THE EVALUATION OF ACCOUNTING INFORMATION SYSTEM FOR DPK IN DISTRIBUTING AND MONITORING THE STUDENT FUND TO STUDENT CLUB IN UNIVERSITY OF SURABAYA

Muhammad Nugraha Eka Wardana
Professional Accounting
muhammadnugrahaew@gmail.com

Abstract- The purpose of this research is doing evaluation of implementation accounting information system for DPK (*Direktorat Pengembangan Kemahasiswaan*) in distributing and monitoring the Student Fund (*Dana Kemahasiswaan*) to Student Club (*Unit Kegiatan Mahasiswa*) in UBAYA. DPK is the division that take responsible to distribute the funds. When the student club want to held an event, one of their source funding is come from university fund called student funding. The researcher want to evaluate the system whether it can be improve in effective and efficient ways, and also give the recommendation for the problem occurred. This research use the qualitative method by gathering information toward observation, interview both to UKM and DPK, also by documentary analysis as the collection method. The process being reviewed is from proposal process until the accountability report (*Laporan Pertanggung Jawaban*) of event submitted to university.

Keywords: Student Fund, Student Club, BEMUS, DPK, Accounting Information System

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Introduction

Nowadays, the impact of technology can help the work of human maximally. Work is no longer something we do at a certain time or place, it can be anytime and anywhere. To meet business needs, the technology should change continually and adapt with the environment. There are so many business organization that invested in technology, especially the information technology.

According to study by Gelinas (2005), information technology is playing the main role model of this modern era. It is the study and use of systems for storing, retrieving, and sending information. By using computer and software, the spending time for the business is relatively fewer than before. Using information technology, businesses have the ability to view changes in the global markets for faster than they usually do. They purchase software packages and hardware that helps them get their job done. Larger businesses have their own information technology department designed to keep up the software and hardware.

Businesses have become more cost effective for both themselves and their consumers using information technology. By streamlining, businesses increase their productivity. This pays out to greater profits, which allows companies to offer better pay and less strenuous working conditions. Information technology has also created new jobs. Programmers, systems analyzers, hardware and software developers, and web designers all owe their jobs to information technology. Without such advances, these jobs would not exist.

Unfortunately, along with the creation of new and interesting jobs, information technology has also led to a rise in unemployment. By streamlining the business process, job redundancies, downsizing, and outsourcing has occurred. Many low and middle level jobs have been turned to other countries, leaving more people unemployed. Many people also credit information technology with a lack of job security. As new technology is

released and jobs require more and more training, it's important for employees to stay in a learning mode in order to keep their job. Changes in technology make it difficult for older employees to adapt as quickly as their younger peers.

The information technology not only help in business but also applied in non-profit organization, such as university. The role of information technology system is became important since there is so many information need to be transfer between departments. In university, there are student organization called BEM *(Badan Eksekutif Mahasiswa)*.

BEM is an independent organization that allowed to hold an organization function as student council to facilitate the student in practice management process. This organization is consider as the highest executive student level in campus. In Indonesia, all of the university have at least 1 organization that their function same as BEM, but their name is not patent as BEM, it can called as HIMA (*Himpunan Mahasiswa*). The main legal references for BEM in Indonesia is connected with UU No. 12 *Tahun* 2012.

One of the important function in BEM is to distribute the student funding to each student club in university. In fact, BEM is still managed by the student, not employees or university staff that participate in university management. As a result, university need one department to manage and control the BEM activity in distributing student funding, in some university this department called as DPK(*Direktorat Pengembangan Kemahasiswaan*), one of the main role of DPK is to assure all student funding is properly distributed and used by student club through BEM function.

This research will focus on the review and evaluation of the accounting information system that applied in Universitas Surabaya, especially on the process of how the flow of information in student funding from student club until DPK. Based on the evaluation, if there are some problem in the system, researcher will give some recommendation for the improvement.

Research Methodology

During the research, the researcher use 3 method to find the analysis about current system.

Interview, the sources of data will be gathered from the Director of DPK, Director of Finance, President of BEMUS, DPK Staff, and some member of Student Club in UBAYA. The type of interview is semi-structured interview. This interview to gather the information about how the process to get student funding from the beginning until the end of process, the performance of accounting information system, and give recommendation for the applied system.

