Fraud Prevention: The Forensic Auditors' Knowledge and Religiosity Perspectives

* PUPUNG PURNAMASARI

* Universitas Islam Bandung, Bandung, Indonesia
Correspondance author: pupung.unisba@gmail.com *

A b s t r a c t

The research aims to get empirical evidence on how to handle corruption. Indonesia became the most corrupt country in Asia with a score of 9.07 out of 10. This research is vital because fraud in the government sector (corruption), has occurred systematically, and widely, and has affected the whole lifeline of Indonesian society. The analysis tool that is used is the structural equation modeling with Partial Least Square (PLS) approach. The respondents were professionals (forensic auditors in Indonesia's Financial and Development Supervisory Agency/BPKP). The sample in this research is 65 auditors. The results showed that there is a positive and significant influence on the knowledge of forensic auditor and fraud prevention; religiosity with fraud prevention; the knowledge of forensic auditor with religiosity; and auditor's knowledge through religiosity significantly positively give influence fraud prevention. This study provided a significant impact in preventing of fraud not only by relying on external human supervision, but it needs to internalize the values of religiosity for auditors who always follow the rules at work. Therefore, it will reduce any unethical behaviors that not following the rules. The limitation of this research the sample size is limited to Indonesia, with only internal government auditors and generalizations cannot be made.

Keywords: Knowledge; Forensic audito; Religiosity; Fraud

Introduction

As a developing country, Indonesia has human resources, abundant natural resources, and a friendly and with Indonesian society atmosphere. Although they already have adequate resources, the level of economic development is hampered, the welfare of the community is threatened, facilities and infrastructure are inadequate, and the development of human resources is less than the maximum. These delays are related to the high level of fraud and Indonesian corruption that occurred in our beloved country. Corruption practices have made Indonesia famous as the most cocorruptountry in Asia. This research is vital because fraud in the sector of government (corruption), has occurred systemically, is despread, and has penetrated the whole lifeline in depth (deep-rooted). Some consequences must be taken as a result of the fraud, such as a high unemployment rate, lack of power sources poor infrastructure, unmaintained roads, water supply disruption, insufficient hospital facilities, and other social consequences (Lamorde,2012). To prevent corruption, it is necessary to create to

public accountability and good governance. The government passed Law No. 30 of 2002 on the Corruption Eradication Commission (KPK Law), and a further step towards the enactment of Law no. 31 the year 1999 concerning the Eradication of Corruption. Also, the government issued Presidential Instruction No. 5 of 2004 concerning Accelerating Eradication of Corruption where Governments both at the capital and in the regions provide excellent, accountable, and transparent public services. However, what actually happened was that fraud in the public sector continues to increase. This situation indicated by data that published by Indonesia Corruption Watch, in 2016 stated that there were 482 cases were corruption with the number of suspects of 1,101 and the value of losses in the state responsibility of Rp.1,47 Trillion (Alamsyah, 2018).

The term fraud has not been widely known in Indonesia. The term corruption is more familiar to Indonesians than fraud. Although fraud has a broader scope of corruption, even crime can be considered as part of fraud itself. Therefore, the Indonesian people always made assumptions; any incident happens that harms the country; it means there has been limited corruption (Alamsyah, 2018). Manifestations of fraud have become commonplace, even almost in the daily behavior of business actors and officials from the highest to the lowest levels to make bussiness smooth.

