

COMMUNICATION AND CONSULTATION MODELS FOR FOLLOWING UP AUDIT REPORTS OF INDONESIAN PUBLIC AUDITING¹

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Abstract

Paska desentralisasi pemerintahan yang demokratis di era reformasi ini, peranan Badan Pemeriksa Keuangan (BPK) dalam mewujudkan transparansi dan akuntabilitas keuangan dan kinerja pemerintah menjadi sangatlah signifikan. Pemeriksaan yang objektif dan kredibel menjadi tuntutan yang tidak bisa dielakkan sebagai kriteria suatu kualitas laporan hasil pemeriksaan. Salah satu ukuran keberhasilan dari hasil laporan pemeriksaan adalah efektifitas tindak lanjut dari rekomendasi yang diberikan oleh BPK. Kualitas informasi dan komunikasi adalah salah satu faktor kunci agar laporan hasil pemeriksaan itu. Adapun hasil pemeriksaan yang sudah dipublikasikan menjadi sangat penting untuk segera dapat ditindaklanjuti oleh anggota DPR/DPD (Legislative), pemerintah (Executive) dan publik (salah satunya adalah media) untuk mendorong terciptanya *check and balances* untuk mewujudkan pengelolaan pemerintahan yang baik dan bersih.

Kajian menemukan adanya keterbatasan dari anggota DPR/DPD dalam memahami hasil laporan pemeriksaan. Di samping itu, rendahnya tindak lanjut yang dilakukan oleh investigators (kejaksaan, kepolisian dan KPK) untuk hasil temuan yang berindikasikan kriminalitas dan korupsi. Dengan tujuan meningkatkan kualitas komunikasi yang lebih efektif dan mewujudkan tindak lanjut hasil rekomendasi/pemeriksaan yang lebih tinggi, disampaikan dua rekomendasi, yaitu (1) model pelayanan komunikasi dan konsultasi serta diskusi antara BPK kepada para anggota DPR/DPD, serta (2) model komunikasi dan kerjasama BPK dengan Kejaksaan Republik Indonesia untuk hasil pemeriksaan berindikasikan kriminalitas dan korupsi.

Key words: Communication and Consulting Models, Audit Reports of Indonesian Public Auditing

A. INTRODUCTION

Before audit reform, the original 1945 Constitution mandated BPK to report its findings to Parliament. Nevertheless, as mentioned in the previous chapter, during the New Order Era the State Secretary Office checked BPK audit reports before they were submitted to Parliament. Moreover, there was no evidence that Members of Parliament followed up the information in BPK reports as there was no obligation and responsibility for any parties, including the Legislative and Executive, to act on BPK reports. At that time, the Golkar party held a majority of vote in Parliament, as the President was the head of the advisory Members of the Golkar faction, the most powerful party. The President appointed all his people, from the same party, in almost entire important position in public sector. This situation prevented the implementation of the checks and balances system.

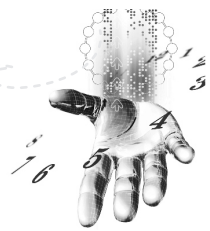
Since audit reform in 2001, the major tasks of the Members of Parliament have been to approve the government budget and oversee the performance and accountability of the government in managing

public resources and providing good quality public services. BPK reports provide information to support the Members of Parliament in conducting their tasks to oversee the performance and accountability of the government. The Members of Parliament have the right to ask questions; request information; and express the views of officials from Executive bodies, and Judicative bodies, and Members of society to clarify the information in BPK reports and to review the performance of public sector agencies. To help review the BPK reports, Members of Parliament hire experts and advisers. BPK experts and staff of the General Secretariat of Parliament provide summaries of BPK reports to help Members of Parliament understand the reports and to act on the information by asking about the performance of government.

Solomon and Trotman (2003: 409) highlighted an urgent need for auditing research "to pose and test theories that are well suited to the changing environment and task demands faced by auditors. Through comprehensive analysis on the performance of the Indonesian external public

1. Makalah telah dimodifikasi dan dipresentasikan dalam International Conference yang diadakan oleh International Association of Schools and Institutes of Administration (IASIA) pada tanggal 13-18 Juni 2011 di Roma, Italy dengan judul *Factors Influencing Quality and Content of Communication Information Services for Reforming Indonesian Public Auditing*. Presentasi disampaikan oleh Sri Hadiati, SH, MBA (Deputi Kajian Kelembagaan dan Kinerja SDM) yang hadir sebagai peserta konferensi dan penyaji mewakili LAN RI.





sector auditing reports and its impacts to the transparency and development of public administration, the research will significantly contribute to gaps in the existing literature about auditing in Indonesia. It will also contribute to the general comparative and growing development of literature on different aspects of public sector auditing and administration.

