

Analysis of Good Corporate Governance Principles as an Effort to Prevent Financial Fraud at the Postgraduate Program of Sam Ratulangi University

Sebastian Yefta Pinaria^{1*}, David P. E. Saerang², Syermi S.E. Mintalangi³
Accounting Department, Faculty of Economics and Business, Sam Ratulangi
University, Manado, Indonesia

Corresponding Author: Sebastian Yefta Pinaria sebastianpinaria@yahoo.com

ARTICLE INFO

Keywords: Good Corporate Governance, Financial Fraud

Received : 12, August

Revised : 26, August

Accepted: 16, September

©2024 Pinaria: This is an open-access article distributed under the terms of the [Creative Commons Attribution 4.0 International](https://creativecommons.org/licenses/by/4.0/).



ABSTRACT

Good Corporate Governance (GCG) is a set of principles aimed at enhancing transparency, accountability, and fairness in organizational management, particularly in financial contexts. Financial fraud is unethical and illegal conduct by individuals or groups to gain personal benefits at the expense of others. This study aims to analyze the application of GCG principles as an effort to prevent financial fraud in the postgraduate program at Sam Ratulangi University. The research method used is descriptive qualitative with an interview approach. Data were collected through interviews, observations, and document studies. The results show that the implementation of GCG principles at the Sam Ratulangi University postgraduate program has been quite good, but there are still some obstacles that need to be overcome to improve its effectiveness. The implementation of GCG principles has been able to increase transparency and accountability in financial management, as well as help in preventing financial fraud. This study provides recommendations to strengthen internal supervision and continuous training for stakeholders to improve understanding and application of GCG principles.

INTRODUCTION

Higher education is a place where intellectual individuals are produced according to their fields of expertise, and some individuals even want to deepen their fields of knowledge in postgraduate programs. In this higher education institution, the office holders are lecturers or educators who have diverse educational backgrounds. Higher education has a strategic role in the development and provision of quality human resources, so that higher education institutions, especially postgraduate institutions, are required to manage their finances transparently and with high integrity. However, the reality faced shows the potential for financial fraud that can harm institutions and related parties if not addressed effectively. One of the proposed solutions to prevent financial fraud is through the application of the principles of Good Corporate Governance (GCG).

The GCG principle provides a comprehensive framework for managing institutions professionally, ethically, and responsibly. By implementing the GCG principle properly, it is expected that institutions can reduce the risk of financial fraud, increase transparency in financial reporting, and strengthen effective internal supervision and control. The GCG principle is a framework that guides institutions to carry out their operations with the principles of transparency, accountability, fairness, and integrity. This GCG principle is very relevant in the context of higher education, including at the Postgraduate Program of Sam Ratulangi University (UNSRAT), because effective and ethical management of financial resources is the key to the success of institutions in achieving their educational missions and developing science. Specifically, the GCG principles that are relevant to be discussed in the background of this study include:

1. **Transparency:** Higher education institutions are expected to provide clear, accurate, and easily accessible information regarding policies, activities, and financial performance. This transparency is important so that all stakeholders, including students, lecturers, staff, and the general public, can understand and monitor the use of funds and the institution's financial policies.
2. **Responsibility:** Higher education institutions must be run in accordance with applicable laws and regulations under the Ministry of Education and Culture.
3. **Accountability:** Institutions must be held accountable for the decisions and actions they take regarding financial management. This includes preparing accurate and accountable financial reports, as well as having clear oversight and accountability mechanisms.
4. **Integrity:** The importance of integrity in GCG emphasizes ethical and moral values in the management of institutional finances. Institutions must maintain their integrity by not engaging in corrupt practices, nepotism, and collusion that can damage the reputation and trust of stakeholders.
5. **Fairness:** The principle of fairness in GCG refers to the fair treatment of all parties involved in the financial activities of the institution, including the

distribution of funds and investment decisions that benefit all stakeholders proportionally.

The discussion of the principles of GCG is very important for the implementation of accountable financial management practices in an effort to prevent financial fraud in the UNSRAT Postgraduate environment. By understanding and internalizing the principles of GCG, institutions can build strong, transparent, and responsible financial governance, which will ultimately increase the credibility and trust of stakeholders in UNSRAT as a quality educational institution.

Sam Ratulangi University as one of the universities that has a very good reputation in the academic field with superior accreditation, including the Postgraduate Program which is currently Internationally certified (ISO) should also have good ability in managing its finances. Therefore, an in-depth analysis of the implementation of GCG principles in the Postgraduate Program of Sam Ratulangi University is important to be carried out in order to understand the extent of the effectiveness of the implementation of GCG principles in preventing financial fraud.

The case study conducted at the Postgraduate Program of Sam Ratulangi University will provide a concrete picture of the implementation of GCG principles, the obstacles faced, and their impact on preventing financial fraud. Thus, this study is expected to contribute to improving the understanding and implementation of GCG principles in the university environment, especially the Postgraduate Program of Sam Ratulangi University, as well as providing recommendations that can help improve the financial management system and prevent financial fraud.

Based on the description of the problem above, this study was raised with the title "Analysis of Good Corporate Governance Principles as an Effort to Prevent Financial Fraud at the Postgraduate Program of Sam Ratulangi University". The objectives of this research are: Analyze the implementation of Good Corporate Governance principles in the Postgraduate program of Sam Ratulangi University. And to evaluate the effectiveness of the implementation of Good Corporate Governance principles in preventing financial fraud in the Postgraduate program of Sam Ratulangi University.

LITERATURE REVIEW

Definition of Accounting

Accounting is an information system that identifies, records, and communicates an organization's economic events to various interested users (Weygandt et al, 2019: 3). According to Hery (2021: 1) accounting can be defined as an information system that delivers reports to users of accounting information or to interested parties (stakeholders) regarding the impact of performance and financial conditions of a region.

Basic Principles of Accounting

According to Bahri (2021:10-11), the basic concepts and principles of accounting include:

1. Business continuity (Going concern)

The concept that assumes that an entity will continue to survive and is expected not to be liquidated in the future.

2. Business entity

The concept that considers an entity to be viewed as a business unit that stands alone and is separate from its owner.