Research conducted by (Krstić, 2009) on the role of forensic accountants in contemporary conditions is fundamental. Forensic accountants can assist lawyers, courts, regulators, and institutions in investigating financial fraud. This investigation can be performed by applying accounting principles, skills, and investigative audit procedures to solve specific legal problems. Therefore, to be able to complete the audit work efficiently, and make accountable investigative reports, forensic accountants are required to have sufficient knowledge and must have skills in accounting and auditing. In empirical studies, many factors can be used to deal with the eradication of corruption, but few studies that explore. In this study, religiosity is hypothesized to influence the relationship between forensic auditor knowledge and the prevention of fraud. If the value of religiosity is high, the culture of forensic auditors owned by BPKP auditors will decrease the fraud action in the government sector. The word corruption comes from the Latin phrase corrupt us which means the change from the initial conditions of a fair, right, and honest to the opposite state (Azhar, 2003). Corruption is also interpreted as an act that harms others (Anwar, 2006). The risk of a good name and lifestyle is at stake when the actors involved are proven to be corrupted. Corruption can be classified into four types, namely (Purba, 2015): (1) Conflict of Interest; when an employee/manager has a personal economic interest in a transaction that is contrary to the interests of the company/organization; (2) Unauthorized/Illegal Gratuity; giving something to someone accompanied by an intention to influence it when making individual decisions; (3) Bribery; bidding, giving promises to certain employees/officials that aim to change the activities of these employees to do/not do something in accordance with the interests of the promising party; (4) Economic Extortion; the buyer from the company/organization asks the supplier to pay a certain amount so that the decision taken can benefit the supplier.

There are five methods for suppressing opportunities for cheating: (1) Having good internal control; (2) Avoid even prohibiting cooperation between employees and customers or suppliers, and provide clear information to suppliers or outsiders regarding the prohibition; (3) Supervise employees and provide complaints channels for anonymized information; (4) Make punishment expectations, and conduct proactive auditing stages.

Forensic accounting applies not only the concept of accounting and auditing, but also economics, business, law, and procedure to the problem at issue (Rezaee & Burton, 1997). According to (O. Popoola, Che-Ahmad, & Samsudin, 2013) forensic accounting is often equated with fraud examination or fraud auditing. Having knowledge and skills related to ability in accounting, audit, legal, and investigative techniques is a necessity possessed by forensic accounting (DiGabriele, 2009). This means, despite the main capabilities of forensic accounting related aspects of the financial investigation, forensic accounting officer must have expertise and experience in the investigation field, such as skills in conducting the interrogation, legal knowledge, and rules related to evidence, investigative skills, and interpersonal skills.

The benefits for accountants who do forensic accounting work are as follow (Zabihollah, Gerald, & Thomas, 1992): (1) Increasing the income and payments high rewards. This situation happens because forensic accounting is still a small field compared to other accounting fields. The demand for forensic accounting services is significant, so that forensic accountants are rewarded with high rates; (2) Besides being exciting and challenging, forensic accounting practices must continue to develop themselves by participating in training that can improve skills, such as innovation, creativity, and imagination.

Forensic accounting is accurate (suitable) accounting for legal purposes. Which means forensic accounting can be used as a basis for proof of legal cases during court proceedings, or in a judicial or administrative review process (Crumbley, Heitger, & Smith, 2007). According to (Singleton & Singleton, 2010), forensic accounting is a more in-depth audit with accountants who are experienced in different financial investigation processes including how to interview people (suspects) effectively, make effective reports for clients and the court, and how to give expert testimony in court. In the last 100 years, audit practices had run at reasonable standards, where auditors must finding a fraud in the companies they audit (Coenen, 2006). According to (DiGabriele, 2009, Cheney, 2005; Coenen, 2006)), the public does not understand the nature and limitations of audits of the accounting profession. Accounting professions respond by codifying additional audit standards with innuendo to find fraud (Arens & Elder, 2006; Coenen, 2006; Zhang, Zhou, & Zhou, 2007). There was a significant expectation gaps among what is believed by several auditor stakeholders, or what the auditor must do in detecting fraud and what the auditor can do regarding the price to be paid by the company or investor (Bloom & Myring, 2008). Auditors need to have knowledge that adds up to forensic accounting skills for future audits (AICPA, 2004). According to (Tuanakotta, 2010), a forensic accountant in conducting an investigation must have basic abilities and analysis. In the situation to solve the changing of audit markets, Arens & Elder (2006) state that audit education today must include material that adds forensic accounting skills. One method is to provide good training for auditors, where this training is expected to help auditors to be able to identifying fraud risks and how to dealing with this risks correctly (AICPA, 2004; Arens & Elder, 2006). The change in the paradigm makes the auditor feel the need to get an education (Cheney, 2005). However, there is no comprehensive, organized plan that shows the program for auditors to get additional education.

