

UDC 332

MODERATE OF RELIGIOSITY AND VALUE FOR MONEY ON THE EFFECT OF MONEY ETHIC ON VILLAGE FUND ACCOUNTING FRAUD WITH MRAMODEL TEST

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ABSTRACT

The aims of this study were to determine: 1) The effect of ME on FADD, 2) The ability of REG and VFM to weaken the positive effect of ME on FADD. The specific objectives) are to find out: 1) the formulation of the FADD Prediction MRA Model, and at the same time 2) find out the magnitude of the FADD estimate. To achieve the research objectives, the research method used: population and sample determination. Identification, definition and measurement of variables. Next, collect data from secondary data sources with the documentation study method. Next, data tabulation and data processing were performed using SPSS V.23, and classical assumptions were tested. Data analysis with MRA technique to test. Through this analysis, the magnitude of the constant (a) and the beta coefficient (b) of the independent variable ME and the moderating variable (REG and VFM) can be obtained so that a model can then be obtained in the form of the FADD Predicted MRA Model, as the first additional output of the study. This prediction model is tested for compliance with the model's feasibility test and analyzed to determine the coefficient of determination (R²), then (if the prediction model is feasible) this prediction model is used to estimate the amount of FADD. The results showed that Money Ethic had a significant positive effect on Village Fund Accounting Fraud/FADD. Religiosity has a significant negative effect on the influence of Money Ethic on FADD. Value for money has a positive but not significant effect on the effect of Money Ethic on FADD. And, the Predicted Model of Village Fund Accounting Fraud is: $FADD = 23.041 + 1.036 ME - 0.127REG - 0.270VFM$.

KEY WORDS

Religiosity, value for money, money ethic, village fund accounting fraud, MRA Model Test.

Trends in accounting fraud has received a lot of media attention as a frequent dynamic. There is an opinion that fraud can be said to be a corrupt tendency in definition and terminology due to the involvement of several elements consisting of disclosure of misleading facts, violation of rules or abuse of trust. Acts of corruption that are often carried out include manipulating records, omitting documents, and mark-ups that are detrimental to the state's finances or economy.

The Bali Province is also inseparable from the problem of fraud in the management of the APBDes Fund. One of the cases of accounting fraud for the APBDes Fund (hereinafter: FADD) occurred in Dencarik Village, Banjar District, Buleleng Regency, which was carried out by the repairman. The perbekel person was proven to have corrupted the APBDes in 2015 and 2016 amounting to Rp. 149 million. From his actions, the repairman was sentenced to 1 year in prison and added a fine of Rp. 50 million, a subsidiary of four months in prison (Source: <https://radarbali.jawapos.com> and <https://www.nusabali.com>). In addition, the case that has received a court decision is a corruption case carried out by an individual from the Baha village headmaster who was proven guilty of committing a criminal act of APBDes corruption which caused a loss of state finances amounting to Rp. 1 billion. For his actions, the Baha village repairman was sentenced to 4.5 years and paid compensation as a result of state financial losses of Rp. 1 billion (Source: <http://www.balipost.com>).

Village fund accounting fraud / DD (FADD) is not only detrimental but also very contrary to the spirit of the determination of the national policy on village fund allocation (ADD), therefore it is necessary to disclose the factors causing it. There are several factors

that cause it, one of which is money ethics. Tang & Chiu (2003) reported that a person's money ethic or love of money has a significant and direct influence on unethical behavior. This means that people with high money ethics behavior (love of money) who place great importance on money will be less ethical and sensitive than people with low money ethics. Furthermore, Tang & Chiu (2003) in their study found that the love of money is the root of all evil.

Several researchers have tested the effect of money ethics on unethical behavior or on fraud, and found inconsistent results. The research conducted has a significant positive effect on unethical behavior or fraud. Meanwhile, other researchers, such as: finding money ethics has no effect on unethical behavior or on fraud. The inconsistency of these results is thought to be due to the role of other factors or variables, which Govindarajan (1986) and Murray (1990) call contingency factors. There are several contingency factors that should be suspected as moderating potential, two (2) of which are religiosity.

McDaniel and Burnett (1990) define religiosity as belief in God accompanied by a commitment to follow the principles that are believed to be set by God. Glover (1997) states that individual moral reasoning will shape the character generated by their religious beliefs. Strong religious beliefs are expected to prevent illegal behavior through feelings of guilt, especially in terms of tax evasion (Grasmick, et.al., 1991). Village officials who have high religiosity will tend to think twice if they want to take actions that violate religious norms such as acts of fraud or fraud. On the other hand, village officials with low religiosity will not hesitate to justify various ways to commit fraud. Several researchers have conducted similar studies, but the results of the studies are inconsistent so that they encourage researchers to replicate and try to uncover the effect of money ethics on village fund fraud and by using religiosity variables in the context of village fund fraud. Based on the description of the background, the formulation of the problem in this study are 1) Does ME affect FADD?; 2) Does REG moderate the effect of ME on FADD?; 3) What is the formulation of the FADD Prediction model? Based on the formulation of the problem above, the objectives of this study are as follows: 1) To determine the effect of ME on FADD; 2) To determine the moderating role of REG on the effect of ME on FADD; 3) To find out the formulation of the FADD Prediction model.