3. Accounting period

The entity's activities presented in the financial statements are prepared per reporting period.

4. Unit of measurement

The concept that assumes that all transactions that occur are expressed in terms of money (the currency used and the country where the entity is based)

5. Objective evidence (Objective evidence)

The information presented is delivered objectively. Information is said to be objective if the information is reliable so that the information presented must be based on existing evidence.

6. Full disclosure

The concept that matters relating to financial statements should be adequately disclosed.

Good Corporate Governance (GCG)

Good corporate governance is a set of systems that regulate and control companies to create added value for stakeholders (Ahma, 2022). The dimensions or indicators of GCG are 1) transparency, 2) accountability, 3) responsibility, 4) independence and 5) fairness and equality (Ahma, 2022). Good corporate governance is a system that regulates, manages and supervises the business control process to increase stock value, as well as a form of attention to stakeholders, employees and the surrounding community (Adnyani et al., 2020). The dimensions or indicators of good corporate governance are institutional ownership, managerial ownership, board of directors, board of commissioners and audit committee (Adnyani et al., 2020).

According to the Forum of Corporate Governance in Indonesia (FCGI), the benefits of GCG are:

1. Improving company performance by creating better decision-making processes, increasing company operational efficiency, and further improving services to stakeholders.
2. Facilitate the acquisition of cheaper and less rigid financing funds (due to trust factors) which will ultimately increase corporate value.
3. Restore investor confidence to invest their capital in Indonesia.

Shareholders will be satisfied with the company's performance because it will simultaneously increase shareholder value and dividends.

GCG Principles

According to the Regulation of the Minister of State-Owned Enterprises Number Per-01/MBU/2011 dated August 1, 2011 in Article 3, the GCG Principles are as follows:

1. Transparency, namely openness in implementing the decision-making process and openness in disclosing material and relevant information regarding the company;
2. Independence, namely a condition in which the company is managed professionally without conflict of interest and influence/pressure from any party that is not in accordance with laws and regulations and healthy corporate principles;
3. Accountability, namely clarity of function, implementation and accountability of organs so that company management is carried out effectively;
4. Responsibility, namely compliance in company management with laws and regulations and healthy corporate principles;
5. Fairness, namely justice and equality in fulfilling the rights of stakeholders that arise based on agreements and laws and regulations.

Good University Governance

According to Wijatno (2009) in Ardasari et al. (2023), the management of higher education is divided into 5 principles, namely (1) Transparency, (2) Accountability, (3) Responsibility, (4) Independence, (5) Justice. With these five principles, fraudulent actions in higher education will be minimized, because the GUG mechanism will create a supervision and accountability scheme for the management of PT.

According to the World Bank report (2019), transparency is important to create trust and accountability in university management. Transparency in higher education means providing clear, accurate, and accessible information to all stakeholders, including financial reports, academic policies, and decision-making processes.

According to a study by UNESCO (2020), accountability in higher education includes the evaluation of academic and administrative performance to ensure operational efficiency and effectiveness. The OECD report (2021) states that academic independence is key to innovation and intellectual freedom in higher education.

European Universities Association (2020) emphasized that responsibility in university governance involves compliance with ethical standards and government regulations. Universities must ensure that all activities and decisions comply with applicable laws and regulations, and manage resources effectively and efficiently.

The Concept of Fraud

According to Dandriansyah et al. (2023), fraud is any dishonest act with the aim of seeking wealth from other people or an organization. This definition can be concluded that fraud has an aspect of behavior that violates applicable laws or regulations. Fraud can be minimized by adequate resource management in a company.

Association of Certified Fraud Examiners (ACFE) in its Report to The Nation 2020 report explains that fraud is an activity carried out to enrich oneself by

taking advantage of one's position and authority to misuse company resources or assets.

Ariastuti and Yuliantari's research (2020) explains that the level of fraud can be reduced by implementing a good internal management system in the industry. Internal handling that is able to process well will certainly reduce the possibility of fraud occurring within the organization. This kind of motivation is usually based on money problems (Asterina, 2021). Financial pressure will be very disturbing for the community because it can make them deliberately commit fraud that harms many people. Suprpta and Padnyawati's research (2021) found that it is true that high financial pressure will encourage an increase in fraud in an organization. Where this can be interpreted that financial pressure will trigger a person's desire to commit fraud to be higher.

Financial Fraud

According to the Association of Certified Fraud Examiners (ACFE) (2020), financial statement fraud is a scheme in which an employee intentionally causes material errors or omissions in financial statements, such as understating expenses or overstating reported assets. This type of fraud can be financial or non-financial. The ACFE groups fraud into three main categories:

1. Corruption, which involves the abuse of office for personal gain.
2. Asset misappropriation, which includes schemes to steal or misuse an organization's resources.
3. Financial statement fraud.

Financial pressure or financial stress is a situation in which a person experiences pressure that drives him to commit theft, usually caused by financial problems. The financial pressure faced by a person can be an impetus to commit acts of embezzlement (Indraswari & Yuniasih, 2022). According to Agung et. al. (2023) Financial pressure or financial stress is a condition that can cause a person to be driven to commit theft. This motivation generally arises because of financial problems faced by the individual. The financial pressure faced by a person can be an impetus to commit embezzlement (Yanti et al., 2023).

Fraud Prevention

Fraud prevention is an effort made to reduce the occurrence of fraud by narrowing the opportunities that can lead to fraud, minimizing the pressure given to members so that their needs can be met, and not normalizing any reason to be used as a justification for fraud (Lestari & Putu Cita Ayu, 2021). Fraud prevention as defined by BPKP is an integrated effort that can reduce the factors that cause fraud, namely opportunities, motivation, and rationalization (Utami & Indrijawati, 2020). There are several factors that influence the prevention of financial reporting fraud, integrity (Rifai & Mardijuwono, 2020; Utami & Indrijawati, 2020), low level of work environment integrity, high pressure and lack of effective control (Harahap, 2021)), organizational commitment (Rifai & Mardijuwono, 2020), and individual morality (Fernandhytia & Muslichah, 2020).