B. RESEARCH DESIGN AND METHODOLOGY

The research process included a theoretical conceptual stage and the field research stage. The theoretical conceptual stage included a literature review that provided background for study and disclosed the room for improvement in public sector auditing in Indonesia. Moreover, a historical analysis of Indonesia public sector auditing including the crucial time period of Dutch colonisation (before 1945) until the Reformation Era (1998-present) was described in this study. This provides insights into the process of development and change regarding public sector auditing in Indonesia. The field research explored primary and secondary data.

The informants for primary data collection came from different group of respondents and informants, namely: public sector agencies (auditees), BPK auditors and management, Parliament and regional Parliaments Members, General Secretariat of Parliament, and others (such as researcher, auditors from ANAO, ex-auditor of BPK, team leader of ADB, and secondment participants), to provide greater insight into the changing nature of external public sector audits in Indonesia. The secondary data was collected from government documents (regulations, reports, statistical data, audit results and photos), printed media (newspapers, magazines), academic papers presented in local and international conferences, and relevant national/international seminars.

Sixty-one key informants were interviewed. From the questionnaires, there were totaled 140 responded over 180 distributed. Those who came from BPK consisted of (i) BPK Board Members as leaders who decide on strategic reform and policies for BPK, (ii) top and middle managers from different bureaus under the General Secretariat of BPK that manages resources and support for audit roles and functions, (iv) different groups of auditors of state finances (AKN) and representative offices that examine the financial reports and performance of public sector auditees, (iv) trainees (auditors who took part in some trainings), and (v) project managers who manage audit reform projects.

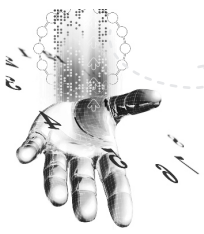
C. COMMUNICATION WITH THE LEGISLATIVE

Parliamentary Members have a significant roles and function in improving public administration and holding the Executive to account. Moreover, the role of the Legislature in controlling and enforcing the accountability of the bureaucracy is the key element in the relationship between politics and administration. Aldons (2001: 34-42) believed that Members of Parliament have the political power to hold the Executive accountable to the public.

Gendron and Cooper (2001: 306) emphasised the close relationship between state auditors and the Legislature. Funnel (1994: 178) argued that the audit office has the role of examining information on the Executive's spending and taxation income and to report the results to Parliament. Moreover, he argued that the Parliament must have the will to admonish and call the government to account to the public. Moreover, Simms (1999: 34) argued that to ensure the accountability of government, an audit institution examines the accountability of public sector bodies and reports the audit results to Parliament. The reports are reviewed by Parliament to hold the government to account to the public for managing and using public resources, and in order to uncover poor administration and corruption (Evans 1999: 87; Simms 1999: 34).

The function of Parliament to hold government accountable in using public resources and improving public administration has been applied by most of the national audit institution in OECD countries (such as: the Supreme Audit Office in the Czech Republic; the National Audit Offices in Denmark, Finland and the United Kingdom; the Federal and Lander Courts of Auditors in Germany; the State Audit Office in Hungary; the Board of Audit and Inspection in Korea; the Prime Ministry High Auditing Board in Turkey and the Australian National Audit Office in Australia), which assist the Congress or Legislature in scrutinising the public administration (Bertsck 2000: 63 and Houghton and Jubb 1998: 30).

Eckardt (2008: 1-17) studied the interaction between political institutions and public sector performance in Indonesian local governance. From a randomised sample of 177 districts, he found that the political power of regional Legislatures in controlling government is through the implementation of sanctions for non-compliance by officials, which has forced them to reduce opportunistic behavior and improve their performance. The reports from state auditors support the essential roles and functions of Parliament in forcing the government or Executive



to provide possible action to improve its accountability.