A person who has religious beliefs will be related to the cognitive aspect, which provides a basis for his knowledge to be able to controling and justifying our attitudes and behavior (Foxall, Goldsmith, & Brown, 1998). The influence of religiosity is the dominant factor in shaping the attitudes and behavior of individuals towards material goods and services (Shyan Fam, Waller, & Zafer Erdogan, 2004). Religion acts as a foundation stone in which people build their attitudes and behaviors (Essoo & Dibb, 2004). Religiosity is the quality of life and attitude of a person based on religious values that became his belief (Purnamasari & Amaliah, 2015). Religiosity emphasizes more on the substance of liberal religious values and tends to turn away from religious formalities (Ghozali & Latan, 2015). Therefore, a good religion will bring each to have a healthy soul and form a strong and balanced personality.

According to Mukhtar & Mohsin Butt (2012); in most Moslem countries the role of religion is not only a matter of religious commitment but also in accordance with the State of Law. The law governing the behavior of a Muslim in determining halal (what is permissible) and haram (what is not permitted) is governed by the philosophy of Al Quran for those who believe (Eliasi & Dwyer, 2002). However, it is understandable that religion does not have the same effect on two individuals. Religiosity can be interpreted as a person's behavior that is not only based on the time to perform rituals of worship such as praying, fasting and so forth but other activities that are done for seeking God's blessings, whether it is seen by naked eye or not. As stated by Ancok, Suroso, & Ardani (2000). Religiosity has a function as a significant diversity encompasses various facets or dimensions which not only occurs when a person performs a ritual (ritual) behavior but also performs another activity driven by supernatural powers. Model other religious models of tri-component (cognitive, behavioral, experimental), according to Mukhtar & Mohsin Butt (2012).

Religiosity consists of five dimensions as follow Glock & Stark (1965): (1) The dimension of ideology, namely the degree to which someone accepts dogmatic things in his religion. For example, the belief in the attributes of God, the existence of angels, heaven, and hell; (2) The ritual dimension, namely the degree to which a person performs ritual obligations in his religion; (3) Dimensions of experience, namely feelings or religious experiences that have been experienced and felt; (4) The dimensions of consequences, namely dimensions that measure the extent to which a person's behavior is motivated by religious teachings in social life; (5) The intellectual dimension, namely how far someone's knowledge of the teachings of his religion, especially those in the scriptures (Al-Quran).

The forensic auditor applies basic knowledge as well as specialized knowledge in detecting fraud, fraud prevention and structural improvements to gather information, analyze, investigate, report and communicate financial reports in order to improve the quality of future judgments or solve legal problems (O. M. J. Popoola, 2014). Without adequate knowledge acts auditors cannot properly detecting fraud (Wuerges, 2011). The skills of forensic acts are outstanding skills and techniques developed to detect evidence of fraud (Davis, Farrell, & Ogilby, 2010; Digabriele, 2008). Those skills

are needed to collect and evaluate evidence of financial statements, all parties have been interviewed related to alleged frauds situations, and serve as experts witnesses in the cases of fraud (Bologna & Lindquist, 1995; Hopwood, Leiner, & Young, 2011; Rosen, 2006; Singleton & Singleton, 2010). Wells (2005) shows that workers aren't trained in detecting felonious fraud with advanced technology, prompting the high demand for forensic accountants who have knowledge of fraud. It is hypothesized that:

H1: Knowledge of Forensic Auditor has a positive and significant impact on fraud prevention

In addition to knowledge, an auditor needs spiritual values as a counterweight and alignment between emotions, feelings, and the brain. These spiritual values can be in the form of religiosity. Religiosity is a character, and a person's behavior is based on the spiritual values it has, because if someone has the quality of knowledge, understanding, and experience of his religion that is not good, then it tends to conduct unethical behavior; such as the practice of corruption, acts of criminalization, gambling, immoral behavior, drug trafficking, and behavior that no longer heeds courtesy and politenes (Saridjo, 2011).

