

ABSTRACT

The purpose of this study to examine the effectiveness of internal control systems, appropriate compensation, village apparatus competence, and religiosity on the prevention of village fund fraud, with moral sensitivity as a moderating variable. A quantitative approach using SPSS version 23 software forms the basis of this study. The respondents of this study were 102 employees in 10 villages in Bae District, Kudus Regency. The method used was a census survey, which aimed to collect data from the entire target population so that the data covered the whole population. The research was conducted by distributing questionnaires to each respondent. The results showed that internal control systems, appropriate compensation, village apparatus competence, and religiosity influence the prevention of village fund fraud. Moral sensitivity as a moderating variable can strengthen internal control systems, village apparatus competence, and religiosity in preventing village fund fraud. Meanwhile, moral sensitivity as a moderating variable cannot strengthen the variable of appropriate compensation in preventing village fund fraud. The implications for academic literature of this research can be an important foundation for further research and strengthen the general knowledge base on the prevention of village fund fraud. In addition, the results of this study can be a source of information for those responsible for conducting evaluation activities.

Keywords: *The Prevention Of Village Fund Fraud, Internal Control Systems, Appropriate Compensation, Village Apparatus Competence, Religiosity and Moral Sensitivity.*