METHODOLOGY

This study is a qualitative descriptive study that aims to analyze the implementation of GCG principles as an effort to prevent financial fraud. In addition, the results of the analysis cannot be achieved using statistical procedures. The location of this research will be conducted at the Postgraduate Program of Sam Ratulangi University located at Sam Ratulangi University, Jalan Kampus Unsrat, Bahu, Kec. Malalayang, Manado City, North Sulawesi. The type of data used in this study is qualitative data obtained directly from the Postgraduate Program of Unsrat through structured interviews that have been prepared by the author. The data in this study were obtained through interview subjects. In this study, the data source used is primary data. Primary data is data taken directly from the research subjects in this case the Postgraduate Program of Sam Ratulangi University. The data analysis model used in this study is the interactive model of Miles, Huberman, and Saldana (2014:12-14) including data reduction, data presentation, and drawing conclusions.

RESEARCH RESULT

Analysis of Transparency Principles

Through the financial report of an institution showing the results of its financial management, Unsrat Postgraduate under the scope of Sam Ratulangi University which is a state university with the status of a Public Service Agency is required to report the institution's finances periodically. The financial report made by Unsrat Postgraduate is carried out by the assistant treasurer with his team under the supervision of Wadir 2 (Deputy Director 2) who must then show the report at the leadership meeting to be inspected by fellow Postgraduate leaders.

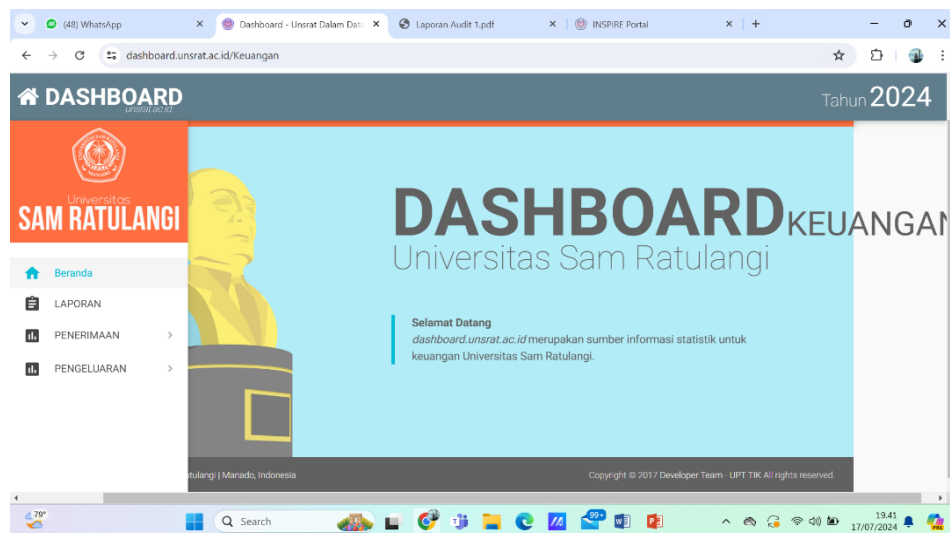


Figure 1. DIPA Dashboard Profile

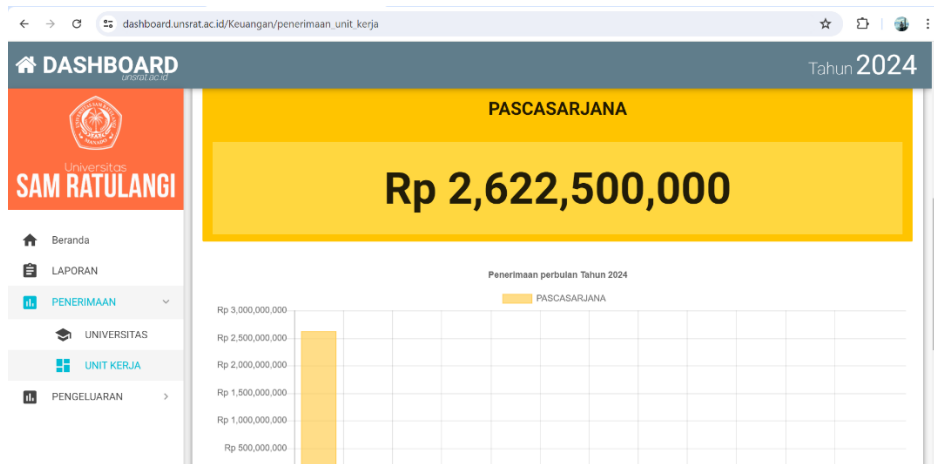


Figure 2. Unsrat Postgraduate Admissions 2024

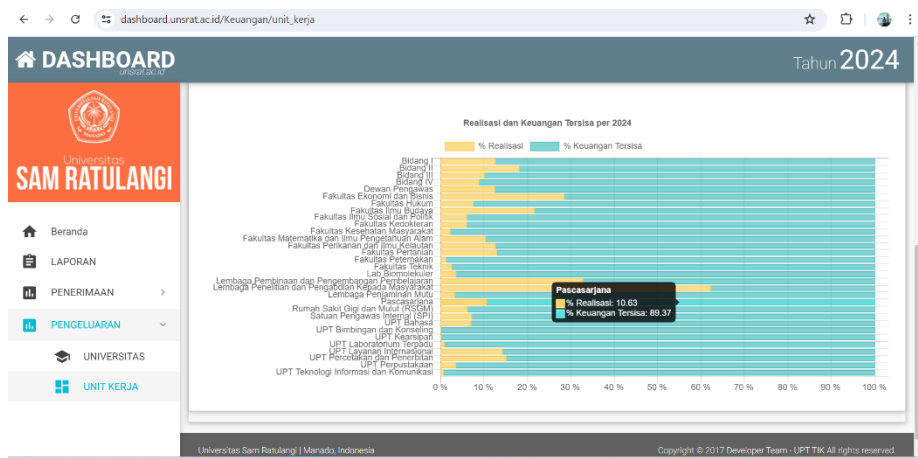


Figure 3. Postgraduate Expenditures 2024

Until now, there have been no Postgraduate students who have requested to access DIPA, this is because students are satisfied with the service provided by the Postgraduate. Starting from the accessibility of information that facilitates the lecture process to the implementation of exams. The Postgraduate's ability to ensure stakeholder satisfaction in terms of financial management has been proven successful with the satisfaction of Postgraduate students when asked during the interview. "As students, our job is to come to study according to what has been arranged by the campus and so far everything promised by the Postgraduate has been fulfilled" the answer from the student was later confirmed by the author that there was no need to request Postgraduate financial data because students had received what was promised by the Unsrat Postgraduate in terms of campus facilities and competence.