As an example in Islam which strongly prohibits the act of corruption, as the Prophet Muhammad sallallahualaihiwasallam said, "Allah SWT cursed those who gave bribes and who accepted bribes (Ahmad, Abu Dawud, at-Tirmizi, and Ibn 'Umar)." In another hadith, the Messenger of Allah also said, which means: "Whosoever I have hired in a job, then I give his salary, then something taken outside his salary is fraud (corruption) (Abu Dawood and al-Hakim of Buraidah). " The results (Purnamasari & Amaliah, 2015) show that religiosity has a positive and significant effects on fraud prevention. It is hypothesized that:

H2: Religiosity has a positive and significant impact on fraud prevention

The knowledge that must be possess by the forensic accountant in support of its profession because its knowledge will give maximal output compared to those who do not have sufficient knowledge. In succeeding its work, an auditor not only depends on knowledge of profession, but also influenced by knowledge of religion which in its trust, because knowledge (Islam), and moral values can form a character (religiosity) that will provide the added value that the forensic accountant needs in dealing with the problem (fraud). Tus the following hypothesized presumed that:

H3: Knowledge has a positive and significant impact on religiosity

As stated in H1, H2, H3 above, there was a positive and significant direct relationship between KFA and FPV, KFA and RGS, and RGS and FPV. Forensic auditors will have a good and firm attitude if they have a strong religious understanding. Meaning that indirectly his belief and firmness in faith will be honest, committed, and firm in acting against perpetrators of financial fraud. Thus, it can be concluded that the RGS mediates the relationship between KFA and FPV.

H4: The Knowledge of Forensic Auditors indirectly through Religiosity affects Fraud Prevention.

Research Method

The population in this research were forensic auditors at BPKP. The reason for the selection of the population to BPKP auditors, because BPKP auditors most often carry out investigative tasks in the case of corruption. Data collection techniques were a survey method by utilising primary data (questionnaires) to respondents (Jogiyanto, 2004). A scale of measurement for this research sample was using Likert scale using 7 (seven) question points. The answer scores on the research figures start from 1 to 7, where scale one states as Very Unimportant to scale seven states Very Important. There were 65 respondents who were BPKP auditors that involved in handling corruption cases and have competency in the field of investigation. Data analysis in this study used structural equation modeling using a partial least squares (PLS) approach. The evaluation uses Smart PLS 2.0 software. The evaluation was conducted in two stages. There is an inner model and an outer model. The internal model was evaluated by Bootstrapping PLS-SEM method, and estimating the path's relationships. On the other hand, external models assess internal consistency reliability (index reliability, combined reliability, Cronbach's alpha, and AVE), convergence validity, and discriminant validity. Measurements by Cronbach alpha are no longer relevant for model evaluation due to limitations (Hair Jr, Hult, Ringle, & Sarstedt, 2016).

The variables used in this research are knowledge, religiosity and frauds prevention. To measure the constructs of forensic auditor's knowledge, the dimensions of (Tuanakotta, 2010) are basic skills and analysis and technical capabilities. For construct of religiosity refers to (Glock & Stark, 1965) which reveals there are five kinds of religious dimensions, namely belief (ideological), worship or

practice of religion (ritualistic), experiential, practice (consequential), and religious (intellectual) knowledge. While the construction of fraud prevention using four dimensions according to (PUSDIKLATWAS, 2008). Namely the establishment of anti-frauds policy, procedures standard of prevention, controling techniques and sensitivity to fraud.

Table 1
Descriptive Statistics

	N	Min	Max	Mean	Std. Dev
KFA	65	5,12	6,77	5,91	0,42
RGS	65	5,39	7,00	6,73	0,42
FPV	65	4,51	7,00	6,20	0,63

Tabel 1 explains that the minimum perception of KFA is 5.12 and the maximum value is 6.77 with an average of 5.91 (SD ± 0.42). The minimum perception of RGS is 5.39, and the maximum value is 7 with an average of 6.73 (SD ± 0.42). The minimum perception of FPV is 4.51, and the maximum value is 7 with an average of 6.20 (SD ± 0.63). It describes that all the constructs in this research have a good value.

