

THE ROLE OF INVENTORY ACCOUNTING INFORMATION SYSTEMS IN SUPPORTING THE EFFECTIVENESS OF INTERNAL CONTROL INVENTORY

Uswandi

Sekolah Tinggi Manajemen Informatika dan Komputer, Dian Cipta Cendikia Kotabumi
Lampung
Uswandi07@gmail.com

Abstrack: In general, in a company it is necessary to manage all adequate resources for its various activities. So as to achieve the company's operating goals, namely efficiency (minimum expenditure of resources) and effectiveness (achieving desired results). In general, each company has an accounting information system, each of which is adjusted to the scope of business activities, conditions, and company needs. An accounting information system was created to identify, classify, analyze, record, and report transactions from business units. Based on this consideration, this research was conducted to find out how the implementation of inventory accounting information systems to support the effectiveness of internal inventory control on the CV. Mulia Raya Prima in Bandung. The method that will be used in this research is descriptive method that is by emphasizing the observation (observation) related activities that occur in the company CV. Noble Raya Prima. In order to obtain a picture of the facts and properties that support each other between the inventory accounting information system with internal inventory control, then analyze the results of the study by making a comparison (comparison) of standards applied by the company (through interviews with the leaders of CV. Mulia Raya Prima with the circumstances actually what happens is based on observations. Based on the results of research on the role of inventory accounting information systems on the effectiveness of internal inventory control, it is known that the inventory accounting information system applied to CV. Mulia Raya Prima is quite effective in supporting inventory internal control. The company also has an internal oversight unit which is added by supervision from the company's leadership which is quite good.

Keyword: Accounting Information Systems, Inventory, Internal Control.

INTROUCTION

The company is an organization established by a person or group of people or other bodies whose activities carry out production and distribution in order to meet the economic needs of humans such as food, clothing, shelter, and pleasure. MK Production and distribution activities are carried out by combining the so-called factors of production, namely natural resources, labor (human) and capital (money, machinery, buildings, etc.). Production and distribution activities are generally carried out to make a profit. Even so, there

are also many production activities that are not aimed at making a profit, such as social, religious and other foundations. Companies if based on the main activities carried out, can be broadly classified into: (a) service companies, (b) manufacturing companies (factories), and (c) trading companies. Service company is a company whose activities sell services and not in the form of finished goods. In general, each company has an accounting information system, each of which is adjusted to the scope of business activities, conditions, and company needs. An accounting information system

was created to identify, classify, analyze, record and report transactions from these business units.

CV. Mulia Raya Prima is a trading company with a wide marketing area in West Java, which is trusted by PT. New Zealand Milk Indonesia (MZMI) as one of the distributors in the distribution of products imported from New Zealand with trade products such as Anlene milk and Anchor cheese. Besides that, CV. Mulya Raya Prima as a supplier to various supermarkets, hypermarkets, hotels, cafes and restaurants in the areas of Bandung, Cirebon, Kuningan, Tasikmalaya, Garut, Purwakarta Sukabumi and Cianjur for Frozen meat (frozen meat imports from New Zealand, Australia and America), and fresh produce (imported fruits and vegetables).

Based on the description above, the authors intend to conduct research on inventory accounting information systems on the CV. Mulia Raya Prima, Bandung as well as assessing the role of the inventory accounting information system in realizing adequate inventory internal control, with the title: The Role of Inventory Accounting Information Systems in Supporting the Effectiveness of Inventory Internal Control at Cv. Mulia Raya Prima in Bandung ".

Accounting information system, According to Steven A. Moscovice in Baridwan (2002) what is meant by accounting information systems are as follows: Accounting information systems are organizational components that collect, classify, process, analyze and communicate relevant financial information for decision making to parties external parties (such as tax inspections, investors and creditors) and internal parties (especially management) ".

Stock, According to Eldon S. Hendrikson, translated by widjajanto (1998) The definition of inventory is Inventory including merchandise intended for resale in normal business conditions

and raw materials and raw materials and auxiliary materials used in the production process for sale " .

Definition of Internal Control. The definition of internal control according to Mulyadi (2001) is as follows: An organization's internal control structure consists of policies and procedures created to safeguard organizational wealth, check accuracy and constraints of accounting data, encourage efficiency and encourage compliance with management policies ".

