Borneo Administrator*. Volume 8 Nomor 2.
- Ratmono, 2014. Dapatkah Teori Fraud Triangle Menjelaskan dalam Laporan Keuangan. *Jurnal SNA* 17
- Republik Indonesia, Undang-Undang No.23 tahun 2014 tentang Pemerintahan Daerah.
- Republik Indonesia, Undang-Undang No.33 tahun 2004 tentang Perimbangan Keuangan antara Pemerintah Pusat dan Daerah.
- Setiawan, Achdiar Redy; Gugus Irianto dan M. Achsin. 2013. *System-Driven (Un) Fraud: Tafsir Aparatur terhadap "Sisi Gelap" Pengelolaan Keuangan Daerah*. *Jurnal Akuntansi Multiparadigma* Volume 4 Nomor 1 Halaman 1-164.
- Sholihah, Siti. 2016. Memotret Pola dan Penanganan Fraud Pada Rincian Objek Belanja Yang Menjadi Temuan BPK.
- Singleton, T. dan A. Singleton. (2010). *Fraud Auditing and Forensic Accounting*, John Wiley & Sons, USA.
- Tuanakota, Theodorus M. (2010). *Akuntansi Forensik dan Audit Investigatif edisi 2*. Jakarta: Salemba empat .
- Wolfe, Dafid T., Dana R. Hermanson. (2004) The Fraud Diamond : Considering the four elements of fraud. *The CPA Journal*, 38-42.