Results and Discussion

The model used was SEM-PLS which has a reflectometry model. The evaluation of reflexive measurement models using internal consistency (combined reliability), index reliability, convergent validity (sampled mean variance), and discriminant validity. Structural models are then evaluated by coefficient of determination (R^2), predictive relevance (Q^2), path coefficient magnitude and significance, f^2effect sizes, and q^2effects. (Hair et al., 2014).

Table 2
Factor loadings dan Cross loadings

Laten Variable	Indicator	KFA	RGS	FPV
KFA	KFA1	0,763	0,295	0,502
	KFA2	0,861	0,539	0,494
RGS	RGS1	0,485	0,918	0,580
	RGS2	0,327	0,789	0,466
	RGS3	0,471	0,927	0,643
	RGS4	0,414	0,619	0,664
	RGS5	0,489	0,938	0,638
FPV	FPV1	0,475	0,626	0,845
	FPV2	0,574	0,715	0,962
	FPV3	0,498	0,545	0,918
	FPV4	0,604	0,661	0,837

The loading factor value for confirmatory research must be more than 0.7, but for exploratory research, a value between 0.6 - 0.7 is still acceptable to assess the validity of convergent. However, in the early stages of development of measurement scales, stress factor values between 0.5 and 0.6 are considered sufficient (Chin,1998). The results listed at Table 2, show that the component factor loadings are greater than the cross-loadings with other components. The composite reliability value (CR) for KFA (0.796), RGS (0.926), and FPV (0.939) are all above 0.70. Therefore, we conclude that the internal consistency reliability of all components is high.

Table 3
Model Criteria: Convergent Validity and Reliability Analysis

Laten Variable	Indicator	Loading	Reliability Indicator	Composite Reliability	AVE
KFA	KFA1	0,763	0,583	0,796	0,662
	KFA2	0,861	0,741		
RGS	RGS1	0,918	0,843	0,926	0,717
	RGS2	0,789	0,622		
	RGS3	0,927	0,859		
	RGS4	0,619	0,383		

	RGS5	0,938	0,880		
FPV	FPV1	0,845	0,713	0,939	0,795
	FPV2	0,962	0,925		
	FPV3	0,918	0,842		
	FPV4	0,837	0,701		

The AVE results for KFA (0.662), RGS (0.9717), and FPV (0.795) obtained above, in Table 3 are shows that all constructs meet the convergent validity where AVE above the recommended criterion which is at least 0.50 (Hair, 2014). The result of the correlation between construct and AVE root value above, in Table 4 shows that the AVE root value for KFA, RGS and FPV variables are greater than the correlation value between the constructs. In general, these results indicate that the discriminant validity of latent variables is already high.

Table 4
Correlation Value Latent Variable dan Discriminant validity

Laten	KFA	FPV	RGS
KFA	0,814		
FPV	0,608	0,892	
RGS	0,528	0,718	0,847

Description: The value on the table diagonal is the square
root of AVE

An assessment of R^2 is performed for each endogenous latent variable as the predictor force of the structural model. R^2 can be used to explain the effect of particular exogenous latent variables on endogenous latent variables whether they have substantive effects (Ghozali & Laten, 2015). In Figure 1, it can be seen that the value of R^2 for KFA and RGS model of FPV is 0.592. The value of R^2 is equal to 0.25 and has a low effects, 0.5 has a moderate effects, and 0.75 has a substantial effects (Chin, 2010). The value of R^2 are indicates predicting of accuracy the model (Hair, 2014). Soon the research model of KFA and RGS accuracy in predicting FPV of 0.592 (medium).
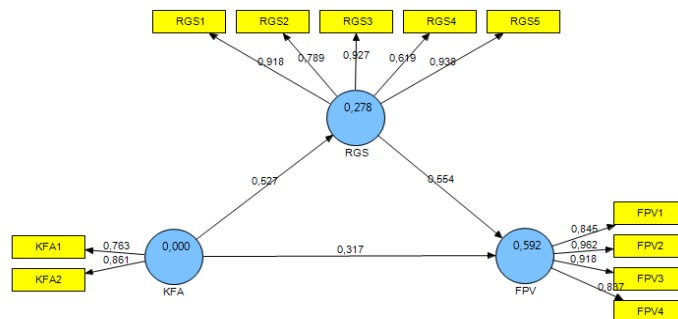