METHODS

Object of research

The object of research in the preparation of this thesis is an inventory accounting information system consisting of systems and inventory procedures that are applied as well as their relation to the effectiveness of internal inventory control. The study was conducted at CV. MULIA RAYA PRIMA, Jalan Kawalayaan Utama No. 7 Bandung, West Java 40286. This company is a company engaged in the field of trade, which distributes goods imported by PT. New Zealand Milk Indonesia (MZMI) with brands such as Anlene and Ancho. Besides that, CV. MULIA RAYA PRIMA as a supplier to various supermarkets, hypermarkets, hotels, cafes, and restaurants in the area of West Java; Bandung, Cirebon, Kuningan, Tasikmalaya, Garut, Purwakarta, Sukabumi and Cianjur for frozen meat (imported frozen meat), and fres produce (imported fruit and vegetables)

Research Methods Used

The method that will be used in this research is descriptive method that is by emphasizing more on observations (observations) of activities related to occurring in the company Cv. Noble Raya Prima. In order to obtain a picture of the facts and the properties that support each

other between the inventory information accounting system with inventory internal control.

Data analysis

In this study the authors analyzed the results of the study by conducting a comparison (comparison) of standards applied by the company (through interviews with the leaders of CV. MULIA RAYA PRIMA) with the actual situation that occurred based on observations, including collecting information data on the application of an accounting information system that includes , systems and procedures, recording and identifying, summarizing and reporting. Furthermore, by observing whether the accounting information system applied is capable of producing accounting information that is expected by the company that is understandable, relevant, reliable, and can be compared between periods. Collecting data and information regarding the implementation of internal control of inventory including; records and documents used, security of access and authorization to programs and computer data files, adequate segregation of duties and responsibilities, identification and recording of transactions in a timely and detailed manner, and inventory of physical and periodic calculations of inventory. Furthermore, by observing whether internal control inventory able to support. The validity of the recording, the correctness of the transaction authorization, the completeness of the recording, the correctness of the classification, the timeliness of recording, and the correctness of posting and summarizing. After the information and data is obtained, the writer analyzes it to find out how the role of the information system in supporting the effectiveness of internal sales control. Then formulate conclusions.

RESULTS AND DISCUSSION

Implementation of Inventory Accounting Information Systems in Cv. Mulia Raya Prima Accounting information system is an accounting data processing process, which consists of human coordination, tools, and structured methods, so as to produce financial accounting information and management accounting information. Inventory of goods is assets that are available for sale in the normal activities of the company, where inventory is the most important thing in conducting sales activities that will provide income for the Cv. Noble Raya Prima. Some of the policies undertaken by management relating to inventory are: The physical calculation of the amount of inventory is carried out every day by the part of the building that reports the physical amount will be compared with the daily stock balance report issued by the administration of inventory. The possibility of damage to goods at risk that may arise due to age of the goods, or other causes, the CV. MULIA RAYA PRIMA provides inventory allowance, namely: for fresh product inventory by 8% and for dry food supplies by 2%. Inventory accounting information system implemented by CV. MULIA RAYA PRIMA from its inception in 1996 has used computer aids and has changed software several times to suit the needs and desires of management in this case the company leadership to obtain information that is fast, precise and accurate.

Inventory Procedure

There are three main procedures in managing inventory in CV. MULIA RAYA PRIMA, among others, namely: Receiving goods, storing goods, and releasing goods. Procedure for Receiving Goods The head of the warehouse receives a letter of delivery of goods and part of the supplier's expedition and prepares a report on receipt of goods. The

head of the warehouse orders the warehouse crew to prepare the transport advice, temporary placement location and unloading the goods. The stock control officer (checker) prepares documents and records of receipt of goods. Demolition of goods witnessed by the head of the warehouse, the checker officer along with the expedition from the supplier. Loading unloaded goods stored in a temporary storage area, the checker checks the physical quantity of goods received by the amount listed in the goods delivery letter from the supplier. Checkers provide a report on the physical quantity of goods to the head of the warehouse, the head of the warehouse records the activity report and makes a written report and submits the report to the inventory administration. Inventory administration section includes the minutes of receipt of goods and make proof of receipt of goods which is then signed and inputted the amount of goods received to the computer.