The comments from the Executive are published as part of the audit reports. For example, in Britain, there is a Public Accounts Committee that receives audit reports of SAI to support the Parliament in questioning the Executive on its performance and accountability (Yoedono 2002b: 6-7). Besides, in Australia, there is the Joint Committee of Public Accounts and Audit (JCPAA) which works closely with the Auditor General and ANAO and has the power to hold government officials accountable to the public.

D. LAW ENFORCEMENT SUPPORT

There is interaction between the international development in New Public Management (NPM) to administrative law on auditing and audit standards. Guthrie (1990) argued that there is a significant relationship between restructuring the accounting and auditing system, and standards in public sector administration and policy. Moreover, Nicoll (2005: 35-44) underlined the critical role of administrative law to require agencies to develop audit standards to perform efficient and effective audits of government entities. According to Quick and Rasmussen (2002: 147-148), for auditors who do not obey the rules and auditing standards, sanctions and punishment are not only in the form of money, but can also be in the form of influence on their reputation by publishing the names of auditors who have been punished.

In addition, financial management and reporting of the public sector and accrual-based accounting system practices in government institutions have significantly influenced the audit process and the standards with which auditors must comply (English and Guthrie 1991). China is an example of a country in Asia that has achieved remarkable development progress in economic reform since its government regulations reestablished accounting and auditing standards based on international best practices (Chen et.al. 2005).

In the public sector, financial audit standards adopted from private sector management and reporting practices, while performance audit standards are determined by the mandate of legislation to auditors in determining the objectives of the audit (Nicoll 2005: 36-38). As Gendron et.al (2007: 116) explained, audit standards are the result of good practices developed through continuous study, consultation and shared information between auditors and peers about the principles of providing audit services.

Compliance with audit standards can maintain auditors confidence in reporting and providing audit opinions and recommendations (Nicoll 2005: 35). Abdolmohammadi (2009: 27-42) argued that there are personal and organisational variables that contribute to the use of, and compliance with, audit standards. He believed that the length of professional Memberships, certification, continuing professional education, academic degree and years of experience are important factors to improve the usage of, and compliance with, the standards. Hodgdon et.al. (2009: 33-55) revealed that compliance is positively related to the auditor's choice, thus they reinforce the importance of developing institutional mechanisms (such as enforcement) to encourage compliance with the standards. This means, regulations and enforcement may supersede the use of or compliance with standards.

Audit institutions have no power to apply formal sanctions on auditees (Scott 2003: 211). This means that although auditors have spent time and effort on different types of auditing (compliance, fraud and performance audits), audit institutions have no capacity to impose any sanction for any finding of irregularities, fraud and other criminal actions of public agencies. Law enforcement can be a tool to ensure that audit findings that indicate criminality will be preliminary evidence at court and will reduce fraud and thus the possibility of auditees repeating their crimes (Soedibyo 2004: 12-14). Audit institutions can establish auditing functions properly and effectively if the auditors are sure that there will be follow up from law enforcers on their findings that indicate corruption and fraud.

E. COMMUNICATION AND AGREEMENT BETWEEN BPK AND THE LEGISLATURE

After BPK audits all the financial statements based on the BPK audit standards, BPK reports the audit results to central Parliament, the Senate (DPD) and regional Parliaments (DPRDs). Members of legislative institutions then review and oversee the performance and accountability of the agencies with supporting information from the opinions and recommendations in the BPK reports. They use this information as a basis for approving proposals from the agencies on their state/regional revenue and expenditure budget plans (budget function). After the public sector agencies receive the approved budget, they use it to develop their regions and to provide public services. All revenue and expenditure has to be accounted for and reported in the financial statements.