Analysis of Accountability Principles



LEMBAR KETIDAKSESUAIAN

+			
Nama Pemohon	: Pascasarjana Universitas Sam Ratulangi – Manado		
Alamat	: Jl. Kampus Unsrat Bahu, Manado - 95115		
Wakil Manajemen	: Dr. Victor P.K. Lengkong, SE, M.Si		
Ruang Lingkup	: Seluruh proses Non Akademik dan Akademik yang meliputi Program Studi: 1. Prodi Linguistik (LIN) 2. Prodi Pengelolaan Sumberdaya Pembangunan (PSP) 3. Prodi Entomologi (ENT) S2 4. Prodi Agronomi (AGR) 5. Prodi Ilmu Pangan (IPN) 6. Prodi Ilmu Perencanaan Pembangunan (Wilayah) (IPPW) 7. Prodi Ilmu Kesehatan Masyarakat (IKM) 8. Prodi Linguistik (LIN) S3 9. Prodi Entomologi (ENT) S3 10. Program Profesi Insinyur (PPI)		
Standar	: SNI ISO 9001:2015 & ISO 21001:2018		
Audit			
<input type="checkbox"/> Pra audit	<input type="checkbox"/> Stage I	<input checked="" type="checkbox"/> Stage II	<input type="checkbox"/> Surveilans
		<input type="checkbox"/> Tindakan lanjut	<input type="checkbox"/> Re-Sertifikasi
Tanggal Pelaksanaan	26.02.2024	Sampai dengan	27.02.2024
□			

F-CER-09

Rev 01

Date: 02.05.19

Figure 4. Postgraduate SOP Non-Conformity Sheet

In an audit conducted at the Sam Ratulangi University (Unsrat) Postgraduate Program based on ISO 9001:2015 and ISO 21001:2018 standards, several non-conformities were found in non-academic and academic processes. These non-conformities include the absence of validated job descriptions, quality target and risk control documents that have not been separated from the strategic plan, unnumbered SOP forms, criteria for accepting students with special needs that have not been set, and academic guidelines on the website that have not been updated. In response to these findings, the Unsrat Postgraduate Program took various corrective actions, including revising administrative and financial documents to describe job duties and responsibilities, separating quality target and risk control documents from the strategic plan, ensuring that each SOP has a clear number, setting specific criteria for prospective students with special needs, and uploading the latest academic guidelines on the website. These improvement efforts demonstrate the Unsrat Postgraduate Program's commitment to the principles of good governance accountability, which include transparency, accountability, and improving management quality. By implementing these principles, Unsrat Postgraduate not only prevents future non-conformities but also prevents financial fraud through better and more structured management.

Responsibility Principle Analysis



Figure 5. Postgraduate ISO Certification Period 2020-2023

By following the applicable rules, the institution ensures that every financial action is carried out according to legal and transparent procedures. This compliance prevents fraud because every financial transaction is monitored and adjusted to strict regulations. Rules that are implemented properly will certainly get rewards or awards, Unsrat Postgraduate has followed the existing provisions so that it can get ISO (International Standards Organization) certification for the 2020-2023 period for several study programs provided. This certification proves that Unsrat Postgraduate is considered to have quality governance or quality management systems when assessed in 2020.




Figure 6. Postgraduate ISO Certification Period 2024-2027

Figure 3 shows the persistence of the Postgraduate Program to maintain its achievements in 2020 as a form of responsibility for stakeholders, especially students. This continues to prove that the governance or management system of the Unsrat Postgraduate Program is good.

Independence Principle Analysis

Table 1. Unsrat Postgraduate Student Admissions SOP

	SAM RATULANGI UNIVERSITY POSTGRADUATE DEGREE STANDARD OPERATING PROCEDURE SELECTION OF NEW STUDENT ADMISSION		
	No. SOP Code	SOP/PS/01	Date of issue: November 30, 2013
	Compiled	Functional Sub Coordinator	Last revised date 02 October 2021

Verified Approved	Deputy Director for Academic, Student Affairs, Planning and Cooperation Director of Postgraduate Studies	Chronology of revision 1. First revision dated February 01, 2019 2. Second revision dated September 02, 2019
		3. Third revision dated October 02, 2021
<p>A. Sub activities and completion time</p> <ol style="list-style-type: none"> 1. Preparation for New Student Admission Selection 2. Implementation of Administrative Selection 3. Implementation of Written Selection 4. Interview Implementation 5. Evaluation of Admission Selection <p>Recording:</p> <ol style="list-style-type: none"> 1. Administrative Files and Academic Files of Prospective Students 2. Registration form 3. Biodata 4. Selection Implementation Schedule 5. Condition Reception 6. Selection Exam Questions 7. Minutes of Selection <p>B. Emergency measures: Delegation of Authority</p>		

The SOP for admission of new students to postgraduate programs is an important instrument to ensure fairness by implementing the principle of independence. This principle emphasizes the importance of decision-making that is free from external influence or pressure. The SOP must establish clear and objective selection criteria, document each step in the admission process, and ensure transparency and accountability through strict oversight mechanisms. Separation of duties and responsibilities in the admission process is also necessary to prevent conflicts of interest. Thus, this SOP ensures that the entire admission process is carried out independently and fairly, maintaining the integrity and credibility of the postgraduate education institution.

A transparent admission process ensures that all information regarding requirements, selection criteria, and application procedures are publicly

announced, reducing the possibility of manipulation or fraud. Clear and objective selection criteria ensure that assessments are based on academic achievement, test scores, and professional experience, with detailed documentation for each stage. In addition, the separation of duties and responsibilities between the selection committee and administrative staff prevents conflicts of interest and ensures that no one party has complete control over the entire admission process.