LITERATURE REVIEW

Fraud Triangle Theory, Theory of Planned Behavior and Theory of Ethics

Priantara (2013) explains that "the concept is *fraud triangle* currently widely used in the practice of Public Accountants in the Statement of Auditing Standard (SAS) No. 99, Consideration of Fraud in a Financial Statement Audit which supersedes SAS No. 82. This concept is based on research by Donald Cressey (1953) which concluded that *fraud* has three general characteristics, namely: 1) Pressure to commit *fraud* (*pressure*), 2) Opportunity to commit fraud (*opportunity*), 3) Excuses to justify *fraud* (*rationalization*).). Pressure (*pressure*) as a trigger *fraud* tekaitwith the use of variable *money ethic*. Pressure can include almost anything in both financial and non-financial terms such as a luxurious lifestyle and efforts to increase status in society can motivate someone to commit fraud. Financial stress is usually directly related to the perpetrator, such as greed, a luxurious lifestyle, high bills and debts, personal financial losses and unforeseen financial needs.

Utami (2014) states that one example of *pressure* is the urge to have material goods. Personal, materialist and capitalist characteristics will encourage people to do negative things without thinking about the impact of their actions, one of which is committing *fraud*. So that someone will commit fraud if there is an urge or motivation in him, one of the impulses or motivations is an ethical attitude towards money (*money ethic*). The increasing number of fraud cases that occur reflects the occurrence of an ethical or moral crisis.

The Theory of Planned Behavior

This theory proposed by Ajzen and Fishbein (1980) states that a person's desire to perform or not perform basic behavior is influenced by attitudes and social influences or

subjective norms. To reveal the influence between attitudes and subjective norms on the intention to do or not do an attitude, it is necessary to practice religious values in order to be able to separate which actions can be done and which cannot be done. Wirosardjono (1989) states that religion provides standards and guidelines in the form of commands and prohibitions to humans in their religious actualization. Thus, directly or indirectly, religion plays a role in the formation of human behavior in accordance with the doctrines believed by its adherents.

Money ethics and its ability to moderate the effect of professionalism and experience of auditors on materiality level considerations

In the business world, managers use money to attract, retain, and motivate employees (Milkovich and Newman, 2002). So the results lead to counterproductive behavior (Tang and Chiu, 2003). Tang (1992) reported that a person's *money ethic* or love of money has a significant and direct influence on unethical behavior. This means that people with high money ethics behavior (love of money) who place great importance on money will be less ethical and sensitive than people with low money ethics. In a study by Mitchell and Mickel (1999), money is related to an individual's personality and is an attitude variable. In addition, some researchers also propose that the love of money is the root of all evil (Tang & Chiu, 2003).

The relationship between money-loving behavior and ethical perceptions has been further investigated in several countries. Elias (2010) examined the relationship between the attitude of love for money and ethical perceptions. The result of this research shows that there is a negative relationship between the attitude of love for money and one's ethics. This is supported by Tang and Chiu (2003) who have the opinion that a person's money ethics has a significant and direct impact on unethical behavior. This means that the higher the level of love for money or *money ethics* that a person has, the lower his ethical perception will be, and vice versa. This is because if someone has a high love of money, then he will try to do everything possible so that his needs are met but not in accordance with ethics. The results of research by Lau, Tan & Choe (2013) show that *money ethics* is negatively related to *tax evasion*.

The more unethical the attitude towards money (*money ethics*), the more likely individuals are to behave unethically, thus triggering FADD. Based on the theoretical basis, logical framework, and the results of empirical research that have been described, the following research hypotheses can be developed:

Ha. 1: ME significant positive effect on the FADD.

Religiosity (REG) and its ability to weaken the positive influence on faddME

Gazalba (1967) says that REG is derived from the religion in Latin "religio" whose root is religere which means binding. Religion or religion in general has rules and obligations that must be obeyed and carried out by its adherents and all of them function to bind a person or group of people in their relationship. REG is a verb that comes from the noun religion. Religion itself comes from the words re and ligare which means a relationship that has been broken, namely reconnecting the relationship between God and humans (Indrawati et al., 2010). Indrawati also defines REG as a process to find a way of truth that is related to something sacred, with God, fellow human beings, and the natural surroundings.