Observation, the researcher will observe the activity of DPK staff during processing the distribution of student funding to student club. This observation to gather the information relate to the research and use all the information to analyze the data. Observer also as the member of student club in UBAYA, so the data that served in this document is the primary data.

Documentary Analysis, the researcher will gather data from flowchart of the student funding analysis, SOP, annual RAKOR (*Rapat kordinasi*) result, sample of proposal and sample of accountability report.

To ensure the validity of data, the researcher will combined the data collection method, such as interview, observation, and documentary analysis. The information of each data collection method will be combined and researcher will compare the information gathered from each data collection method to minimize the bias.

Finding and Analysis

For this topic, researcher do the analysis of internal control according to COSO framework. Researcher do 3 methods to collect the data, interview, observation, and documentary analysis. Surprisingly, there is no written internal control for DPK. As a consequence, the data that serve in this research is only according to observation and interview, the documentary analysis is only perform toward unofficial paper that created by BEMUS. Standard Operational Procedures (SOP) to distribute and audit the student fund is also not in legal format. All monitoring of BEMUS and student club focused on one tools, called proposal/accountability report (AR).

The result is almost same when the researcher do analysis toward documentary analysis. There are only standard format of proposal and AR that available on document, but they don't check the reality on field nor try to make a contact to a party that involved in their agenda such as public speaker or the one that provide logistic in that event.

The last method to analyst the internal control for this object is using observation. Fact that found in field, secretary of each student club are busy come to each party that have to sign the proposal. At last there are 6 person that have to ask for signature the document before the fund can distribute to them. It's not efficient and effective, its take more than a week if each of 6 person have a busy schedule, because they are also student. During observation, author also found that MPM, the organization that used to monitoring student club activity but they didn't. MPM did the same things as BEMUS to check only by paper.

According to COSO (Committee of Sponsoring Organizations of the Treat way Commission), there are 5 element that important to assess the internal control on a DPK system.

1. **Control Environment**

According to COSO, control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure. Control environment factors include the integrity, ethical values, management's operating style, delegation of authority systems, as well as the processes for managing and developing people in the organization.

Control environment in DPK has already set from the beginning of the academic year. DPK will announced to all student club that all of activity have to be transparent, discipline and follow the BEMUS regulation. According to regulation that have been discussed in chapter 4, there are 8 checking step to pass checking procedure before they can access student fund.

2. **Risk Assessment**

Every entity faces a variety of risks from external and internal sources that must be assessed. A precondition to risk assessment is establishment of objectives and thus risk assessment is the identification and analysis of relevant risks to the achievement of assigned objectives. Risk assessment is a prerequisite for determining how the risks should be managed

According to Mr. Stefanus, DPK Director, DPK carry a high risk in distribute the student fund. Since it manage by BEMUS, but the reality they also still in learning process stage. The ability to find which one have high risk is not clear for them, sometimes DPK found some mistake that not detected by BEMUS. Also there is no written legal SOP to conduct audit process, the risk become higher. DPK know the more space given to BEMUS, the higher risk for this process. This case can lead to the high unappropriated fund distribution and make the higher risk.

3. **Control activities**

Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address the risks that may hinder the achievement of the entity's objectives. Control activities occur throughout the organization, at all levels and in all functions. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

Main problem that happens in DPK is determine which control they want to applying to student club. DPK and also BEMUS as the one who have access to control student activity is only focus on what written on paper without any control in field. "Many student club assume that proposal and accountability report is only formality, in the reality, we can't measure everything on that small report document." said Hadi, secretary of Medical Rescue student club.

Since there is still lack of control in using student fund process, the member of student club do not pay attention to the distinction between the reality and paper. This case can lead to the high unappropriated fund distribution and make the control activities low impact.

4. **Information and communication**

Information systems play a key role in internal control systems as they produce reports, including operational, financial and compliance-related information that make it possible to run and control the business. In a broader sense, effective communication must ensure information flows down, across and up the organization.

In DPK, formalized SOP doesn't exist for people to audit the proposal, but there are ppt and some announcement that can lead student club to create the formal proposal and accountability report. In this case, the effective communication should also be ensured with all parties to about standard format.

