

**INTERNAL CONTROL IN CASH CONTROL DURING THE NEW NORMAL AT BPRS
AL WASLIYAH MEDAN**

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Abstract: *The aim is for internal control in cash control during the new normal period at BPRS Al Wasliyah in accordance with the components of internal control (internal control) in the new normal era which is carried out strictly. according to the theory of the Committee of Sponsoring Organizations (COSO). The problem studied in this study is whether the role of internal control in cash control with internal control components is in accordance with the theory of the Committee of Sponsoring Organizations (COSO). This research is a source triangulation test with a qualitative descriptive approach. The research subjects were employees of BPRS AL WASHLIYAH Medan . The data collection technique used was a focused interview where the researcher asked the informants regarding things that had been prepared beforehand. Analysis of the data used is by using data obtained from interviews, observation and documentation, by collecting, describing, and forming it in a pattern. The results obtained by Internal control in cash control during the new normal period at BPRS Al Wasliyah Medan are in accordance with the components of internal control according to COSO theory, which components are the control environment, risk assessment, control, information and communication activities and monitoring*

Keywords: *Internal Control, New Normal, Cash Control*

Introduction

Sharia People's Financing Bank (BPRS) is one of the Islamic finance whose operational development is based on the principles of sharia or Islamic muamalah which in their activities do not provide services in payment traffic. Efforts made by the Financing Bank Sharia People (BPRS), which includes financing supplies for customers who need based on profit sharing principle. (Sudarsono, 2003)

With the development of Islamic financial institutions, the more demanded by the existence of a highly coordinated organizational system. With Thus a company leader really needs internal. In the current pandemic era, the world economy has experienced a significant decline, even many countries have complained about the economic sluggishness experienced by their people. One of the countries affected by the pandemic is Indonesia. (Pradesyah, 2021) . Globally, the impact of Covid-19 has damaged supply chains, dropped commodity prices, and increased the risk of global economic collapse (Tirtayasa et al., 2021)

Control in the activities of the company in order to achieve a goal. Company which has been said to implement a fairly good internal control if the the system that has been implemented is achieved, for example in conveying information needed by the management and other parties quickly without any obstacles. A company must also maintain and secure the assets owned by the company as well as possible so that the goals of the organizational system can be achieved. (Wiyono, 2015)

Internal control created by a company that is because there is something to control. More and more companies development of course requires internal control (internal control) so that can have a control so that the desired goals of the organization can be achieved. With the existence of internal control, of course, will be able to minimize the risks that will occur. With the intention of good internal control, namely checking the accuracy of the data accounting and encourage compliance with management policies that have been determined to avoid fraud. There is one factor good internal control is needed, namely in cash control, because Cash in a company has a very important role in ensuring survival of a company. This can be seen, many transactions company, either directly or indirectly, will be related with cash.(Bisnis Kolega et al., 2018).

The implementation of internal control in an organization is to ensure the process of achieving goals can be carried out properly and reduce various unwanted risks .(Hanum & Ritonga, 2021).

Every cash management must be done properly. Do not let an agency/company lacks cash in doing everything expenses incurred by the company. Short on cash used to fulfill obligations will result in a loss of trust external parties to the agency/organization.(Sumangando & Nangoi, 2015).

With the role of cash in the activities of a company, Thus a company must always ensure whether the role of control is internal control (internal control) in cash control has been going well and effective. Thus the author will discuss the role of controlling internal control (internal control) in cash control. With the reason that is to avoid the misuse of cash in a company management as well as protect company assets and to find out how big the role internal control (internal control) in cash control that prevents the occurrence of fraud, fraud, embezzlement, waste of property owned by the company. Thus, there is a control that well, the assets owned by the agency/organization can be protected.

Literature Review

Internal Control

COSO (Comitee of Sponsoring Organizations) defines internal control as a process that involves all members of the organization with the aim of providing adequate guarantees for the achievement of control objectives. Control is not something that is added to the management process, but is an integral part of the process. (Gondodiyoto & Hendarti, 2007)

Purpose of Internal Control

Internal control applied to a company must have several objectives. With the objective of effective internal control, it can be classified as follows:

1. Purpose of Operation, This objective is related to the effectiveness and efficiency of operations company which is the objective of operational and financial performance as well as safeguarding assets against company losses.
2. Compliance Goals, This goal is related to compliance and established policies.
3. Reporting Objectives This objective is related to financial and non-financial reporting, finance which will be used internally and externally. Which includes timeliness, transparency and other requirements that have been set or the company's own policy. (Wardhani, 2015)

One of the objectives to be achieved by implementing an internal control system is to provide reasonable assurance regarding the reliability of the presentation of the report government finance .(Astuty, 2016)

General Purpose of Cash Control

1. There is a Segregation of Duties, Actions in cash control with segregation of duties must be carried out with the aim of cash in order to be more secure from all fraud.
2. Ensuring There is Sufficient Cash, With the existence of sufficient cash, the company can use it to pay debts that have matured. If the company has excess cash, the cash can be used for company investment.
3. All Cash Transactions are Authorized and Recorded Properly. In this case, it is intended that all transactions that have occurred get approval from the authorized party. And can be recorded properly so that the management can evaluate the existing information on all transactions correctly and appropriately.
4. Preventing Loss of Cash Due to Fraud In this case, it is hoped that all cash misappropriation can be minimized as much as possible. Therefore, internal control that function effectively

COSO (Committee of Sponsoring Organizations)

COSO (Committee of Sponsoring Organizations) was formed in 1985, this commission was sponsored by 5 major United States organizations, namely The American Accounting Association (AAA), The American Institute of Certified Public Accountants (AICPA), Financial Executive Institute (FEI), The Institute of Internal Auditors (IIA), The Institute Of Management Accountants (IMA). As a continuation of the recommendations of the Treadway Commission (National Commission on Fraudulent Financial Reporting), then in 1990 COSO (Committee of Sponsoring Organization) issued a report containing the integral framework of internal control. A concept put forward by COSO (Committee of Sponsoring Organizations) is then used to develop the auditor's understanding of the client's internal control, which has been regulated in the 2001 Public Accountant Professional Standards SA 319. (Khotimah, 2019).