McDaniel and Burnett (1990) define REG as belief in God accompanied by a commitment to follow the principles that are believed to be set by God. Glover (1997) states that individual moral reasoning will shape the character generated by their religious beliefs. Strong religious beliefs are expected to prevent illegal behavior through feelings of guilt, especially in terms of tax evasion (Grasmick, et.al., 1991). Several empirical researches have confirmed the role of religiosity in supporting ethical attitudes, preventing fraud and tax compliance, such as: Dewi Sofha (2018), Wankhar (2018), and Ari (2018)

From the description above, it can be said that the more religious a village fund manager is (DD) will increase his or her integrity and at the same time have better self-resilience to face the pressures of life and in attitude towards money, thus avoiding the

intention to commit *fraud*. Based on the theoretical basis, logical framework, and the results of empirical research that have been described, the following research hypotheses can be developed:

Ha. 2: REG weaken the positive influence *ME* on *the FADD*

Based on the research hypothesis can be developed a research model, as presented in Figure 1.

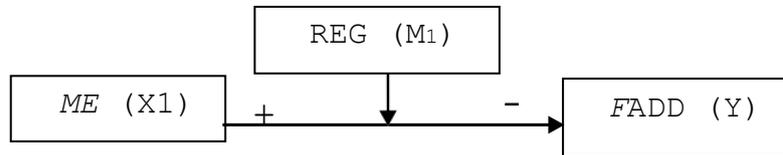


Figure 1 – Model Research

Note: REG – Religiosity; ME - Money Ethics; FADD - Village Fund Fraud.

METHODS OF RESEARCH

This research was conducted at the village office located in Buleleng. The total number of villages in Buleleng Regency is 129 (one hundred and twenty nine) villages spread over 9 sub-districts, namely, Gerokgak District, Seririt District, Busungbiu District, Banjar District, Sukasada District, Buleleng District, Sawan District, Kubuaddan District, and Tejakula District. The reason the researcher chose Buleleng Regency as the research location is because Buleleng Regency is one of the largest recipients of village fund transfers from 9 other regencies/cities in Bali. Besides that, in Buleleng Regency there have also been cases of fraud related to village financial management, so it is interesting to see the ethical perception of the village head related to accounting fraud in village financial management. The type of data used is quantitative data. Quantitative data is data in the form of numbers and can be expressed in units of calculation. Quantitative data used in this study is data from questionnaires in the form of numerical scores (Ghozali, 2017). The data used in this study based on the source is primary data. Primary data is data obtained directly from the original source (not through intermediary media) either in the form of an individual or group opinion or opinion collected to answer the problem formulation of the researcher who is also a direct data collector (Ghozali, 2017). In this case the respondent's answers were taken using a questionnaire made by the researcher and filled in by the respondent directly.

Population is a generalization area consisting of a group of people, events or things that have certain characteristics (Ghozali, 2017). The population in this study were all villages in Buleleng Regency, the total number of villages in Buleleng Regency was 129 (one hundred twenty nine) villages spread over 9 sub-districts namely, Gerokgak District, Seririt District, Busungbiu District, Banjar District, Sukasada District, Buleleng District, Sawan District, Kubu Addan District, and Tejakula District.

In taking the sample of this study using *purposive sampling method*. method *Purposive Sampling* is the determination of the sample on the basis of considerations. In this study the criteria used as samples are as follows. *First*, Villages that receive a minimum of 1.5 billion APBDes, and *Second*, Villages that do not elect a Village head/Perbekel in 2019. So the total sample that meets these two criteria is 36 villages from 9 sub-districts in Buleleng Regency.

identification of the variables for the fiscal illusion hypothesis test detection is as follows: The dependent variable is the variable that is affected by the independent variable in this study is *Fraud* the Regional Fund Accounting(*FADD*); The independent variables are the variables that affect the dependent or dependent variables in this research, namely *Money Ethic (ME)*; The moderating variable is a variable that can increase or decrease the influence of the independent variable on the dependent variable. The moderating variable in this study is religiosity.

The operational definition and measurement of each variable of this study are as follows: *Fraud* Regional Fund Accounting(*FADD*), In this study, the tendency of the accounting fraud became dependent variable. *Fraud* in the government sector is the

perception of employees in government agencies regarding accounting fraud that occurs in the government sector. The measurement of this variable uses a scale of *Likert* 1 strongly disagree to 5 strongly agree, the higher the value indicated, the higher the frequency of fraud that occurs. The measurement of this dependent variable uses 9 question items that were developed from the types of accounting fraud according to Tuannakota (2007) which consist of: Financial statement fraud, asset misappropriation and corruption.

