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Administrative Errors With Potential to Harm State Finances Based on Legal Audit By The State Prosecutor

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Abstract: Corruption crimes in government procurement of goods and services, such as bribery, price mark-ups, and manipulation of bidding processes, can disrupt good governance, cause financial losses to the state, and diminish public trust in the government. Therefore, legal audits by the State Prosecutor play a crucial role in preventing financial losses to the state and identifying administrative errors that potentially harm state finances based on the results of such legal audits. The research findings indicate that the legal audit by the State Prosecutor in avoiding financial losses to the state through the Prosecution is governed by the Cooperation Agreement between the Ministry of Home Affairs, the State Prosecutor, and the Indonesian National Police. This audit involves receiving reports or complaints from the public, verifying with supporting evidence, providing written notices of handling outcomes, and protecting the identity of the reporters. The steps of the legal audit include ensuring objectives, planning, data confidentiality, document collection and analysis, report preparation, result exposition, and result delivery to the applicants. These stages also involve auditing findings analysis, compliance evaluations, decision feasibility assessments, and considerations for further legal actions, all aimed at maintaining integrity and accountability in governance. The State Prosecutor uses legal audits to ensure legal compliance and identify errors that could harm state finances. They determine indications of criminal acts or legal violations and assess sufficient evidence to support allegations of violations. During the audit process, the State Prosecutor looks for irregularities or legal non-compliance related to public fund management, financial misconduct, and other administrative violations involving state finances.

Keyword: Administrative Errors, State Finances, Legal Audit, State Prosecutor.

INTRODUCTION

Legal audit can play a crucial role in preventing corruption in government procurement of goods and services. The examination of the bidding process aims to ensure that all stages

and procedures in the bidding process are carried out fairly, accountably, and transparently.¹ The presence of legal auditors will observe and analyze each stage in the bidding process to ensure that every action taken by the bidding agency complies with applicable laws and regulations. This includes checking whether bidding requirements are in accordance with the law and whether decisions made during the bidding process are in compliance with regulations.

Legal auditors will investigate any signs of inconsistency or inaccuracies in the bidding process. If there are actions that violate the law, such as collusion or arrangements among bidding participants, auditors will identify and report them. Transparency in the bidding process is crucial to ensure that no fraud or discrimination occurs.² The legal auditor will examine whether the information provided to all bidding participants is transparent and if each step in the process can be clearly explained. They will look for any inappropriate involvement of parties in the bidding process. This could include giving gifts or applying pressure to officials involved in the bidding decision-making. The legal auditor will check if the criteria for selecting the winning bid have been clearly defined and non-discriminatory. They will ensure that these criteria focus on qualifications, experience, and relevant technical abilities.

The role of legal audit in assessing legal compliance in procurement of goods and services is to ensure that actions taken by relevant agencies or organizations comply with applicable laws and regulations. This includes examining whether contracts and transactions in the procurement process adhere to legal and ethical standards.³ The legal auditor will conduct a thorough examination of all aspects of procurement of goods and services to ensure that every action and decision made throughout the process complies with applicable laws and regulations. This includes checking compliance with procurement regulations, tax regulations, and other relevant regulations.

The purpose of legal audit by the Attorney General's Office as stipulated in provision (c) number 2 of Regulation No. 7 of 2021 is to achieve the following objectives: Obtaining legal status or legal explanations regarding the object of legal audit; Examining the legality of a legal entity from a legal perspective; Examining the level of compliance of a legal entity in implementing laws and other regulations; and Providing an assessment of activities that have been carried out, from the perspective of civil law and/or administrative law. In cases discovered by the Prosecutor as Law Enforcement Officers, based on the provisions in the Annex to Regulation No. 7 of 2021, the State Attorney may take steps or procedures that may involve further legal action. After conducting legal audit and finding findings related to compliance with civil law, administrative law, governance, or the appropriateness of state administrative decisions, the State Attorney can conduct an in-depth analysis of these findings. This involves assessing the legal impact and implications of the findings that have been discovered.

Based on the above description, the focus of this research is first to discuss the Role of Legal Audit by the Attorney General's Office in Preventing Financial Losses to the State and How Administrative Errors that Potentially Harm the State's Finances are Based on the Results of Legal Audit by the Attorney General's Office.

RESEARCH METHOD

The research method used in this study is a juridical-normative type of research, which is conducted by examining and analyzing the substance of regulations regarding the core issues in their consistency with existing principles. The juridical-normative research type involves regulations or literature containing theoretical concepts related to the issues concerning

¹ Ade Mahmud, 2020, "Urgensi Penegakan Hukum Progresif Untuk Mengembalikan Kerugian Negara Dalam Tindak Pidana Korupsi Masalah-Masalah Hukum", *Jurnal Masalah-Masalah Hukum*, 49(3), h. 257

² *Ibid*, h. 259

³ Qomaruddin, 2014, *Audit hukum dan Auditor Hukum*, Jakarta: ASAHI, h. 29

Administrative Errors Potentially Damaging to State Finances in Legal Audits by the State Prosecutor's Office. The research approach used in this study includes legislative and conceptual approaches. The Legislative Approach is an approach that utilizes legislation and regulations. Examination of legislation and regulations must be accompanied by an understanding of the hierarchy and principles of legal regulations. This approach emphasizes the examination of the ontological basis, philosophical foundation, and legislative rationale of legal regulations. On the other hand, the Conceptual Approach stems from viewpoints and doctrines evolving within legal science. By studying these viewpoints and doctrines in legal science, researchers will discover ideas that give birth to legal understanding, legal concepts, and legal principles relevant to the legal issues at hand.