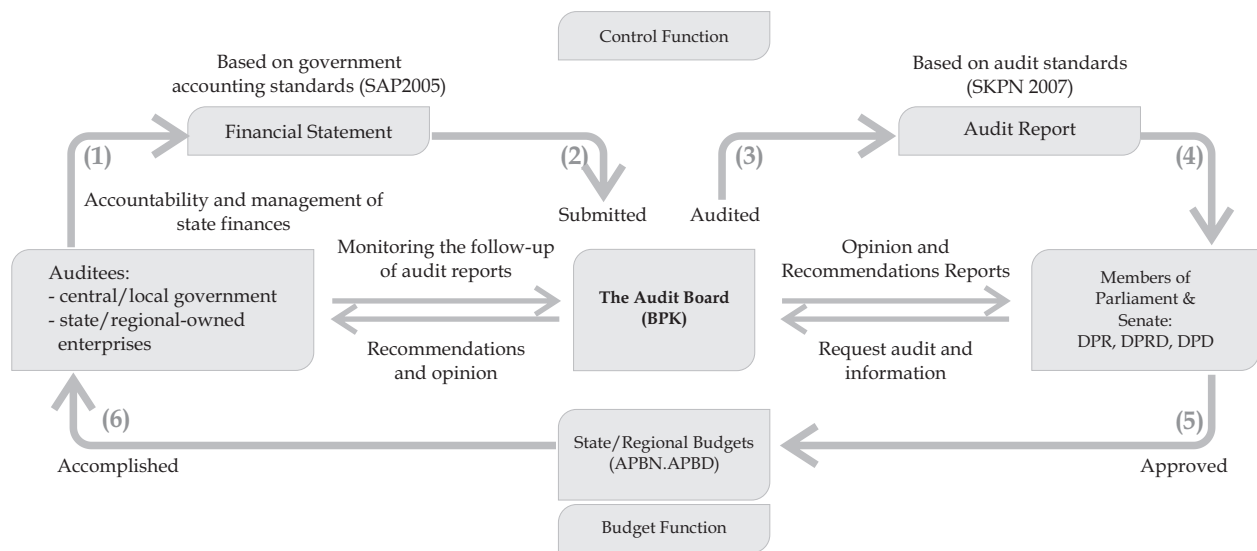
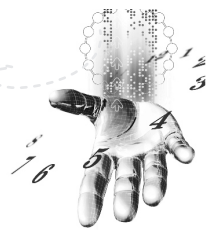


Figure 1. Process of BPK and Parliament Functions for Public Accountability

Source: Processed and adapted from BPK (BPK RI 2007a)

Figure 1 (below) illustrates the relationship of the functions of BPK as auditors and the functions of Parliament (both central and local level) as controllers in state finances.

Because of the low follow-up of BPK reports, in 2006, BPK signed a Memorandum of Understanding (MoU) with the Legislative institutions at both central and local levels. This covered: (i) submitting audit reports and findings, (ii) monitoring follow-up of the reports by the auditees, (iii) consultation and meetings with Members of Parliament and auditors, and (iv) provision of follow up and reporting after the

meeting. The main objective of the agreement is to improve the effectiveness of acting on BPK reports and findings with support from Parliament. The coordination agreement between BPK and the Legislative (Central Parliament, Regional Parliament and Senate) is illustrated in Figure 2.

Since MOU was signed, consultations have been conducted for BPK to provide clarification and further information to Parliament regarding audit findings. Communication between BPK and the Members of the Legislature are conducted regularly to provide good interaction and correct information for the Members in overseeing and

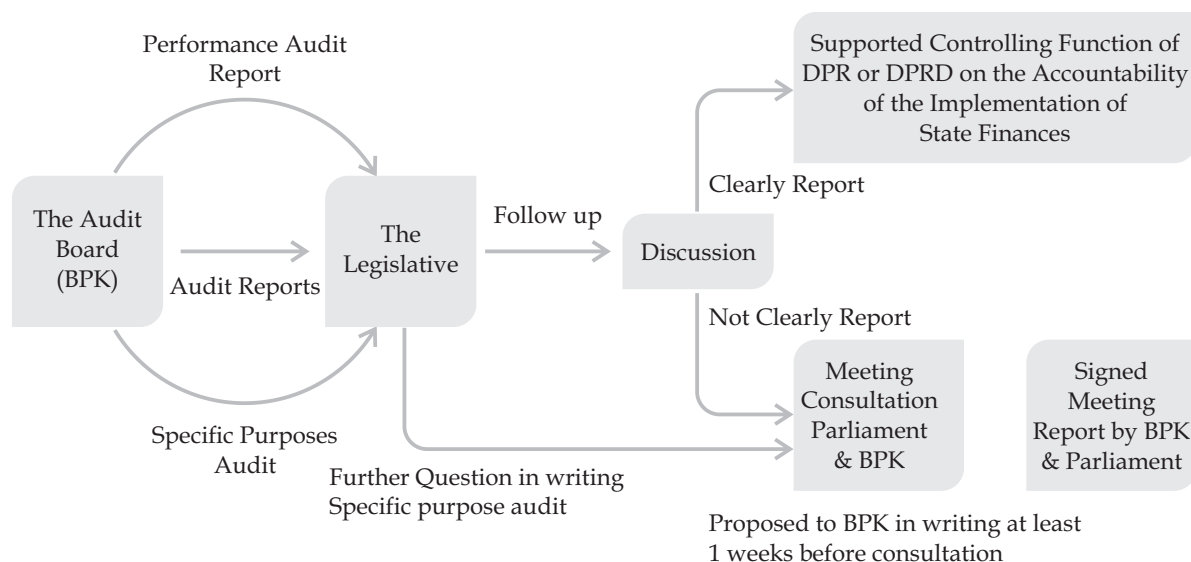
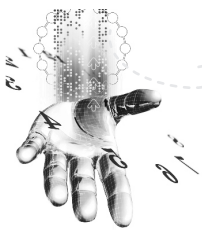