Money ethics is the meaning and importance of money and a person's personal behavior towards money (Tang and Luna-Arocas, 2003). *Money ethics* is measured by the *Money Ethic Scale* (MES) developed by Tang (1992) and adjusted by researchers based on instruments *money Ethic scale* (MES). this scale measures the significance of ethical how does one assess the money. the statement will be measured using a scale *Likert* of 5 points.

Measurement *money ethics* using *money ethics scale* (MES). this scale measures the human attitude towards money against five of the following dimensions namely: *success*, *self expression*, *happiness*, *richness*, *motivator*. *Success* is a cognitive component that represents the obsession with money as a sign of individual success. *Self expression* is a cognitive component that emphasizes money as self-expression in life. *Happiness* is a cognitive component that emphasizes money as one of the factors of happiness in life. *Richness* reflects one's desires most people to be rich and have a lot of money. *Motivator* is a behavioral component related to the idea that money is a motivator.

McDaniel and Burnett (1990) say that *religiosity* is a belief in God with a commitment to follow the principles that have been set by God. Individual ethical behavior is influenced by the person's self-identity towards his religion (Choe & Lau, 2010). This self-identity is ultimately shaped by the internalizing role offered by religion. So that religion is a form of orientation of religiosity.

Allport and Ross (1967) divide religiosity into 2 dimensions/orientation, namely *intrinsic religiosity* and *extrinsic religiosity*. *Intrinsic religiosity* is a person's commitment to embracing a religion for spiritual or spiritual purposes (using faith to promote the interests of the people and finding ways to serve religion).

The character of *intrinsic religiosity* represents a strong internal guarantee for religion as part of a person's daily life. Donahue (1985) also says that *intrinsic religiosity* has a stronger relationship with religious commitment than *extrinsic religiosity*. Religiosity in this study was measured using instruments used also by Glock and Strak (1998), Mokhlis (2006), Lung and Chai (2010) which were adopted from research with a 5-point *Likert* scale.

Research Instruments and Validity and Reliability Test

This study used a research instrument in the form of a questionnaire to collect primary data. Questionnaires are data collection carried out by giving a set of written statements to respondents to answer (Ghozali, 2017). Questionnaires were given to village heads in Buleleng Regency. The questionnaire or list of questions is prepared by taking into account or applying the *Scale Likert*, which is a scale used to measure attitudes, opinions, and perceptions of a person or group of people about research variables. The summary of the research instruments used in this study is as presented in table 1.

In order for this instrument to measure what it is intended to measure, the validity and reliability of the instrument is first tested.

Instrument Validity Test, is a test of the homogeneity of the question items per variable to measure whether or not a questionnaire is valid. A questionnaire is said to be valid if the questions in the questionnaire are able to reveal something that is measured by the questionnaire, the higher the validity level of a questionnaire, the smaller the error variance (Ghozali, 2017). Validity testing can be done by calculating the correlation between each question item with the total score, namely analysis *Pearson's Correlation Product Moment*. The minimum requirement for a questionnaire to meet validity is if the coefficient value is at least 0.3. The correlation value between item scores and total items was then compared with the critical r (0.30). If the correlation to the total score item is greater than critical (0.30), then the research instrument is said to be valid with a significance level of 0.05.

Instrument Reliability Test is a test shows the consistency of a measuring instrument in measuring the same subject. If the measurement results show relatively the same results for

the same subject several times, the measuring instrument is reliable. A variable is considered reliable if someone's answer is consistent from time to time. The reliability test with SPSS uses *Statistical Reliability Analysis with Cronbach's alpha* (α) value greater than 0.60 (Ghozali, 2017).

Table 1 – Research Instruments

No.	Variable	Indicators	Scale	References
1.	<i>Fraud Village Fund Accounting (FADD)</i>	Cheating financial statements Abuse assets Corruption	Scale <i>Likert</i> 5 poin	Tuannakota (2007) and Chandra (2015)
2.	<i>Money Ethic (ME)</i>	Success Expression Self Happiness richness Motivator	Scale <i>Likert</i> 5 poin	Tang (1992) and Martini (2016)
3.	Religiosity (REG)	Ideological or belief Dimensions of Practice Religion experiential or experience intellectual and knowledge of consequences or application / practice	Scale <i>Likert</i> 5 poin	Glock and Strak (1998), Mokhlis (2006), Lung and Chai (2010).

Source: processed data, 2019.

Data Analysis Techniques. After testing the classical assumptions on the research sample, then verification data analysis will be carried out using the technique *Moderated Regression Analysis* (MRA), with the Normative Model equation $MRA_P \text{ FADD} / Y$ as the following:

$$Y = a + b_1 ME + b_2 REG + b_3 ME.REG + e$$

Where:

$Y = \text{FADD}$;

$a = \text{Constant}$;

$b_1, b_2, b_3 = \text{Regression coefficient of the independent variable and interaction}$;

$ME = \text{Money Ethic}$;

$REG = \text{Religiosity}$;

$ME.REG = \text{interaction ME and REG}$;

$e = \text{error term}$.