Strict monitoring and control mechanisms, including internal and external audits, are carried out periodically to ensure that all procedures are carried out according to standards and there are no deviations. Good documentation and track records allow for tracing and verification of every step taken, reducing the chances of financial fraud. The selection results are announced openly and simultaneously through official channels, ensuring transparency and preventing manipulation of the results.

Analysis of the Principle of Justice

Here is a more detailed explanation of how ISO 21001:2018 ensures equity in postgraduate education:

1. Principle of Non-Discrimination

ISO 21001:2018 emphasizes the importance of non-discrimination policies and practices in all aspects of education. In the postgraduate context, this means ensuring that all students are treated equally in admissions, assessment, access to resources, and academic and research opportunities. Institutions should implement policies that prevent discrimination on the basis of race, gender, religion, age, disability or socio-economic background.

2. Accessibility and Inclusivity

To achieve equity, institutions must ensure that all students have equal access to educational facilities and services. This includes providing disability-friendly infrastructure, as well as additional resources such as academic advising and counseling services. Accessibility also means providing flexibility in course schedules and teaching methods to accommodate the varying needs of graduate students.

3. Transparency in Academic and Administrative Processes

ISO 21001:2018 underlines the importance of transparency in all academic and administrative processes. Transparency ensures that all students clearly understand the admissions procedures, assessment criteria and graduation policies. With transparency, all students have the same information and can access procedures and services without anyone feeling ignored or treated unfairly.

4. Student Participation in Decision Making

Involving postgraduate students in the decision-making process is one way to ensure fairness. ISO 21001:2018 encourages the active participation of all stakeholders, including students, in designing and evaluating study programs.

In this way, students' needs and expectations can be more effectively accommodated, and decisions taken reflect fairness and a balance of interests.

5. Continuous Evaluation and Improvement

The standard requires institutions to conduct periodic evaluations of their management systems and commit to continuous improvement. These evaluations must include an assessment of equity in admissions, teaching, assessment, and student support. By identifying areas for improvement, institutions can take steps to improve equity in all aspects of graduate education.

6. Student Protection Policy

Institutions implementing ISO 21001:2018 must have robust student protection policies, including anti-bullying, anti-harassment and anti-plagiarism policies. These policies are essential to creating a safe and fair learning environment where all students feel protected and valued. Implementing these policies also helps prevent actions that could harm or discriminate against students.

7. Supervision and Responsibility

ISO 21001:2018 emphasizes the importance of oversight and accountability in ensuring fairness. Institutions must have mechanisms in place to promptly and effectively address complaints and issues raised by postgraduate students. In addition, institutions must be accountable for their actions and decisions, and ensure that all students are treated fairly and equally.

The ISO certification held by Unsrat Postgraduate Program can be seen in Figure 14. At the time of writing this certification is still valid and reasonable resources have been deployed to ensure that Unsrat Postgraduate Program is able to achieve it during the recertification process.



Figure 7. SMOP Postgraduate ISO Certification 2024-2027

DISCUSSION

Principle of Transparency

Transparency is key in preventing financial fraud because it allows for better monitoring and evaluation by stakeholders. At Unsrat Postgraduate, transparency is implemented through a detailed annual budgeting process that is then approved by the Unsrat Rector. With clear and open access to information, all forms of financial transactions can be monitored and examined by the authorities. This minimizes the opportunity for fraudulent actions because every financial action must be accountable.

DIPA (Budget Implementation List) and budget reports are important tools in implementing effective transparency principles to prevent financial fraud. DIPA functions as an official document that records all budget allocations, income, and expenditures that occur at the Unsrat Postgraduate Program. By providing open access to stakeholders, DIPA allows internal and external parties to monitor how funds are managed. This creates accountability because financial managers are aware that their every action is being monitored and accounted for. However, as found in the evaluation, although DIPA has been well implemented at the Unsrat Postgraduate Program, there is a weakness in terms of the delay in updating reports of up to six months. This delay can weaken the effectiveness of transparency because outdated information reduces the ability to carry out real-time supervision. To overcome this, improvements are needed in the DIPA update schedule as well as the application of technology for automation and accuracy of data updates.

Principle of Accountability

Unsrat Postgraduate took various corrective actions, including revising administrative and financial documents to describe job duties and responsibilities, separating quality target and risk control documents from strategic plans, ensuring each SOP has a clear number, setting specific criteria for prospective students with special needs, and uploading the latest academic guidelines on the website. These improvement efforts demonstrate Unsrat Postgraduate's commitment to the principles of good governance accountability, which include transparency, accountability, and improving management quality. By implementing these principles, Unsrat Postgraduate not only prevents future non-conformities but also prevents financial fraud through better and more structured management.

External audit opinion shows that the accountability of the Postgraduate leadership for operational activities shows a fair value that is directly related to the integrity value held by the institution. According to sources, this shows that there is no abuse of responsibility that is financially detrimental to the institution. However, the author found that this accountability value depends on adequate human resources not to use loopholes or opportunities to commit fraud so that if there are individuals who abuse their responsibilities, the fraud can occur. very important in preventing financial fraud because every action has clear and measurable consequences.

Principle of Responsibility

Responsibility is one of the assessments for ISO certification because it is directly related to the retention and loyalty of students and even prospective students to pursue higher education at Sam Ratulangi University. This can also conclude from the compliance side that Unsrat Postgraduate is able to operate in accordance with applicable regulations so as to prevent financial fraud that is clearly prohibited in any regulation.

The ISO 9001 certification obtained by the Postgraduate Program of Sam Ratulangi University (Unsrat) is effective in preventing financial fraud through standardization of processes and procedures that ensure all financial actions are well documented. Strict supervision and control, including periodic external audits, reduce the risk of deviation and ensure compliance with established standards. In addition, consistent and timely recording facilitates early detection of potential fraud. With a commitment to continuous improvement and a clear accountability structure, this certification enhances the integrity of financial management and stakeholder trust in transparency and institutional accountability. Evidence of the sustainability of this certification program in an effort to maintain the performance of Postgraduate responsibilities depends on the human resources entrusted as Postgraduate position holders.