Storage of Goods

After the head of the warehouse signs the minutes of receipt of goods, then the head of the warehouse together with the warehouse staff (the loading and unloading section of goods) determines the place of storage of goods and temporary storage to where the goods should be stored. In storing goods, warehouse staff must pay attention to the nature and types of goods, especially goods that are classified as dry (dry) that must be stored in a refrigerated storage (chiller) or without refrigerated and goods classified as fresh (fresh) which must be stored in a freezer storage (frozen) The composition and location of the goods must be in accordance with the weight and quality and price of the goods, for example the heaviest and cheaper goods are placed in a warehouse on the next floor for goods that are lighter in weight and more

expensive selling prices are stored above on the second floor .This is intended to facilitate the collection, checking and security of goods. After the goods are stored, the next part of the stock control / checker fills a stock card of goods in the warehouse

Expenditures

Each item released from the warehouse must be based on an order sheet made by the sales staff. The order sheet is received by the head of the warehouse, who then orders the goods to be unloaded and loaded to take out the goods as stated on the order sheet. The head of the warehouse makes a report weighing the scales and brands of goods in accordance with the requests listed on the order sheet. After the process of releasing the goods is complete, the order sheet is signed by the head of the warehouse and then submitted to the sales administration to produce a delivery permit.

Implementation of Goods Inventory Internal Control

Internal control over the inventory of goods carried out by CV. MULIA RAYA PRIMA covers preventive control in the form of anticipatory actions against various possibilities of fraud, negligence that results in losses and does not protect company property in this case the inventory. Internal control is in the form of policies and procedures that must be carried out by employees who are able to support measures to secure and protect company property, both physical goods and company records and documents.

As for repressive control or countermeasures for fraud, the management has set rules in the form of stern warnings to sanctions in the form of dismissal for those who commit fraud and legal action by being reported to the police. Depending on the size of the

mistakes made by the employee concerned, this is assessed by management.

Elements of Internal Control

Control at CV. MULIA RAYA PRIMA is carried out in stages starting from each related employee, to the head of the division until specifically carried out by an internal control unit, as well as supervision from the leadership of the company who suddenly also often checks. CV. MULIA RAYA PRIMA has fulfilled the elements of internal control, which are as follows: Control environment, consisting of actions, policies and procedures that reflect the attitude of the owner of a business unit to the importance of controlling business activities. The control environment is influenced by the following factors: Integrity and ethical values. Ethics is generally defined as a set of moral principles and values in social interaction. On the CV. MULIA RAYA PRIMA ethical values are formed by good communication between employees, management actions that are responsive to the company environment, do not violate applicable laws and do not violate the values of legality, responsibility and values of honesty that must be upheld. Commitment to Competence, Competence is related to the ability to complete work well by each employee. Internal control units (SPI) are selected by management based on their abilities, expertise, education, skills and professional abilities so that high trust is expected given by management to help provide an objective assessment and oversight function can be achieved. Organizational Structure, Organizational structure that is composed illustrates the line and staff authority functions (line and staff organization) that indicate the order of superior positions with subordinates. Each organization shows clear division of tasks, assigning responsibilities, and delegation of authority to enable the

supervision and evaluation of employee work results to be carried out properly, so that if there are errors can be identified immediately and can take corrective and anticipatory steps appropriately. As a condition for fulfilling adequate internal control, there must be a clear organizational structure, strictly separating functions and responsibilities in matters relating to inventory including the assignment function, storage function, recording function and supervisory function. The Board of Commissioners and the Audit Committee, the Board of Commissioners on the CV. MULIA RAYA PRIMA is the owner of the company (capital owner) who serves as a performance supervisor as well as an advisor to the company's activities in general, and the existing audit committee is an internal oversight unit that carries out its audit function in overseeing the overall reporting process and financial reporting specifically including performance appraisal and compliance with applicable regulatory policies. In addition, the internal auditor maintains good communication with the external auditor. One of the efforts made by the company is: Placing an internal auditor directly under the leadership of the company and reporting directly to the leadership to help oversee the company's activities. Cooperate with and maintain good communication with internal auditors who routinely supervise the activities of all reporting activities, in this case the inventory activities carried out every month. Delegation of authority and responsibility, Delegation of authority to the CV Mulia Raya Prima is carried out based on organization and job descriptions that enable delegation of tasks to be carried out properly. The responsibility of the internal control unit to assess the activities carried out within applicable restrictions. This internal control unit has no right to change company policies, procedures and