This model is used for: 1) Classical Assumption Test, 2) Hypothesis test research, 3) the formation of a predictive moderation regression model, 4) the Feasibility Test of the Model, and 5) the Analysis of the Coefficient of Determination (R^2).

The collected research data, before being processed further, will be tested for compliance with the classical assumption test which includes: data normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test. This test is carried out, according to Ghozali (2017) so that the PED prediction model formed is a good predictor model or is *BLUE (Best Linear Unbiased Estimator)*.

The statistical test used to test normality is to use the Kolmogorov-Smirnov (KS) test, if the value *Asymp. Sig. (2-tailed)* is greater than = 0.05 then the data is normally distributed, whereas if *Asymp. Sig. (2-tailed)* is smaller than = 0.05 then the data is not normally distributed.

The multicollinearity test is a test that aims to test whether there is a correlation between the independent variables in the regression model, because a good regression model should not have a correlation between the independent variables. To detect indications of multicollinearity, it can be seen by analyzing the correlation matrix of the independent variables. If there is a fairly high correlation between independent variables (generally above 0.90), then this is an indication of multicollinearity. Another way is to look at the VIF and values *tolerance*. In order to be free from multicollinearity, the VIF value must be less than 10 and the value *tolerance* must be above 0.1.

Heteroscedasticity Test is a test that aims to test whether in the regression model there is an inequality of variance from one observation residual to another observation. A regression model that does not contain symptoms of heteroscedasticity or has a homogeneous variance is a good regression model. A regression model containing symptoms of heteroscedasticity can give deviant prediction results. In this study, the heteroscedasticity test was carried out by regressing the value *absolute residual* from the estimated model to the independent variables, if none of the independent variables had a significant effect on the *absolute residual* or the significance value was greater than = 0.05, then there was no symptom of heteroscedasticity. To overcome the symptoms of heteroscedasticity, data transformation in the form of logarithms is often able to reduce heteroscedasticity.

Autocorrelation Test is a test conducted to track the presence of auto correlation or the effect of data from previous observations in the regression model. Autocorrelation occurs when successive observations over time are related to one another. The autocorrelation test was carried out using the Durbin-Watson test, with the following criteria: $du < d < 4-du$ (meaning there was no autocorrelation); $dI > d > 4-dI$ (meaning there was autocorrelation); $dI \leq du$ or $4-du \leq d \leq 4-dI$ (meaning there is no decision on).

After inputting and processing data using SPSS, the results of the obtained *t-test* (*t-test*) are a test of the research hypothesis. The real *level of significant* (α) used is 5 percent (0.05). If the value of sig. > A (0.05) then H1 rejected the claim there is no effect, otherwise if sig. (0.05) then H1 is accepted or the test results show a significant effect (Ghozali, 2017).

Development of the MRA Model Equation predicting *FADD*, after input and data processing using SPSS can be obtained information on the constant value (a) and the beta coefficient value (b1,2,3,4,5,6) for each variable: ME, REG, and ME.REG. Furthermore, based on the constant value and beta coefficient value, the MRA Model Equation predicting can be developed *FADD* or as follows:

$$\hat{Y} = a + b_1ME + b_2REG + b_3ME.REG$$

RESULTS AND DISCUSSION

This study aims to determine the role of religiosity (REG) in moderating the influence of *money ethics* (ME) on *fraud village fund accounting* (FADD). In taking the sample of this study using *purposive sampling method*. *Purposive Sampling* is the determination of the sample on the basis of considerations. In this study the criteria used as samples are as follows. *First*, Villages that do not conduct Village head elections/Perbekel in 2019, *Second*, Village apparatuses serve a minimum of 1 year, and *Third*, Villages that receive a minimum APBDes with the following amount: Gerokgak District of Rp. 2,452,102,000, Seririt District Rp. 1,771,459,000, Busungbiu Subdistrict Rp. 1,624,182,000, Banjar District Rp. 1,831,466,000, Sukasada District Rp. 1,926,882,500, Buleleng Subdistrict Rp. 1,592,902,000, Sawan District Rp. 1,768,114,000, Kubu Subdistrict an additional Rp. 1,971,490,000, and Tejakula Subdistrict for Rp. 2,004,828,000. The minimum amount of APBDes funds received by each village is obtained using a simple arithmetic average. So that the total sample that meets the three criteria is 25 villages from 9 sub-districts in Buleleng Regency. And the total respondents used in this study were 75 respondents

Respondents Respondents used in this study included the village head, village secretary and chairman of the Village Consultative Body (BPD), the use of the three positions was based on the fact that the three positions have an active and involved role directly in the process of preparation, realization, and accountability of APBDes. The total respondents used in this study were 75 respondents consisting of 25 villages in 9 sub-districts. The distribution of the questionnaires and the rate of return of the questionnaires that can be processed are presented in Table 2. It can be seen that from 75 questionnaires distributed, 75 questionnaires were returned. All returned questionnaires were filled in completely and met the requirements so that no questionnaires were dropped. Calculations from these data produce a *response rate* of 100% and a *usable response rate* of 100%.