In previous research, it was stated that internal control is that the bigger a company is, the more important the existence of internal control is. Internal control is a very important part for the company to achieve company goals. If there is no internal control, the company's goals will not be achieved effectively.(Maruta et al., 2015)(Pratiwi & Priono, 2021)(Afandi et al., 2015)

Method

The type of research used is a qualitative research approach library research. Primary data is obtained from the latest summarized scientific articles with some information from trusted websites. As for the secondary data which used here are journals and books.

Result and Discussion

The role of internal control in cash control at BPRS AL WASHLIYAH Medan is in accordance with the components of internal control according to COSO (Committee of Sponsoring Organizations). Then the internal control at BPRS AL WASHLIYAH Medan is appropriate with internal control components according to COSO (Committee of Sponsoring Organizations). It can be seen from several findings as follows:

1. Control Environment

The control environment greatly affects the atmosphere in a company organization, and can affect awareness about control to its employees.(Sari, 2017). This control environment is the foundation for the other control components, by creating discipline and structure. There are several factors that affect the control environment:

a. Integrity and Ethical Value

Integrity and ethical values contained in BPRS AL WASHLIYAH Medan, namely complying with existing regulations, which standard regulations are in accordance with SOP (Standard Operating Procedures). Then the theory that the author uses is the theory of internal control (internal control) according to COSO ((Committee of Sponsoring Organizations). This shows that the integrity and ethical values at BPRS AL WASHLIYAH Medan are in accordance with the existing theory.

b. Commitment to Competence

The commitment to competence seen in BPRS AL WASHLIYAH Medan, namely BPRS AL WASHLIYAH Medan has determined employees according to their competencies respectively, in which BPRS AL WASHLIYAH Medan accepts prospective employees by providing job training for three months in advance to consider the experience, knowledge and skills of each candidate employee. Then the theory that the author uses is the theory of internal control (internal control) according to COSO ((Committee of Sponsoring Organizations). Based on this

theory, it shows that commitment to competence at BPRS AL WASHLIYAH Medan is in accordance with existing theory.

- c. Management Philosophy and Style Management philosophy and style used in BPRS AL WASHLIYAH Medan, which has fulfilled the goal so that every employee understands their respective responsibilities in carrying out their duties. And can achieve the goals desired by the company.

- d. Organizational structure

The organizational structure used at BPRS AL WASHLIYAH Medan is that it meets the standard used, namely the SOP (Standard Operating Procedure). Structure. The organization is in accordance with the job parts required by the company. And also plays an important role in achieving the bank's vision and mission.

2. Risk Assessment

The theory that the author uses is the theory of internal control (internal control) according to COSO (Committee of Sponsoring Organizations), an action that will be taken by management to analyze the risks relevant to the preparation of financial statements. The risk assessment used at BPRS AL WASHLIYAH Medan is to estimate the risks that will occur which is carried out by internal audit such as the OJK public accountant, then evaluates and concludes on the existing risks and provides sanctions.

3. Control Activities

The theory that the author uses is the theory of internal control (internal control) according to COSO (Committee of Sponsoring Organizations), where a policy and procedure is designed to ensure the implementation of management policies and regulations that risk has been anticipated. The control activities used by BPRS AL WASHLIYAH Medan of course have gone through the procedures and policies implemented by the company to avoid any misappropriation or embezzlement of funds by company employees. As well as the authorization from the authorized official for cash transactions.

4. Information and Communication

The theory that the author uses is the theory of internal control (internal control) according to COSO (Committee of Sponsoring Organizations), where an information system is very important for improving the quality of the company's operations, so that all available information must be communicated to various parties and all personnel. At BPRS AL

WASHLIYAH Medan, information and communication applied to support cash activities are two-way, by processing and reporting appropriate information to maintain company accountability so that there are no indications of cash embezzlement. Along with the existence of information, communication is also very important. Such as communication between departments that require cash with the finance department and with the accounting department.

5. Monitoring

The theory that the author uses is the theory of internal control (internal control) according to COSO (Committee of Sponsoring Organizations), which is an activity to follow the course of the accounting information system so that if something goes wrong, it can immediate action is taken. At BPRS AL WASHLIYAH monitoring is always carried out by Internal control, especially on the use of incoming and outgoing funds by conducting ongoing supervision and supervision is carried out not every day, but there is a certain period of time in carrying out this supervision. the head of the section, whether the existing evidence is in accordance with the physical evidence.

Conclusion

The role of internal control in cash control at BPRS AL WASHLIYAH Medan is in accordance with the components of internal control according to COSO theory. It can be seen based on the five components of internal control (internal control), namely the environment control of the existence of an adequate and equipped organizational structure with their respective stipulations and responsibilities, on risk assessment there is an estimate of the risk so as to minimize the occurrence of misuse cash, in controlling activities there is an authorization from the authorized official on cash transactions, on information and communication on the existence of information and communication at BPRS AL WASHLIYAH Medan is adequate and established properly between each part, as well as on the monitoring component the existence of monitoring that has been carried out is adequate because it is carried out regularly continuously and follow up if there are deviations.

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