Sometimes regeneration become a problem since the knowledge about this regulation needed to be transfer to the new member. The period for one position is a year, so the transfer knowledge have to perform each year.
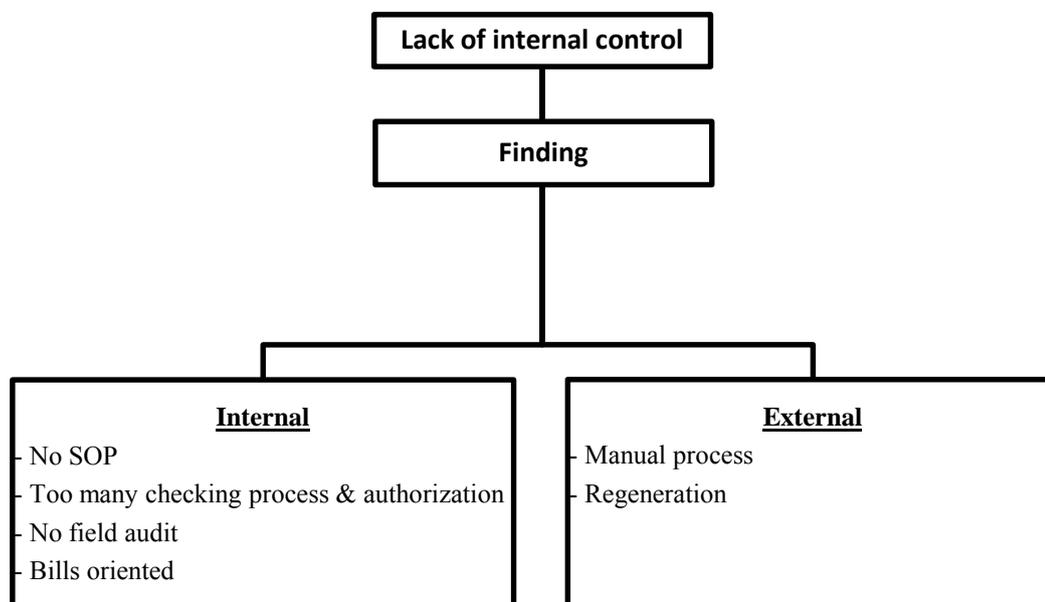
5. **Monitoring**

Internal control systems need to be monitored—a process that assesses the quality of the system's performance over time. This is accomplished through ongoing monitoring activities or separate evaluations. Internal control deficiencies detected through these monitoring activities should be reported upstream and corrective actions should be taken to ensure continuous improvement of the system.

One of the main reason the current information system categorize as bad system because there is no monitoring of activity, or in another word we can say the monitoring process is not cover the reality. BEMUS, MPM or DPK don't have a system that can reflex or prove what happen in real condition also same as what written on accountability report. If we compare to another university, they applied a program called as field audit. MPM will delegate some of their auditor to cross check the condition during the event and create a report.

From interview that held with Ms. Vina Veriana (Staff MKAKK DPK) said the SOP for DPK is same with BEMUS, they focus on what written on paper that BEMUS created. But they can't audit/monitor what happen in each of activities, there are only 3 staff in this division and they have to manage all student club in UBAYA. This factor affect the quality of proposal/AR.

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So, the researcher summarize the lack of accounting information system for DPK reflect as bellow:

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        ┌─────────────────────────┐
        │  Lack of internal control │
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        ┌─────────────────────────┐
        │        Finding          │
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        ┌───────────┴───────────┐
┌───────────────────────┐  ┌───────────────────────┐
│       Internal        │  │       External        │
│ - No SOP              │  │ - Manual process      │
│ - Too many checking   │  │ - Regeneration        │
│   process &           │  │                       │
│   authorization       │  │                       │
│ - No field audit      │  │                       │
│ - Bills oriented      │  │                       │
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According to comprehensive explanation above, we divided the factor that cause the accounting information system in DPK into 2 part. The internal factor is come from DPK or BEMUS itself, and the second factor is come from the student club.

Internal factor:

- No SOP

The administration problem for DPK is needed to improve sonly. Start from there are no legal letter for this department, then also there is no formal SOP that created for their staff in running the system. Sometimes there are a problem because the process checking is not written on paper, so the auditor check all things inside the proposal and accountability report without any standard. If the SOP is already in legal format, then there will be segregation of duty. It will make the border between DPK, BEMUS, and MPM clearly to distribute the student fund.