Table 2 – Questionnaire Return Data

Information	Quantity
Questionnaires that were delivered directly	75
Questionnaires that were not returned	0
Questionnaires returned	75
Questionnaires that were invalid (incomplete)	0
Questionnaires used	75
Rate of return (<i>Response Rate</i>)	100%
Return rate used (<i>Useable Response Rate</i>)	100%

Characteristics of respondents in this study are profiles of 75 respondents who participated in filling out the questionnaire. Characteristics of research respondents including length of work, gender, age and last education are as follows: Length of service is used to determine the length of work of respondents who participate in the APBDes management process. Table 2 shows that respondents who have a long working period of 1 year are 15 people (20.0%), respondents who have a long period of work 2 years are 7 people (9.3%), respondents who have a long period of work 3 years as many as 13 people (17.3%), respondents who have a long working period of 4 years as many as 15 people (20.0%), and respondents who have a long period of working > 4 years as many as 25 people (33.4). Age is used to determine the age distribution of respondents who participate in the APBDes management process. Respondent between the ages of 20-24 years (1.3%), respondents who have the age between 25-34 years as many as 13 people (17.3%), respondents who have the age between 35-44 years as many as 24 people (32.0%), and respondents who have an age > 45 years as many as 37 people (49.4). Gender (gender) is used to reflect the involvement of gender who participates in the APBDes management process, and respondents who have a high school/vocational/high school education level are 47 people (62.7%), respondents who have a D3 education level are 5 people (6.7%), respondents who have an undergraduate education level are 22 people (29.3%), 1 respondent has a master's level of education (1.3%), and no respondent has a doctoral education level.

The research instrument has been tested for validity and reliability testing and obtained the following results: First, Validity test, a questionnaire is said to be valid if the questions in the questionnaire are able to reveal something that is measured by the questionnaire. The higher the level of validity of a questionnaire, the smaller the error variance. If the correlation to the total score item is greater than critical (0.30), then the research instrument is said to be valid with a significance level of 0.05 (Ghozali, 2016). The results of the validity test of the research instrument indicate that the research instrument consisting of statement items from the religiosity variable (REG) moderates the effect of money ethics (ME) and village fund accounting fraud (FADD) is valid which is indicated by the correlation value between each statement with the overall magnitude total score is above 0.30. Second, Reliability Test, a variable is considered reliable if a person's answer is consistent from time to time (Ghozali, 2016). The reliability test with SPSS uses Statistical Reliability Analysis with Cronbach's alpha (α) value greater than 0.60 (Ghozali, 2016). The results of the reliability test indicate that all research instruments are reliable because the Cronbach's alpha value of each variable is > 0.60, this indicates that the measurement can provide consistent results if repeated measurements are made on the same subject at different times.

Before performing multiple linear regression analysis, the regression model made must go through the classical assumption test first so that the resulting equation meets the BLUE (Best, Linear, Unbiased, Estimator) rules. If the classical assumption test is not carried out before processing the data, the resulting regression model equation is doubtful in its ability to produce accurate predictions. A good regression model is a regression model in which there are no data problems with abnormal distribution, multicollinearity problems and heteroscedasticity problems. The results of the classical assumption test can be presented as follows: First, Normality test, a good regression model is a model that has a normal distribution or close to normal. This study uses the Kolmogorov-Smirnov test to detect whether or not the normality test is fulfilled with the provisions that if the significance value of each variable is > 0.05 then the data is normally distributed, whereas if the significance value

of each variable is < 0.05 then the data is not distributed. normal (Ghozali, 2016). The results of the normality test are as presented in Table 3.

Table 3 – Normality Test Results

		Unstandardized Residual
N		75
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	3,37791240
Most Extreme Differences	Absolute	,091
	Positive	,061
	Negative	-,091
Test Statistic		,091
Asymp. Sig. (2-tailed)		,199 ^c

Based on Table 3, it can be seen that the Asymp value. Sig is 0.199, so it can be concluded that the data is normally distributed because of the Asymp value. Sig. (2-tailed) is greater than the significance level of 0.05.