Principle of Independence

Based on data collected by the author, the SOP for new student admissions at the Postgraduate Program of Sam Ratulangi University (Unsrat) has been designed to prevent financial fraud through various comprehensive

mechanisms. A transparent admission process ensures that all information regarding requirements, selection criteria, and registration procedures are announced openly, thereby reducing the possibility of manipulation or fraud. With this SOP, the Postgraduate Program of Unsrat ensures that the entire admission process is carried out fairly, transparently, and free from undue external influence, maintaining the integrity and credibility of the institution.

The principle of independence at the Postgraduate Program of Sam Ratulangi University (Unsrat) has proven effective in preventing financial fraud through the implementation of a clear and structured Standard Operating Procedure (SOP) for new student admissions. This SOP ensures that the entire admission process, from registration to final selection, is carried out objectively and without external intervention, thus ensuring that decisions taken are free from conflicts of interest. A transparent and standardized selection process reduces the opportunity for manipulation, while the separation of duties and authorities between the parties involved ensures that each step is carried out professionally and independently. The use of technology, such as an online registration system, supports transparency and reduces the risk of direct contact that can trigger fraud. In addition, strict internal and external supervision strengthens the independence of this process, ensuring that all student admission procedures are carried out with high integrity and in accordance with the principles of Good Corporate Governance (GCG).

Principle of Justice

By fulfilling one of ISO's objectives, namely the satisfaction of students and educators, there will be no pressure or justification from any party to commit financial fraud which will certainly harm the institution and immediately tarnish the institution's name. This satisfaction was proven when the author conducted an interview with a postgraduate student who said the following: "I am quite satisfied because there are no fees other than UKT which is paid each semester and we have the same opportunity to complete our studies depending on our respective intentions."

The principle of fairness at the Postgraduate Program of Sam Ratulangi University (Unsrat) is effective in preventing financial fraud through the implementation of ISO 21001:2018 certification, which standardizes the education management system to ensure inclusiveness and fairness. This certification ensures that all financial decisions, such as allocation of funds and financing, are made based on clear and fair criteria, without bias or favoritism. The transparency required by ISO 21001:2018 allows all stakeholders to access financial information openly, thus facilitating monitoring and early detection of potential fraud. In addition, this certification ensures that educational resources are distributed proportionally and without discrimination, which minimizes the risk of misuse of funds. Periodic monitoring and evaluation regulated by ISO 21001:2018 ensures that the principle of fairness is applied consistently, creating a transparent and fraud-free environment.

Research Implications

The implications of this study suggest that the Postgraduate Program of Sam Ratulangi University (Unsrat) can benefit significantly from a stronger and more systematic implementation of Good Corporate Governance (GCG) principles, particularly in preventing financial fraud. By strengthening transparency through regular updates of DIPA and budget reports, Unsrat can increase stakeholders' trust in its financial integrity. In addition, a more consistent implementation of ISO certification standards, such as ISO 9001 and ISO 21001:2018, can strengthen the monitoring and accountability system, ensuring that all operational processes are carried out in accordance with international standards. This will not only prevent financial fraud, but also enhance the reputation of the Postgraduate Program of Unsrat as an institution committed to fairness, transparency, and professionalism. Therefore, the recommendations of this study include increasing socialization about the importance of GCG to all staff, utilizing technology to support the financial management process, and strengthening periodic monitoring and evaluation to ensure the sustainability and effectiveness of GCG implementation. Thus, Unsrat can achieve better management, improve operational efficiency, and ultimately increase the competitiveness of the institution at the national and international levels.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Based on the analysis and discussion conducted, the research conclusions obtained are as follows:

1. This study shows that the implementation of Good Corporate Governance (GCG) principles in the Postgraduate program of Sam Ratulangi University (Unsrat) has contributed positively to creating a transparent, accountable, responsible, independent, and fair environment. However, there are weaknesses that still need to be fixed, especially related to the dependence on individual integrity and the lack of socialization regarding GCG principles.
2. This study found that the implementation of GCG principles in the Postgraduate Program of Sam Ratulangi University has been effective in preventing financial fraud. The existence of SOPs for operational activities in the Postgraduate Program to ensure the sustainability of previously obtained achievements, as well as efforts to achieve fairness in each audit process minimizes the opportunity or gap for fraudulent acts, especially in the financial context.

Suggestion

Based on the results of the research that has been conducted, there are several suggestions that can be submitted to the Postgraduate Program of Sam Ratulangi University (Unsrat) to improve the implementation of Good Corporate Governance (GCG) principles and prevent financial fraud more effectively:

1. Unsrat Postgraduate needs to increase efforts to socialize the principles of GCG to all staff and students. A deep understanding of the importance of GCG must be conveyed through regular training, seminars, and workshops. Thus, all parties involved can understand and apply these principles consistently.
2. A tighter internal control system is needed to ensure that every financial action is in accordance with established procedures. The use of information technology in financial recording and reporting systems can help monitor and detect potential irregularities more effectively.
3. There needs to be more effort to encourage students and other stakeholders to actively examine the report. Unsrat Postgraduate can consider holding discussion forums or Q&A sessions periodically regarding financial reports, so that transparency is truly implemented optimally.
4. The existing punishment and reward system needs to be strengthened with a clearer and more measurable mechanism. The rewards given must truly reflect high achievement and integrity, while punishment must be applied fairly and consistently for each violation. This will foster a strong culture of accountability in the Postgraduate environment.
5. Efforts to obtain ISO certification must be continued and expanded to other study programs. In addition, Unsrat Postgraduate must also always follow the development of international standards related to GCG to ensure that the system implemented is always relevant and in accordance with best practices.
6. To maintain independence in decision-making, Unsrat Postgraduate needs to ensure that there is no intervention from outside parties that can affect the objectivity of financial and operational decisions. The use of independent auditors on a regular basis is also highly recommended to maintain the integrity and objectivity of supervision.
7. Unsrat Postgraduate needs to continue to maintain its commitment to the principle of justice by providing equal opportunities to all parties, both in terms of working in the institution and in obtaining education. Scholarship programs or other financial assistance can be expanded to ensure that no student is prevented from getting an education due to financial problems.