Figure 2. Communication Information Services between BPK and the Legislative

Sources: Adapted from MoU between BPK and Parliament, Regional Parliament and Senate, BPK RI, Jakarta (MoU 2006).



reviewing audit reports. BPK has provided regular consultations with Members of Parliament in every commission (from Commission I to XI).

This study found the lack of understanding and knowledge of Members of Parliament about what should they do to with information and data presented in BPK reports. This means that the Members still need assistance to conduct their role in controlling government entities to fulfill their accountability duties to the public. The forum of consultation is strongly needed by the Members of Parliament to provide clear information and suggestions from BPK in performing their duties. Input from BPK becomes important information for the Members. Therefore, consultation and communication between BPK and Members of Parliament is very important for following up audit opinions and recommendations, and also for the Legislature to conduct its budget and control functions.

BPK also signed a MoU with regional Parliaments (DPRDs) in 2006 (MoU 2006). Consultations were also conducted between BPK, Members of regional Parliaments and the Senate. Members of both central and regional Parliaments argued that they are consistently committed to holding the government accountable to the public. They also found that their relationships with BPK are important.

The Chairman of BPK stated to high officials of local government (Governor, Regent, Mayor, the heads of government agencies) and to Members of Lampung Province Parliament (on 9th March 2007) that BPK reports support the regional Parliament in carrying out their functions in budgeting and controlling government entities by monitoring and encouraging government agencies to act on BPK reports and recommendations. BPK are open and transparent and willing to answer all questions posed to its Members and to explain any information in the reports that is not understood. The mutual support of BPK and the Members of Parliament can hold the government accountable in using state finances, managing public resources and providing satisfactory public services. Since the joint agreement was signed and consultations began, there has been a significant improvement in the follow up of BPK reports and findings from the Members of the Legislature.

Therefore, after BPK consultations with Members of Parliament there was significant progress on the follow up of BPK reports. However, this study revealed that Members of Parliament have not used BPK reports optimally for the budget control of the Executive government. Since 2006, in response to the lack of

Parliament Members' ability to understand and review BPK reports, the State Audit Reform Sector Development Project (STAR-SDP) has supported programs to improve the ability of the Members of Parliament to oversee the performance of the Executive through reviewing BPK reports. These programs help Parliament Members to be aware of what sources of information they need to review BPK audit reports.

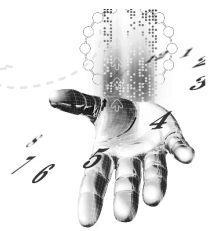
BPK's Chairman has recommended a committee, called the Public Accountability Committee (PAC) or Panitia Akuntabilitas Public (PAP), to be formed for the Indonesian Parliament (Bisnis Indonesia 18th January 2008). This committee would be responsible to review BPK reports and to solve weaknesses in basic financial management and administration of state finances in government agencies. Similar public accounts committees are found in other countries. For example, in Australia there is the Joint Committee of Public Accounts and Audit (JCPAA) that has the power to hold government officials to account in the Australian Parliament. It also monitors the follow up of audit recommendations towards good public sector governance, helping to make government agencies and officials act in compliance with existing rules, to act efficiently and to achieve their purposes effectively in the use of public funds. However, the recommendation to form the PAC has not yet been approved.