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- Too many checking process & authorization

As we have discuss before, the legal regulation can help the user to perform their function. But in current situation, all process is messed up, sometimes BEMUS take a roles as DPK to check the whole document. Also we can see MPM play roles as the second BEMUS, according to their function is to monitor what happen in the reality, but nowadays MPM play roles as auditor. All of this problem will make the student fund distribution become inefficient, because the process of checking is between each party is not standardize. Student club can pass the audit process for BEMUS, but for MPM it have to be revised.

There are also problem for authorization. Director of DPK and Manager of PAKM also have to check the proposal between they sign the paper. According to COSO, the more job delegated to staff, the more effective the control itself. Manager and director is not needed to recheck the paper as long as the staff already perform audit process.

- No field audit

Actually, the field audit is not the new things for them. A lot of student club from another university applied this program. DPK have to not focus only on paper, but see the reality on the spot. Sometimes the student club only put the good things inside proposal/accountability report, the untouched part is bigger than that. The monitoring function have to be perform by MPM to help BEMUS and DPK control the activity.

- Bills oriented

For DPK, it's said there are only 3 people that have access to control the student activity, as a result, the number of accountability report can passed the audit by DPK without any problem. In reality, it's hard to collect all bills for all activity, especially if they bought something from traditional market, there is no bills. If they don't have a bill, usually student club will create their own bill and sign by themself.

External Factors:

- Manual process

One of the problem for student fund distribution is located on their manual process. Actually UBAYA has an integration system, but for distribute student fund still do in manual system. The reason is DPK is not prepared yet for this chance, they would like to wait one of the student UBAYA to solve and transform the system for their final project, but until nowadays is no one take this challenge. If DPK could have the online system, it would make the audit time duration faster because no need to meet in the campus with a lot of schedule for both side.

- Regeneration

The duration of position in BEMUS, MPM, and student club is only 1 year academic normally. According to Suzanne S. Masterson in his journal titled Journal of Organization Behavior, the most suitable period for a small organization is around 2 years, in the first year they will adapt to vision and mission environment, and the second is their time to maximize the vision and mission. When one of the member have retired, than the one usually start from beginning, the mistake is relative same year by year.

Recommendation

According to analysis in DPK system, the researcher give recommendation to DPK and the parties that involved in this system, there are as follow:

1. DPK need to create SK(*Surat Keputusan*).

SK is a letter from university to declare that this department is legal, including the student club in UBAYA, otherwise it's like snowball, and in the future it will be dangerous problem because this organization structure doesn't exist. The content of SK have to be clear, from the background of the establishment of this department, the vision and mission, and the most important is what is their

responsible for student club. The example of SK that have been included in appendix.

2. Make an integration system for internal BEMUS, MPM, and DPK.

   The system will make communication and coordination between each parties more efficient and effective. BEMUS will focus on the audit of proposal and accountability report, MPM focus on monitoring side, and DPK as the last point to control and assure the function of the organization running well.

3. Clear segregation of duty between BEMUS, MPM, DPK.

   The segregation will avoid them to check the same item even though the item have been check from previous process. Process of auditing is haven't don't by all party, but it will be more efficient if they can manage which party have to be focused on the specific job.

4. Using technology

   Development of technology have been prove that it will make work easier. Through email, it will be paperless and also will make the time efficient. Reduce the time to have face to face checking because it because more time needed and all parties can check the proposal in the same time

5. Create the formal SOP

   The SOP have to be clear and written on paper, it will help the auditor to check which item have to revised and reduce the subjectivity from auditor.

6. Field audit have to be performed.

   During the event, the MPM have to check the real condition, whether the event is appropriate with the accountability report. Also checking the bill by call the third party or checking the address. Audit field will also focus on checking the bills. Whether the bills have to check in specific proving tools, such as call their phone or at last check the originality of bills.

Conclusion

There are still some of the system and procedures that can be improved by DPK in distribute the fund. This system are very useful when they can maximally create the recommendation as follow:

1. DPK need to create SK(*Surat Keputusan*) from university.
2. Make an integration system for internal BEMUS, MPM, and DPK.
3. Using technology or email, paperless and also will make the time efficient.
4. The SOP have to be clear and written on paper, it will help the auditor to check which item have to revised and reduce the subjectivity from auditor
5. Field audit have to be performed.

Final word, with all the recommendation, therefore will make DPK and the other parties have a better integration to distribute student fund. Also make the internal control better than before.

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