REFERENCES

- ACFE Indonesia. (2020). *Survei Fraud Indonesia*. Jakarta : ACFE Indonesia
- ACFE. (2020). *Reports to the Nations 2020 Global Study on Occupational Fraud*. Association of Certified Fraud Examiners.
- Adnyani, N. S., Endiana, I. D. M., & Arizona, P. E. (2020). *Pengaruh Penerapan Good corporate governance dan Corporate Social*

Responsibility terhadap kinerja Perusahaan. *Jurnal Kharisma*, 2(2), 228–249.

Agung, A. E. Y., N. K. Muliati, & N. P. Y. Yuliantari. (2023). Pengaruh Tekanan Finansial, Budaya Organisasi, Dan Pengendalian Internal Terhadap Kecenderungan Kecurangan Anak.

Ahma, P. (2022). Pengaruh Persepsi Kesesuaian, Sistem Internal Kontrol, dan Penerapan Good Corporate Governance Terhadap Kecurangan Akuntansi Pada PT. Bank Permata, TBK. *Jurnal Akuntansi Audit dan Perpajakan Indonesia (JAAPI)*, 3(1), 283-291IT

Almas, M., & Almas, B. (2023). Analisis Penerapan Good Corporate Governance Dalam Pengelolaan Zakat Pada Laznas Yatim Mandiri Jember. *Jurnal Ilmu Administrasi Bisnis*, Volume 6, No. 2, Desember 2023 (ISSN: 2777-0192(e)), 156–177. <https://doi.org/10.29103/njiab.v6i2.14014>

Andayani, W., & Wuryantoro, M. (2023). Good Corporate Governance, Corporate Social Responsibility and Fraud Detection of Financial Statements. *International Journal of Professional Business Review*.

Ardasari, D. S., A. Yamin, D. A. Hasri. 2023. Analisis Gaya Pengaruh Kepemimpinan Terhadap Penerapan Good University Governance di Universitas Teknologi Sumbawa. *Prosiding Seminar Nasional*.

Arens, A. A., Elder, R. J., Beasley, M. S., & Hogan, C. E. (2017). *Auditing and Assurance Service : An Integrated Approach . Sixteenth Edition*. Boston : Pearson.

Ariastuti, M. N. M., Andayani W., R. D. A., & Yuliantari, N. P. Y. (2020). Pengaruh Pengendalian Internal, Moralitas Dan Penerapan Good Corporate Governance Terhadap Pencegahan Fraud Pada Lpd Se-Kecamatan Denpasar Utara. *Jurnal Hita Akuntansi Dan Keuangan*, 1(2), 798–824. Retrieved From <https://Ejournal.Unhi.Ac.Id/Index.Php/HAK/Article/View/1010>

Asterina, L. C. (2021). Evaluasi Sistem Pengendalian Internal Atas Piutang Usaha Di PT. Samudera Gemilang Plastindo. *STIE PGRI Dewantara*

- Bahri. (2021). Akuntansi Biaya . Edisi Pertama. Penerbit Andi Yogyakarta. Chapter.
- Dandriansyah, M., Suryani, E., & Murti, G. T. (2023). Pengaruh Audit Internal Dan Efektivitas Pengendalian Internal Terhadap Pencegahan Kecurangan (Studi Kasus Pada PT. Perkebunan Sumatera Utara). JIBR: Journal of Indonesia Business Research, 1, 25–32. <https://doi.org/10.25124/logic.v1i1.6432>
- Dewi, G.K., Basyir, A., Bisnis, T.D., Dahlan, A., & Kunci, K. (2023). Pengaruh Penerapan Good Corporate Governance Terhadap Kinerja Keuangan. Jurnal Akuntansi dan Keuangan Syariah - ALIANSI.
- European University Association. (2020). University autonomy in Europe IV: The scorecard. Retrieved from <https://eua.eu>.
- Felix, H.M., & Bayangkara, I.B. (2022). Analisis Penerapan Good Corporate Governance Dalam Mengawal Tata Kelola Perusahaan (Studi Kasus pada PT. Perkebunan Nusantara XI). Widya Balina.
- Fernandhytia, F., & Muslichah, M. (2020). The Effect of Internal Control, Individual Morality and Ethical Value on Accounting Fraud Tendency. Media Ekonomi dan Manajemen, 35(1), 112-127.
- Harahap, J. P. R. (2021). Analisis Pencegahan Kecurangan Akuntansi Dalam Mengelola Dana Desa Melati Di Kecamatan Perbaungan. Jurnal Riset Akuntansi Dan Bisnis, 21(1), 32–45. <https://doi.org/10.30596/jrab.v21i1.6392>
- Herawaty, N., & Hernando, R. (2021). Analysis of Internal Control of Good Corporate Governance and Fraud Prevention (Study at the Regional Government of Jambi City). SRIWIJAYA INTERNATIONAL JOURNAL OF DYNAMIC ECONOMICS AND BUSINESS.
- Ikatan Akuntansi Indonesia. (2017). Workshop Forensic Accounting VS Investigative Audit. Jakarta
- Indraswari, & Yuniasih. (2022). Pengaruh Bystander Effect dan Tekanan Finansial Terhadap Kecenderungan Kecurangan Akuntansi (Fraud) di Lembaga Perkreditan Desa (LPD) se-Kecamatan Mengwi.