However, the study found the Members of parliament feel confident to perform their duties and functions to improve the fiscal transparency and accountability of government without assistance from PAC. In fact, in following up the weaknesses of the Indonesian state and regional financial administration, Members of Parliament could not perform well. Since the Reformation Era, Members of Parliament have had a budget committee to discuss state and regional government budgets. In addition, the Legislative has commissions that oversee the use of budgets and the performance of each department. However, without a PAC, for instance, Members of Parliament have not been able to check how a government agency acquires expenditure for its activities, including how much is sourced from state/local public budgets and how much from other resources.

F. COMMUNICATION BETWEEN BPK AND AUTHORISED INVESTIGATORS

From December 2004 to December 2008, there were 21 cases of BPK reports and findings indicating criminality to the value of Rp.20.22 trillion (Auditor Magazine 2008: 30), that were





reported to the Police of the Republic Indonesia (POLRI). Notwithstanding, audit reports that indicated corruption and criminality and were published in media outlets, have not been followed up by investigators or law enforcers. BPK reported the reluctance of the government in responding to BPK audit results to the President. The President asked the Police and the Attorney General to examine audit reports on state agencies that indicated criminal activities (Media Indonesia 2 December 2006). But according to the judgment of some Members of Parliament and other observers, law enforcement officials respond poorly to the BPK audit findings that indicate criminal activities or fraud.

The Attorney General of the Republic of Indonesia, Abdurrahman Saleh argued that law enforcers found obstacles in following up evidence from BPK reports on cases of corruption (Saleh 2007: 8). Although BPK reports found indications of corruption, there were different perceptions among law enforcers about whether or not the cases actually involved corruption or not. The Attorney General (Saleh 2007: 8) argued that in analysing corruption cases, criminal irregularities and state finance losses, having the same perceptions is important to uncover corruption cases, round up corruptors and apply criminal sanctions. This means that although BPK reported findings indicating corruption to law enforcers and the public, these findings were not enough to lead to any prosecutions. Further investigations from law enforcement were not conducted effectively, because the cases of corruption were still debatable.

Due to the low follow up by law enforcers on BPK reports indicating criminality and corruption, BPK provided new mechanisms to improve this situation. The first new mechanism was the signing of a joint agreement between BPK and KPK concerning cooperation and efforts to prevent and eradicate corruption (KPK and BPK RI 2006)². The agreement covers the coordination of information exchange, personnel assistance, education and training, and further investigation. The Chairman of BPK explained (Eksekutif January 2007:18-23) that BPK only report to the KPK findings that indicate fraud and corruption as preliminary evidence. KPK has to follow up the reports by conducting further investigations to prove whether the corruption exists or not.

Article 3 of this agreement focuses on the exchange of information between KPK and BPK in relation to the duty and authority of each party. BPK reports audit findings and information that is required by KPK to investigate or handle any cases that indicate corruption. On the other hand, BPK can obtain information from KPK in regard to any complaints or information from the public indicating corruption, and other information required by BPK to conduct an investigative audit. All confidential information to or from BPK and KPK must be given in writing and is signed by the respective heads of BPK and KPK.

The second new mechanism was an agreement signed between BPK and the Centre for Reporting and Analysis of Financial Transactions (PPATK) to more effectively prevent and eradicate criminality related to money laundering. The purposes of this agreement between BPK and PPATK are to exchange of data and information, to assist in promoting system against criminality related to money laundering, and to provide trainings and education³. For the transfer of information, both parties agreed that BPK could provide to PPATK information in audit reports that indicates money laundering. On the other hand, PPATK provides information to BPK in regard to abuses of authority and contempt of regulations related to money laundering. Although cooperation among BPK, KPK and PPATK has occurred before, the joint agreements show that further efforts are being undertaken to prevent money laundering and to strengthen more effective cooperation.