The multicollinearity test aims to test whether the regression model found a correlation between the independent variables or not (Ghozali, 2016). The multicollinearity test is seen from the tolerance value and variance inflation factor (VIF). Multicollinearity occurs when the tolerance value is less than 0.1 (10%) or VIF is greater than 10, the results are as presented in table 4. Based on Table 4, it can be seen that the tolerance coefficient for the three variables (ME and REG) is greater than 0.10 (10%) and VIF is less than 10, it can be said that there are no symptoms of multicollinearity between independent variables.

Table 4 – Multicollinearity Test Results

		Collinearity Statistics	VIF
Model		Tolerance	
1	ME	,999	1,001
	REG	,938	1,066

Dependent Variable: FADD

Heteroscedasticity test aims to test the occurrence of inequality of variance and residual from one observation to another observation in a regression mode. A good regression model is a model that is homoscedastic or does not occur heteroscedasticity (Ghozali, 2016). One way to detect the presence or absence of heteroscedasticity is to use the Glajser method. If the significance of t from the regression results of the absolute residual value to the independent variable > 0.05 , the regression model does not contain heteroscedasticity. The results of this heteroscedasticity test can be seen in Table 5.

Table 5 – Heteroscedasticity Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,526	2,423		1,868	,066
	ME	,023	,028	,097	,834	,407
	REG	-,038	,035	-,131	-1,087	,281

a. Dependent Variable: abs_res

Based on Table 5, it can be seen that the significance value of each of the three variables is greater than 0.05, so it can be said that the regression model in this study is free from heteroscedasticity symptoms.

Descriptive statistics is an analysis that is used to provide a description of information (description) regarding data about the characteristics of research variables, including minimum values, maximum values, average values and standard deviations. The results of the descriptive statistical tests are presented in Table 6. The results of the descriptive statistics in Table 6 show the following: The Village Fund Accounting Fraud (FADD) variable has a minimum value of 1.00, a maximum value of 4.00, an average value of 2.4427 and a

standard deviation of 0.7857. Furthermore, it can also be seen that the average value is less than half the maximum value of the 5-point Likert scale. This shows that FADD according to the perception of responses from respondents used in research in viewing accounting fraud is quite high. The Money Ethic (ME) variable has a minimum value of 2.27, a maximum value of 5.00, an average value of 3.6748 and a standard deviation of 0.79390. It can be said that with an ME average value of more than half but still far from the highest point of 5 points on the Likert scale, it means that the respondents' love of money used in the study is relatively moderate.

Table 6 – Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
FADD	75	1,00	4,00	2,4427	,78571
ME	75	2,27	5,00	3,6748	,79390
REG	75	1,00	5,00	3,1560	1,36582
Valid N (listwise)	75				

The religiosity variable (REG) has a minimum value of 1, a maximum value of 5.00, an average value of 3.1560 and a standard deviation of 1.36582. With an average value of more than half but still far from the highest point of 5 points on the Likert scale, the respondent's religiosity is quite good but still not optimal.

The data processing has been carried out on the multiple regression equation and MRA using SPSS Version 2016 and the respective results are obtained as presented in table 7. The t statistical test was then carried out based on the table, aiming to test how far the influence of one independent variable individually in explaining dependent variable variance. The basis for accepting or rejecting the hypothesis can be seen from its significance value. If the significance value is 0.05, then H2 is accepted and H0 is rejected. On the other hand, if the significance level is > 0.05, then H2 is rejected and H0 is accepted.

Based on the results of the MRA test as presented in Table 7, it can be explained:

Table 7 – Results of Moderated Regression Analysis (MRA)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	23,041	27,403		-,161	,873
	ME	,753	,575	1,564	1,310	,194
	REG	-,776	,405	-1,322	-1,916	,020
	ME.REG	-,020	,009	-2,475	-2,258	,027

a. Dependent Variable: FADD

The significance value of the test results for the effect of money ethics/ME on Village Fund Accounting Fraud/FADD is 0.194 which is greater than = 0.05 with a beta coefficient of 0.753 or in other words ME has a positive insignificant effect on FADD. This result rejects the Ha1 hypothesis which states that ME has a significant positive effect on FADD. This means that the increase in ME will increase FADD but the increase is not real or it can be said that there is no change in FADD even though there is an increase in ME. The significance value of the test results on the influence of religiosity/REG on Village Fund Accounting Fraud/FADD is 0.020 which is smaller than = 0.05 with a beta coefficient of -0.776 or in other words REG has a significant negative effect on FADD. This means that the stronger the REG, the lower the FADD. The significance value of the ME.REG effect test on Village Fund Accounting Fraud/FADD is 0.027 which is smaller than = 0.05 with a beta coefficient of -0.020 or in other words ME.REG has a significant negative effect on FADD. These results accept the Ha3 hypothesis which states that ME.REG has a significant negative effect on FADD. This means that the stronger the REG, the weaker the ME effect on FADD.