RESULT AND DISCUSSIONS

1. The Role of Legal Audit by the State Prosecutor's Office in Preventing State Financial Losses

Juridically, the concept of legal auditing to prevent state financial losses through the Prosecutor's Office is regulated in accordance with Article 4 Paragraph (2) of the Cooperation Agreement between the Ministry of Home Affairs and the Attorney General of the Republic of Indonesia and the National Police of the Republic of Indonesia Number: 119-49 of 2018, Number: B-369/F/Fjp/02/2018, and Number B/9/II/2018 concerning the Coordination of Government Internal Supervisory Apparatus with Law Enforcement Agencies in Handling Reports or Complaints from the Public Indicating Criminal Corruption in the Implementation of Regional Governance, which includes Reports or Complaints from the Public; Supporting Evidence for Reports or Complaints from the Public; Written Notification of Handling Results; and Exception of Reporter Identity.

Firstly, Reports or Complaints from the Public are an essential component in the concept of legal auditing aimed at avoiding state financial losses. In this context, the receipt of reports or complaints from the public refers to the process where individuals or groups of people report or lodge allegations of criminal acts or potential violations that can result in state financial losses. Reports or complaints from the public serve as the starting point in detecting alleged criminal acts or violations that can impact state financial losses. Members of the public who are witnesses or have knowledge of activities detrimental to state finances have the opportunity to report them to the relevant authorities.

Reports or complaints from the public open the door for external parties, such as individuals, groups, or organizations outside government agencies, to provide relevant information to the authorities. This allows for diverse sources of information and can assist in uncovering issues that may not have been detected by internal parties. Some individuals or parties may be reluctant or afraid to disclose their identities when reporting problems.⁴ Therefore, reports or complaints from the public can be accepted anonymously, where the identity of the reporter is not disclosed, but the information provided is still considered. Reports or complaints from the public are not final decisions but serve as a basis to initiate further processes. Authorities, such as law enforcement agencies or relevant institutions, will conduct thorough examinations and analysis of the reports or complaints. By encouraging public participation in reporting alleged criminal acts or violations that harm state finances, this concept of legal auditing promotes transparency in governance and accountability of authorities.

Secondly, supporting evidence for reports or complaints from the public plays a crucial role in the legal auditing process, especially in the context of avoiding state financial losses. This supporting evidence serves as a basis to verify the authenticity of the reports or complaints

⁴ Harnold Ferry Makawimbang, 2015, *Memahami dan Menghindari Perbuatan Merugikan Keuangan Negara, Dalam Tindak Pidana Korupsi dan Pencucian Uang* Yogyakarta: Thafa Media, h. 61

received from the public. Supporting evidence is a tool to verify the facts stated in the reports or complaints. Legal auditing requires strong and accountable evidence to identify whether the claims or allegations made are based on valid grounds. Therefore, the legal status of supporting evidence must be relevant to the allegations or claims made in the reports or complaints. They must also have high credibility so that the authorities can rely on this evidence to make decisions.

Supporting evidence can include various types of information. This includes official documents such as contracts, financial records, or transaction documents. Additionally, electronic data such as emails, recordings, or text messages can also be crucial evidence in the auditing process, helping document transactions or events related to alleged violations or criminal acts. Having strong documentation allows legal auditors to better understand how these activities unfold. Supporting evidence enables legal auditors to conduct in-depth analysis of alleged criminal acts or violations disclosed in reports or complaints from the public.⁵ This involves connecting various pieces of information and getting a complete picture of the situation. The results of legal audits are often based on the collected supporting evidence. This evidence serves as a basis for taking further steps, such as initiating further investigations, legal actions, or necessary preventive measures.

Thirdly, written notification of handling outcomes is a crucial aspect of the legal auditing concept. This refers to the obligation of parties involved in the audit process to provide written information about the handling outcomes of reports or complaints from the public. This notification promotes transparency, accountability, and provides a comprehensive overview of how a particular case or situation is being handled.⁶ Written notification of the handling outcomes of reports or complaints from the public is a way to maintain transparency in the legal audit process. By providing written information to all involved parties, including the reporter and the reported party, the process becomes more open and understandable to everyone.