The third new mechanism was a joint agreement signed in 2006 between the Attorney General and the police (Kep-019/A/JA/03/2006) to improve the effectiveness of coordination to eradicate corruption (Saleh 2007: 16). The fourth new mechanism is an agreement between BPK and the Attorney General made on 25th July 2007 (Kejaksaan Agung and BPK RI 2007) to support the effectiveness of BPK reports that indicate a criminal matter⁴. The agreement⁵ covers coordination between BPK and the Attorney General for the submission of BPK's audit results to the Attorney General's office, law enforcement on BPK audit findings that indicate corruption, and their cooperation in education and training.

The joint agreement between BPK and the law enforcers in this example is with the Attorney General as depicted in Figure 3 (below), which shows

2. The agreement was signed by the Chairman of BPK and the Head of KPK on 25th September 2006 in Jakarta.

3. This agreement was executed in the head office of BPK, on 25th September 2006 and was signed by the Chairman of BPK and the head of PPATK.

4. This is based on Chapter I, Article I, point 'E' of the joint agreement between BPK and the Attorney General, Law enforcement is the activity of investigation, prosecution, auditing at court and conducting decision (Kejaksaan Agung and BPK RI 2007).

5. This agreement was signed by the Chairman of BPK and the Attorney General on 25th July 2007.

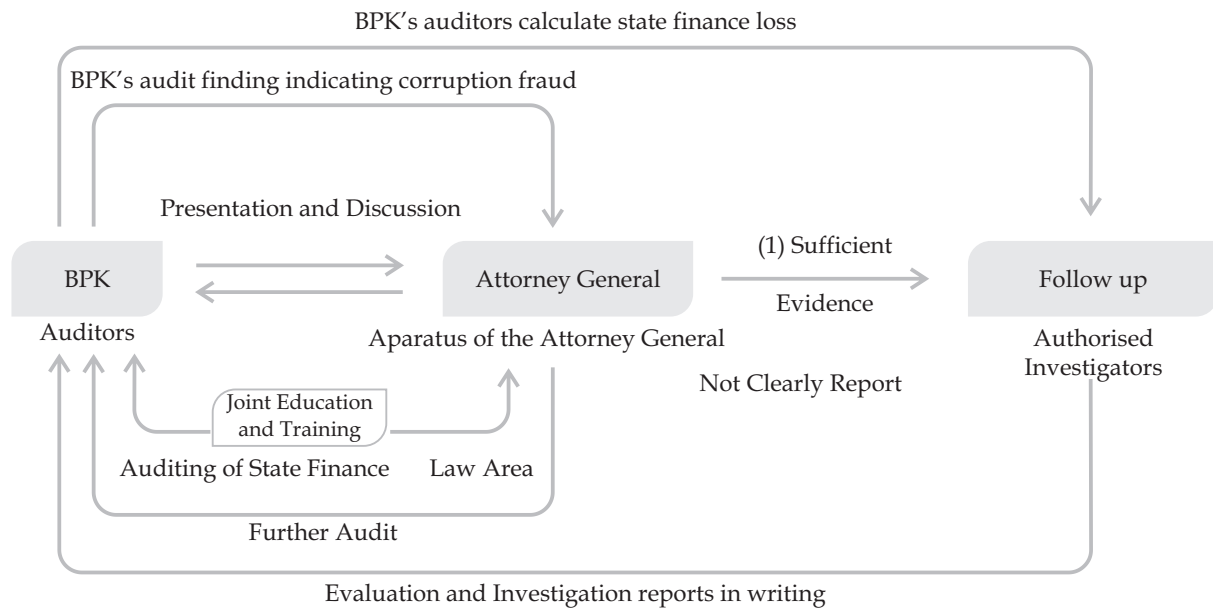
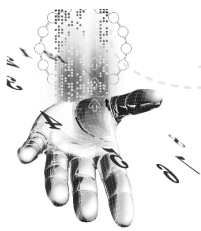


Figure 3. Coordination between BPK and the Attorney General

Source: Adapted from the joint agreement between BPK and the Attorney General, 25th July 2007, Jakarta (MOU Kejaksaan Agung and BPK RI 2007).

the coordination in following up BPK reports that indicate criminality. BPK submits these audit findings to the law enforcers, including the Attorney General. If the preliminary audit findings from BPK provide sufficient evidence, the Attorney General has to follow up that case by undertaking further investigation. On the other hand, if the preliminary evidence is insufficient, the Attorney General can ask BPK to audit further in order to obtain the required evidence. After BPK audit findings are submitted to the Attorney General, the results of the investigators have to be reported within two months. The agreement also includes the provision of BPK experts or auditors to the Attorney General and vice versa. Appointed officials must propose their requirements in writing.