Figure 1. Results of SEM-PLS Direct Effects of KFA and RGS on FPV

The size effect of f^2 indicates the contribution of each construct to the prevention of fraud. The result of the calculation of securities of size $f^2$is given in Table 5. According to (Hair, 2014) The f^2 value are equals 0.02, 0.15, 0.35 can be analyze that the predictors of latent variables have small, medium and large effects. Value of Securities size f^2 KFA obtained by 0.071 entered in the low category, Effect size f^2 RGS obtained by 0.276 entry in the middle category. It describes that KFA has a low contribution when compared with RGS for the prevention of frauds.

Table 5
Effect Size Assessment of Structural Model

	R^2 inc	R^2 exc	R^2Inc-R^2exc	1-R^2in	effect size
KFA	0,592	0,525	0,067	0,934	0,071
RGS	0,592	0,375	0,217	0,784	0,276

Stone-Geisser Q-square test estimated using blindfolding procedure shows how goods the model of path can predict the observed value (Hair, 2014). The blindfolded estimated Q2 value provides a measure of how well the path model predicts the originally observed value.The results of Q2are given in Table 6. The value of Q2 equals 0.02, 0.15, and 0.35 can be analyzed as small, medium, and large predictors of the latent variable (Hair, 2014).

Table 6
Assessment of Predictive Relevance (Q2) Structural Model

	Q^2 inc	Q^2 exc	Q^2Inc- Q^2exc	$1-Q^2$in	effect size
KFA	0,705	0,375	0,330	0,295	1,118
RGS	0,705	0,525	0,180	0,295	0,610

The value of Securities size Q2 for KFA (1.118) falls into the high category, and RGS (0.610) falls into the high category, indicating that the model has a relatively large predictive reliance value. The results in Table 7 and Figure 2 demonstrate the direct effects of KFA and RGS on significant FPV. KFA to FPV ($\square$ = 0.317, t-value = 2.463), RGS to FPV($\square$ = 0.554; t-value = 5.401), KFA to RGS ($\square$ = 0.527; t-value = 5.692), so hypothesis 1, 2 and 3 are accepted in this study.

Table 7
Direct effects of KFA, and RGS against FPV

Hypo.	Path coef.	the standard error	t statistic	Dec.
KFA --> FPV	0,317	0,129	2,463	Sign.
RGS -->FPV	0,554*	0,103	5,401	Sign.
KFA -->RGS	0,527*	0,093	5,692	Sign.

*Description: * shows significant test at p <0.01*

The results above show this FPV is affected by KFA and RGS, so hypotheses 1, 2 and 3 are accepted in this research. Here are the Bootstrapping Results Structural Model:
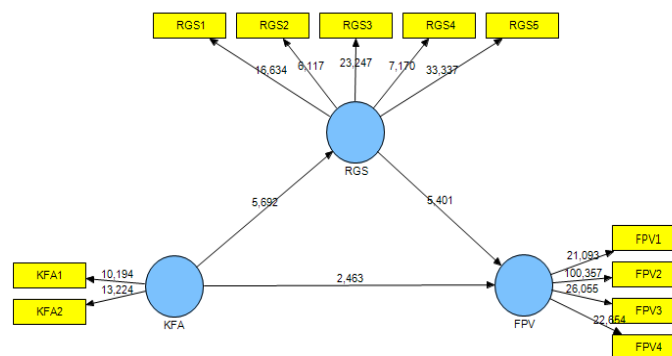

Figure 2. Bootstrapping Results Structural Model

Table 8.
The RGS Mediation Test mediates KFA against FPV

Var.	Path coeff.	standard error	Sobel Test Statistic	p-value	Dec.
KFA – RGS	0,527	0,093	3,901	0,000	Sign.
RGS – FPV	0,554	0,103			

From the above calculations, we can conclude that the t arithmetic (3.901) is greater than the t table (1.96) at the 0.05 significance level, and we can conclude that RGS mediate KFA to FPV, the type of mediation is part mediation meaning that the religiosity variable can affect direct dependent variable without going through or involving the mediator variable.