FADD Prediction MRA Model Formulation

The formulation of the Multiple Regression Equation Model and MRA was developed from the results of the research data process as presented in table 7.

Table 7 – Results of Moderated Regression Analysis (MRA)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	23,041	27,403		-,161	,873
	ME	,753	,575	1,564	1,310	,194
	REG	-,776	,405	-1,322	-1,916	,020
	ME.REG	-,020	,009	-2,475	-2,258	,027

a. Dependent Variable: FADD

Based on this table, multiple regression equations for FADD predictions can be drawn up, as follows:

Based on the above equation, the following interpretation can be made.

A constant of 23.041 means that if it is assumed that the respondent's perception of ME, REG, and VFM is equal to zero, or in other words, if there is no ME, REG, and VFM, according to the respondent's perception, there will still be FADD in the APBDes management of 23,041 perception units. This may be caused by other factors outside the model, including: information asymmetry, spiritual intelligence, compliance with accounting rules, and employee integrity..

The regression coefficient (β_1) on the ME variable is 0.136 with a significance value of 0.009, it can be interpreted that if a person's ME increases by one perception unit, it will increase FADD in APBDes management by 0.136 perception units.

The regression coefficient (β_1) on the ME variable is 0.136 with a significance value of 0.009, it can be interpreted that if a person's ME increases by one perception unit, it will increase FADD in APBDes management by 0.136 perception units.

The regression coefficient (β_1) on the ME variable is 0.136 with a significance value of 0.009, it can be interpreted that if a person's ME increases by one perception unit, it will increase FADD in APBDes management by 0.136 per perception unit..

Based on the table 7 and the interpretation described above, it can be developed an MRA model to predict FADD as follows:

$$\hat{Y}/FADD = -4,407 + 0,753ME - 0,776\beta_2REG - 0,020ME.REG$$

The model feasibility test (F test) was carried out to test the simultaneous effect of the independent variables on the dependent variable, where if the independent variables had a simultaneous influence on the dependent variable, the regression equation model entered into the fit or fit criteria. The F test is carried out by looking at the significance value in the ANOVA table, if the significance value is F (0.05), then this model is said to be feasible or the independent variable is able to explain the dependent variable. The results of the model feasibility test (F test) are as presented in table 8.

Table 8 – F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	282,272	5	56,454	4,956	,001 ^b
	Residual	785,915	69	11,390		
	Total	1068,187	74			

a. Dependent Variable: FADD
b. Predictors: (Constant), ME, REG, ME.REG,

Based on table 8, it can be seen that the Sig.F value of 0.001 which is smaller than = 0.005 means that the FADD prediction MRA model above is suitable for predicting FADD. The coefficient of determination (R²) is used to measure how far the ability of the independent variable in a model to explain the variance of the dependent variable. The coefficient of determination (R²) for the model of the moderating regression model/MRA predicted by FADD is as presented in table 9. Based on Table 9, it can be seen that the coefficient of determination (R²) for the multiple regression model is 0.264. This means that 26.4% of the dependent variable variance (FADD) can be explained by ME, REG, and

ME.REG variables, while the remaining 73.6% is explained by other variables outside the model.

Table 9 – Coefficient of Determination (R²) Moderation Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,514 ^a	,264	,211	3,37492

a. Predictors: (Constant), ME, REG, ME.REG,

CONCLUSION

Based on the discussion that has been carried out in the previous chapter, it can be concluded, as follows *Money Ethic* significant positive effect on Village Fund Accounting Fraud. Or in other words, village officials who manage village funds will have a high Money Ethic which has the potential to increase Village Fund Accounting Fraud; Religiosity has a significant negative effect on the influence of Money Ethic on Village Fund Accounting Fraud/FADD. If the village apparatus managing village funds has a high level of religiosity, they will be better able to control Money Ethic so that it will weaken their desire to commit Village Fund Accounting Fraud; The formulation of the Village Fund Accounting Fraud Prediction model is as follows:

$$\hat{Y}/FADD = 23,041 + 1,036 ME - 0,127REG - 0,270VFM$$

Suggestions that can be given regarding the results of the research conclusions are as follows: Village officials who manage village finances need to be given an approach to better control their money ethics, especially through increasing religiosity; Besides the religiosity approach, it is also necessary to emphasize value for money while still upholding ethical behavior in order to resist the urge to do FADD;3) The next researcher needs to consider examining other moderating variables, such as: chess culture purusa artha, spiritual workplace, internal control system, and so on.

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