To implement this joint agreement, as stipulated in Article 10, BPK and the Attorney General respectively appoint and place at least two coordinators, one in the central office of BPK or the Attorney General and the other in a representative office of BPK or the Attorney General.

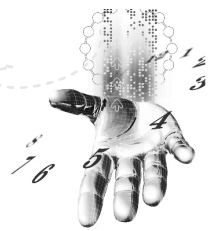
The head of Parliament emphasised the significant role and functions of law enforcers and BPK for eradicating corruption. Further investigation and handling of the corruption cases are the commitment of law enforcers. Since the agreement, support from the Attorney General in following up BPK reports has improved.

G. CONCLUSIONS

Before audit reform, BPK reports were never responded to by the Legislature. During the Reformation Era, the study found a lack of Parliamentary Members who responded to BPK opinions and recommendations seriously. The study found that Members of the Legislature had limited interest and understanding of the content in BPK reports. To solve this problem, effective communication and joint agreement has been made between BPK and the Members of the Legislature. The increasing number and quality of consultations, discussions and meetings between these two institutions have significantly improved responses from the Members in reviewing BPK reports. Better communication has provided open and clear explanations and information related to audit opinions and recommendations provided by BPK. The findings and opinions from BPK assist the Members to conduct their own functions in controlling the accountability of state finances and in approving the budget plans of the government. BPK helps Members of Parliaments at both the central and local levels in reviewing and overseeing audit reports if they find the reports unclear. The joint agreement also helps Members of regional Parliament to obtain information about the BPK opinion on the financial accountability and performance of regional governments.

Since public demand for the accountability of the Executive in managing resources has increased, information in BPK reports needs to be followed up by public sector agencies. Data





indicates low support from government agencies for following up the information in BPK reports and audit recommendations for improving public administration. Auditees argued that BPK's recommendations are difficult to implement and the rapid changes of administrative laws related to finances, accounting and auditing are hard to follow. The auditees found difficulties in implementing new Government Accounting Standards (2005). Government has made some effort to help agencies to adapt more quickly to the financial management changes. However, the limited number of qualified human resources and limited commitment of the heads of local government to follow up BPK reports have impeded the improvement of public administration. BPK has conducted consultations and meetings with government institutions to provide collaborative solutions for providing better financial management and accountability in the public sector.

The study found that the information in BPK audit findings with indication of criminality, frauds and corruption, are lack of supports from authorised investigators (the Attorney General, the Corruption Eradication Commission or KPK, and the Police). As there had been a lack of follow up of BPK reports that indicated fraud and corruption, BPK and authorised investigators signed joint agreements to ensure more effective coordination and communication for the follow up of BPK reports. These joint agreements include cooperating in joint legal areas of education and training: from the Attorney General to BPK auditors, and otherwise, education and training related to state finance auditing from BPK to the personnel of Attorney General.

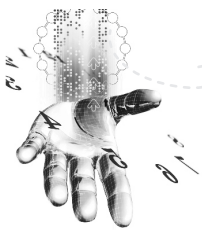
Moreover, BPK and the Centre for Reporting and Analysis of Financial Transactions (PPATK) signed an agreement for cooperation (1) to exchange of data and information, (2) to assist in promoting system against criminality related to money laundering, and (3) to provide trainings and education. These agreements have all had a positive influence in providing better follow-up of BPK audit findings by the Attorney General, the KPK and the Police.

Since audit reform, the public and media have played important roles in influencing the effectiveness of information in BPK reports. Since 2006, BPK has conducted public awareness programs for disseminating information about its roles and functions to provide better management and transparency on state finances and public money. This has been achieved through collaboration with the media. BPK also has cooperation with public service advertising on

commercial television and radio, community and religious groups, academia, NGOs, and the bureaucracy. Moreover, BPK has held national public education campaigns to educate the public and to promote public participation in public sector auditing. This study revealed that since reform, the media have been enthusiastic to draw public attention to audit report findings. As a result, the public has started to become aware about the importance of public sector auditing as means of saving public finances from inefficiency, ineffectiveness, fraud, money laundering and corruption.

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