functions. The task of the internal oversight unit is to ensure that the implementation of activities is in accordance with the policies, procedures and functions of the company in order to achieve the company's objectives effectively, efficiently and economically. Continuing policies and procedures for monitoring all policies and procedures are determined by the leadership of the company and must be communicated to each head the part which is socialized to all employees with the issuance of a decree signed by the head of the department concerned. Determination of risk by management, efforts to avoid the risk of improper reporting of inventory balances, the company's management determines that all reporting relating to inventory transactions must be accompanied by evidence or basic documents or supporting documents. The determination of risk by management can create adequate internal inventory control, so presenting the inventory balance will be more precise and correct. Accounting information and communication systems, accounting systems are expected to be able to identify, classify, analyze, record and report transactions that have occurred carrying out accountability reports. The accounting system applied by CV. MULIA KARYA PRIMA in the inventory of goods has created the following things: Every transaction on the inventory of goods, both receipt of goods and release of goods that occur directly recorded by the relevant parts. On every document related to inventory, there must be a signature from the authorized official. Documents originating from inventory transactions that have been validated then the transactions have been grouped appropriately. The transaction on the inventory of goods has been recorded at its proper value.

Control activities

In addition to the control environment that has reflected attitudes and actions towards control, with an accounting system that creates procedures for processing responsible transactions and protecting company property, the company also creates additional policy procedures to better ensure that the company's goals can be achieved. there are procedures and main policies carried out by the CV management. MULIA RAYA PRIMA, which include: Adequate separation of tasks, organizational structure in CV. MULIA RAYA PRIMA indirectly is a framework for the distribution of tasks to organizational units that are formed in an effort to carry out the main activities of the company. Separating functions and tasks appropriately, it is expected that each part will only carry out its functions in accordance with their respective responsibilities and authorities. Goods inventory activities CV. Mulia Raya Prima involves several parts, including: sales, building, administration of inventory. As for the division of duties includes: the function of sales carried out by marketing, the function of storage of goods carried out by the warehouse, the recording function carried out by the administration of inventory

Authorization of the authorities

Within an organization there needs to be authorization for every transaction that occurs by an authorized official, so that the division of tasks and authority can run properly. Related to the inventory of goods carried out by CV. MULIA RAYA PRIMA authorization is carried out by authorized officials including. As follows: The Head of the Warehouse Authority in authorizing the inventory transactions that occur, such as for proof of receipt of goods, order sheet (demand for goods release), destruction of goods and receipt of returns. Head of Marketing Section

Authorized for the order sheet issued by the marketing department. Head of Inventory Administration Authorizes evidence received from inventory transactions as a basis for recording transactions.

Adequate documents and records

Documents and is an important media used to record every transaction that occurs. On the CV. Mulia Raya Prima The use of forms has been monitored in such a way and authorized by authorized officials, the recording is done carefully so as to minimize errors in input data. Physical control of assets and records Protection of inventory is carried out by providing a good storage place by taking into account the condition of the warehouse (warehouse) good success, refrigerated equipment is sure to run well handled by technicians under the supervision of the warehouse chief. Meanwhile, to protect important records of research CV. Mulia Raya Prima has used a computerized information system, and supporters for data input are provided with a special place for locked documents to be stored by authorized officials, access to the document warehouse is also restricted and separated and protected from the risk of damage, loss or theft.

Independent check of performance

Checks or verification is carried out consistently to ensure that all established procedures have been carried out by employees. This oversight function is carried out by an internal control unit (SPI) that is independent and separate from other parts, namely checking the monthly report in this case relating to inventory. Internal supervision is expected to be carried out by an internal control unit which includes: Checking the accuracy and accuracy of accounting data Safeguarding company assets and accounting data Encouraging efficiency

Encouraging compliance with policies that have been outlined by company leaders

Monitoring

Monitoring carried out by management in the CV. MULIA RAYA PRIMA aims to assess whether the operationalization of internal control has been carried out properly and improvements have been made as expected by the leadership of the company and also assess the internal control activities carried out by the internal control unit (SPI), so as to avoid fraud such as collusion.

The Role of Inventory Accounting Information Systems in Supporting the Effectiveness of Inventory Internal Control From the observation of writing to the inventory information accounting system carried out by CV. Mulia Raya Prima can be concluded that the inventory accounting information system plays a role in supporting inventory internal control activities. This can be seen from the relationship of the elements contained in the inventory accounting information system and inventory internal control structure.

