

ABSTRACT

INSPECTORATE PERFORMANCE AS THE INTERNAL SUPERVISION IN PREVENTION EFFORTS OF REGIONAL FINANCIAL FRAUD IN THE GOVERNMENT OF BANDAR LAMPUNG CITY

By

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The supervision to the implementation of regional government is one of the factors that determine the success of management and regional development in order to realize the welfare of society. The government organizations authorized to conduct internal control activities is Regional Inspectorate. Inspectorate has a very important role to escort the implementation of governance and regional development in order to not deviate from the regulation determined. However, cases of fraud are still often repeated that detrimental to the local budget.

In this research the authors described the Inspectorate performance as an internal supervision of Bandar Lampung in prevention effort of regional financial fraud in the government of Bandar Lampung city and identified the obstacles faced. The method used in this research was descriptive with qualitative approach. Data collecting techniques used were interview, documentation and observation. Data were analyzed using data reduction and techniques of data validity using triangulation.

The results showed that the Inspectorate performance of Bandar Lampung city in implementing the internal supervision had not been implemented optimally due to some constraints such as the lack of quality and quantity of human resources, infrastructure and funding, organizational structure, organizational culture and the presence of third parties (contractors) who participated causing the leakage of local budget.

Keywords: Regional Government Organizational Performance, Supervision, Regional Finance, Inspectorate of Bandar Lampung City.