

ABSTRACT

Fraud is any dishonest act (abuse of position or position or deviation) aimed at taking money or property or other people's resources/organizations through guile. Cheating means dishonesty and fidelity. So it can be concluded that fraud has elements of unlawful acts, committed by people inside and outside the organization, to gain personal or group benefits, and directly or indirectly harm other parties. Fraud can be minimized by having internal audits and good internal controls in the banking system.

This study aims to determine the effect of Internal Audit and Internal Control on Fraud Prevention (Case Study at PT Bank Pembangunan Daerah West Java and Banten, Tbk. Bandung City). The research used is descriptive. The population in this study are employees who are in the internal audit division and operational organizational units. A sample of 60 respondents were included in the internal audit division and operational organizational units.

This phenomenon is explored in the case study method. Data collection techniques are by interviewing, filling in questionnaires and collecting primary data. The analysis used is descriptive analysis, Spearman rank correlation coefficient analysis, determination coefficient analysis and multiple linear regression analysis using IBM SPSS 22.0 software.

The results showed that internal audit has a partial effect on fraud prevention, internal control has a partial effect on fraud prevention. Internal audit and internal control simultaneously influence fraud prevention.

The results of this study are expected to be able to contribute to the development of knowledge as well as add insight into internal audit, internal control and fraud prevention. As for banking, this research is expected to be used as input material for internal auditors and management in carrying out internal audit and internal control activities in order to contribute better in preventing fraud

Keywords: Internal Auditing, Internal Control, Fraud Prevention.