The accounting information system adopted by the company is expected to be able to support internal control, and vice versa internal control is implemented adequately, so that the accounting information system that is applied successfully brings the company to achieve its objectives. Accounting information systems and internal control affect each other and must go together and support each other because a good accounting information system without adequate implementation of internal control then the accounting information system will not run properly so that the internal control function will not run effectively. Fulfillment of control elements such as adequate levels of supervision, the number of transactions that occur, the

amount of capital invested accompanied by an increase in sales volume, then the company leader is no longer possible to directly oversee the overall running of the company's operations so that the closing of tasks is absolutely necessary. For decision making and supervision, management requires the existence of adequate, timely and reliable and trustworthy information. In relation to inventory, the accounting information system is an important thing and needs to be considered because inventory activities have a high risk and are prone to fraud, misappropriation which will ultimately disrupt the security of company assets, especially for trading companies where merchandise inventory is one of the biggest wealth owned by the company. Thus to avoid all forms of actions that harm the company in merchandise inventory such as miscalculations, summing errors, inventory accounting information systems that use computerization are very helpful in monitoring, maintaining and controlling merchandise inventory. It is expected that the applied accounting information system will provide benefits and more value in inventory management such as; data processing becomes easier, calculations are more accurate and reports can be accessed all the time and can always get the latest reports based on the latest data entry input. Inventory accounting information system is also expected to be able to support the effectiveness of internal control of merchandise inventory so that leaders help company leaders obtain the information needed in decision making, so mistakes in considering business decisions can be avoided.

CONCLUSION

From the results of research conducted on the role of inventory accounting information systems on the

effectiveness of internal inventory control, it is known that the applied inventory accounting information system is quite effective in supporting inventory internal control. The company also has a fairly good internal control unit then also because of the fulfillment of matters as covering the organizational structure of CV. MULIA RAYA PRIMA has shown a clear line of authority and clear separation of duties and responsibilities. Such as the separation of the functions of the purchasing department (which is directly handled by the leadership of the company), storage (the warehouse), recording and inputting data (inventory administration), and accounting (debt). The authority granting system and recording procedure whereby all the section heads in the respective organizational system already have limits on the exercise of authority according to their functions. Then the transaction on the recording procedure for the various documents carried out has illustrated the existence of preparations for the inspection and approval (approval) carried out by the authorities. The document was then distributed by each section and produced various information. Quality elements of employees who already have an educational background and abilities that are in accordance with their duties such as administrative officers who have educational background D3 (Diploma Three) Accounting and taxation led by the Head of Department who has an average experience and educational background of S1 (Strata one). There has been an element of reasonable implementation (healthy practice) that can be seen with the existence of several things such as; Inventory accounting information system that is used today has used a computer, this is very helpful in creating information that can be trusted and supported by healthy practices in operational activities, among others

The use of printed serial numbered forms, Forms that have been made in duplicate are sufficient, Employees who can be trusted and have never been found to commit fraud. Strict sanctions in the form of termination and processing by the authorities against employees who commit fraud, the use of "password" passwords for computer operations. The only staff who can operate a computer are password holders. Barring access with a password that is only held by the leadership of the company there is processing certain information such as financial statements, cost of goods sold reports, and reports the total value of all goods in rupiah, periodic reports on the position of stock inventory that is made every day. The internal inspection activities carried out in full are carried out by the internal control department of various operational activities including inventory activities which are directly reported to the leadership of the company either by checking records, purchasing reports, daily stock reports provided or carrying out sudden checks on the physical goods in the warehouse . Supervision activities carried out suddenly by the leadership include checking equipment and computer operations, carrying out the receipt of goods, storage of goods, release of goods, as well as the physical amount of inventory. If there is a problem the head of the company usually directly calls the head of the relevant section to make changes or improvements.

Widjajanto, N. (1998). *Sistem Informasi Akuntansi*. Lembaga Penerbit FakultasEkonomi Universitas Indonesia.

REFERENCES

- Baridwan, Z. (2002). *Sistem Akuntansi Penyusunan Prosedur dan Metode*. Yogyakarta: BPFE UGM. Edisi Kelima.
- Mulyadi, (2001), *Sistem Akuntansi*. Jakarta: Penerbit Salemba Empat. Edisi Ketiga.