Hypothesis 1 states that knowledge has a positive effect on fraud prevention. Empirical evidence supports that knowledge positively affects fraud prevention. This means that auditors who have good forensic accounting knowledge tend to be able to prevent fraud better than those who do not have knowledge. The results of this study are supported by research (Wells, 2005) stating that graduates who are not trained will become employees who are not ready to detect fraud committed by criminals who have advanced technology, so that the need for forensic accountants who have knowledge of fraud will increase.

Hypothesis 2 is performed to see the examine of religiosity on fraud prevention. The results support hypothesis 2 shows that religiosity has a positive influence on fraud prevention. An auditor who has a high level of religiosity (really understanding and practicing his or her religious teachings) has a higher probability of preventing fraud. An auditor's own religious knowledge will lead to positive behaviors for himself and the organization, thus improving his performance. Religiosity is influential in preventing corruption fraud. It indicates that respondents who have a good religious understanding either directly or indirectly arrest an individual from actions that are prohibited either by the rules of man or the rule of God (Purnamasari & Amaliah, 2015) so that religion can act as a filter that can prevention an individual from doing frauds.

Hypothesis 3 is the influence of forensic auditor's knowledge on religiosity. Empirical evidence supports Hypothesis 3 which shows that knowledge of forensic auditors positively affects religiosity. It means that someone who has good knowledge will be perpetration in stations and behavior of individualities in doing colorful conditioning of his life including in work. His attitude and behavior will be colored by religious values that he understands. Believing that God exists and the ever-present attitude of God will put a brakes on behaviors that are not consistent with human and God's rules. Therefore, high knowledge will correlate with better attitudes and behaviors or have a good religiosity value. This research aid is consistent with theory that a person with knowledge is likely to have good religious value. God will raise some degree for the knowledgeable.

Empirical evidence supports the mediation hypothesis (hypothesis 4) which shows that religiosity is evident as a variable mediating the knowledge relationship of the forensic auditor with prevention of fraud. The influence of religiosity value is 29.19% , that indicates the value of religiosity is considered very important for the auditor to maintain independence without fear by anyone. Because the auditor has a belief that the one who provides sustenance is God so that the auditor is able to avoid the actions of good fraud because of client pressure or role pressures.

Conclusions

The results showed that knowledge of forensic auditor and religiosity affect fraud prevention either directly or indirectly. These findings provide a signal for the Government Institution especially BPKP to improve the knowledge capability of forensic auditors that until this research is performed relatively few forensic auditors exist in the BPKP center environment than the need for auditors in handling fraud issues, especially corruption in government. In addition to increase knowledge, the understanding of spiritual values in the form of religiosity has contributed to the auditor's ability to prevent fraud. Therefore, the Government Agency (BPKP) began to consider the strengthening of the character and behavior of the auditor through the strengthening of spiritual values to the rules set that it has. Strengthening the character of auditor not only focus on the material aspect but should be more to build a stronger auditor character, resistant to temptation, not easily discouraged, and grip on the rules that have been set so that all auditors can prevent the prevalence of fraud.

Future work about the prevention of corruption fraud is to be expected include a comprehensive research that would helping us for better understanding how fraud prevention of government agencies can be affected by a variety of factors, including: workplace spirituality, cultural ethics, and organizations. Psychological factors possessed by individuals can at least form characteristics to prevent fraud and also sufficient knowledge in getting jobs and religious values and spirituality owned by individuals can bring closer to God so that intellectual knowledge does not immediately take advantage of the situation to collect benefits financially both individually and in groups.

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