- Institut Akuntan Publik Indonesia (IAPI). (2022). Standar Profesional Akuntan Publik: Standar Audit (SA) 240. Revisi kedua. Jakarta: Salemba Empat.
- International Association of Universities. (2019). Affirming academic values in international higher education: A call for action. Retrieved from <https://iau-aiu.net>.
- Kieso, D.E., Weygandt, J. J., dan Warfield, T. D. (2019). Intermediate Accounting IFRS 4th Edition. Jakarta : Salemba empat
- Krisniawan, H., Mutaqin, M.I., & Khoerulloh, A.K. (2023). Pengendalian Internal dan Good Corporate Governance: Upaya Pencegahan Fraud pada Perumda BPR Majalengka. *Brainy: Jurnal Riset Mahasiswa*.
- Kurnia Rahayu, (2020). Prinsip Dasar Akuntansi Pajak. Salemba Empat.
- Lestari, I. A. M. E., & Putu Cita Ayu. (2021). Pengaruh Moralitas Individu, Komitmen Organisasi Dan Whistleblowing System Terhadap Pencegahan Kecurangan (Fraud) Dalam Pengelolaan Keuangan Desa (Studi Empiris Pada Desa Se-Kecamatan Mengwi). *Hita Akuntansi Dan Keuangan Universitas Hindu Indonesia*, 101-116.
- Lestari, P. S. A., & Sudarno. (2019). Mendeteksi dan Memprediksi Kecurangan Laporan Keuangan: Keefektivan Fraud Triangle yang Diadopsi dalam SAS No. 99. *Diponegoro Journal of Accounting*, 8(4), 1-12.
<https://ejournal3.undip.ac.id/index.php/accounting/article/view/25664>
- Megasyara, I., & Imawan, A. (2023). Implementasi Good Government Sebagai Upaya Pencegahan Fraud Dalam Pengelolaan Keuangan Desa. *Jurnal Reviu Akuntansi dan Keuangan*.
- OECD. (2021). Higher education governance in OECD countries. Retrieved from <https://www.oecd-ilibrary.org>.
- Peraturan Menteri Badan Usaha Milik Negara (BUMN) Nomor Per-01/MBU/2011 Pasal 3 tanggal 01 Agustus 2011

- Pratiwi, N.R., & Indriani, P. (2023). Pengaruh Audit Internal terhadap Penerapan Good Corporate Governance pada PT.Bank Mandiri Persero Tbk KCP Sudirman Palembang. *Al-Kharaj : Jurnal Ekonomi, Keuangan & Bisnis Syariah*.
- Prayoga, M. A., & Sudarmaji, E. (2019). Kecurangan Laporan Keuangan dalam Prespektif Fraud Diamond Theory: Studi Empiris pada Perusahaan Subsektor Transportasi di Bursa Efek Indonesia. *Jurnal Bisnis dan Akuntansi*, 21(1), 89- 102. <https://doi.org/10.34208/jba.v21i1.503>
- Putra, A. I. P., & Roni, M. (2021). Good Governance Dalam Lingkungan Pendidikan Tinggi (Good University Governance). *Al - Idarah : Jurnal Kependidikan Islam*, 11(2), 226- 236 <http://www.ejournal.radenintan.ac.id/index.php/idaroh/article/view/10065/4840>
- Rifai, M. H., & Mardijuwono, A.W. (2020). "Relationship between auditor integrity and organizational commitment to fraud prevention". *Asian Journal of Accounting Research*. 5 (2), 315-325.
- Satria, N., & Puri maharani, A.E. (2023). Penerapan Good Corporate Governance Dalam Regulasi Badan Usaha Milik Desa. *Res Publica: Jurnal Hukum Kebijakan Publik*.
- Sitorus, F.O., Khairiyah, I., & Nasution, S.J. (2023). Penerapan Good Corporate Governance (GCG) terhadap Kinerja PT. Bank Rakyat Indonesia (Persero) Tbk. *VISA: Journal of Vision and Ideas*.
- Sudjono, A.C. (2023). Do Good Corporate Governance and Whistleblowing Systems in Bank Industry Effectively Support Fraud Detection and Prevention? *Asia Pacific Fraud Journal*.
- Sulaeman, I. Nurodin & Yuniarti, E. (2023). Implementasi Prinsip-Prinsip Good University Governance Dalam Pengelolaan Aste Universitas Muhammadiyah Sukabumi.
- Sulaiman, S. N., Morasa, J., & Gamaliel, H. (2021). Pengaruh Good Corporate Governance Terhadap Kinerja Perusahaan Consumer Goods Industry Yang Terdaftar di BEI. *Jurnal EMBA* (Vol. 9, Issue 1, pp. 470-484).

- Susanto, Iqbal, M., & Subarto (2022). Fraud Prevention Efforts In Managing Village Funds In Accordance With Aspects of Human Resource Management with Transparency Principles. *International Journal of Economics, Business, and Entrepreneurship*.
- Triningsih, C., Rokan, M.K., & Ilhamy Nasution, M.L. (2023). The Effect Of Internal Audit System And Implementation Of Good Corporate Governance On Fraud. *I-Finance: a Research Journal on Islamic Finance*.
- UNESCO. (2020). *Accountability in higher education: Global perspectives*. Retrieved from <https://unesdoc.unesco.org>.
- Utami, D., & Haliyah, A.I. (2021). "The Effects Of E-Procurement Implementation And Integrity to Fraud Prevention Against The Government Procurement Of Goods / Services Fraud With Intention As The Moderating Variable On The Government Of Makassar City". *Quest Journals Journal of Research in Business and Management*, 8(7). 11-20.
- Wanane, Y. I. (2023). GCG Pada Bank Papua. *Journal of Economics and Business UBS*, Vol. 12 No.5 (e-ISSN: 2774-7042 p-ISSN: 2302-8025).
- Widiantari, & Sudiana. (2023). Pengaruh Bystander Effect, Efektivitas Pengendalian Internal dan Tekanan Finansial Terhadap Kecenderungan Kecurangan Akuntansi Pada Lembaga Perkreditan Desa.
- World Bank. (2019). *Improving transparency and accountability in higher education*. Retrieved from <https://openknowledge.worldbank.org>.
- Yanti, Muliati, & Yuliantari. (2023). Pengaruh Tekanan Finansial, Budaya Organisasi, Dan Pengendalian Internal Terhadap Kecenderungan Kecurangan Akuntansi.
- Yusuf Ansori, D., & Kuntadi, C. (2022). Pengaruh Sistem Informasi Akuntansi, Sistem Pengendalian Internal dan Penerapan Good Corporate Governance dalam Upaya Pencegahan Kecurangan (Fraud). *Jurnal Multidisiplin Indonesia*.