The written notification should include details about the steps taken in response to the report or complaint from the public. This may include initial actions taken for further investigation, evidence gathering, or risk assessment. The findings from the handling process should also be communicated in writing. This involves communicating the results of the analysis of supporting evidence, the findings discovered, and whether there are allegations of legal violations or crimes uncovered. The written notification should include plans for further steps to be taken after the initial handling. If criminal acts or legal violations are found, what steps will be taken to follow up, including possibly initiating further investigations or legal actions. By providing written notification, all parties involved in the legal audit process are reminded of their responsibilities in maintaining integrity and conducting the process correctly. This creates a sense of accountability and helps ensure that actions taken are in line with applicable rules and legal standards.

Fourthly, the exception of the identity of the reporter is a step taken in the legal audit concept to protect the privacy and safety of individuals who report or complain about alleged criminal acts or violations. Although the identity of the reporter is not disclosed to the public openly, information about the report or complaint and its handling outcomes must still be transparent and accessible to the relevant authorities. In some situations, reporters may be concerned about retaliation or threats to themselves if their identity is revealed to the public. The exception of the reporter's identity ensures that individuals can report alleged criminal acts without fear of negative consequences related to their identity. Because in cases where reporters have important information about criminal acts or violations, they may become targets of intimidation or threats from involved parties. The exception of the reporter's identity

⁵ Adrian Sutedi, 2012, *Hukum Keuangan Negara*, (Jakarta: Sinar Grafika, h. 49

⁶ *Ibid*, h. 54

helps reduce this risk and encourages safer participation in the legal audit process. Although the reporter's identity is kept confidential, information related to the report or complaint and its handling outcomes must remain transparent and accessible to the relevant authorities, such as law enforcement agencies or related institutions.

This allows for appropriate steps to be taken and necessary actions to be taken. Even though the reporter's identity is protected, the integrity of the legal audit process is maintained by providing access to relevant information. The handling process, the findings discovered, and the next steps taken must still be clearly communicated to the relevant authorities. The presence of the exception mechanism of the reporter's identity can enhance public trust in the legal system and the overall administration of the state. This shows that the authorities are serious about addressing allegations of violations while still protecting the privacy and safety of individuals who dare to report.⁷

Analysis of findings also includes an assessment of the extent to which the findings violate or comply with applicable legal provisions. Prosecutors will identify whether there are clear legal violations, the extent of compliance with applicable regulations, and whether there are any ethical or governance violations. In this stage, the Prosecutor will consider various solutions or actions that can be taken in response to these findings. These solutions can take the form of corrective actions to correct discovered violations or problems, as well as preventive steps to prevent similar incidents in the future. Based on the analysis that has been carried out, the State Attorney will prepare recommendations or suggestions regarding steps that should be taken as a follow-up to these findings.⁸ These recommendations may include legal action, procedural or policy changes, and other appropriate steps to address identified legal impacts and implications.

Second, the Attorney General's Office carries out compliance evaluations as an important step in the legal audit process where the State Attorney carries out a comprehensive assessment of the extent to which the actions taken by the State and the Government comply with applicable legal provisions. This evaluation is carried out in two main aspects, namely civil law and state administrative law, and includes considerations related to the principles of good governance.⁹ Compliance evaluation involves checking whether the actions taken by the State and Government are in accordance with applicable legal provisions. This includes ensuring that the steps taken do not violate existing laws or regulations, both in the realm of civil law and state administrative law. For example, in government procurement of goods and services, this evaluation checks whether the auction process has been carried out in accordance with the legal provisions governing the procurement. In addition to assessing legal compliance, this evaluation also includes an assessment of the extent to which the actions taken are in accordance with the principles of good governance. The principles of good governance include transparency, accountability, effectiveness and involvement of all relevant parties. This evaluation ensures that the actions taken not only comply with the law, but also comply with expected governance standards. During the evaluation, the Prosecutor will also consider the impact of the actions taken on society and the State. This involves considering whether the action supports the public interest, protects people's rights, and does not harm the State. Based on the results of the evaluation, the State Attorney can prepare recommendations regarding steps that need to be taken in response to the evaluation findings. These recommendations can take the form of corrective actions if there are legal violations or poor governance, as well as preventive steps to ensure legal compliance and improve good governance in the future.

Third, the Attorney General's Office carries out a decision feasibility assessment, which

⁷ *Ibid*, h. 55

⁸ Endah Cahyani, 2022, "Pencegahan Tindak Pidana Korupsi Pengadaan Barang dan Jasa Pemerintah", *Indonesian Journal of Criminal Law and Criminology (IJCLC)*, 3(2), h. 87

⁹ *Ibid*, h. 87

is a process to evaluate whether the state administrative decisions that have been taken are decisions that are in accordance with the law and have a strong basis. This process involves checking a number of factors to ensure that the decision meets applicable legal standards and has strong reasons for being taken.¹⁰ so that the State Attorney will check whether the state administration decision is in accordance with applicable legal provisions. This includes ensuring that the steps taken do not violate laws or regulations governing the relevant field. If the decision is related to government procurement of goods and services, this assessment will ensure that the steps are in accordance with procurement regulations. Evaluation of the feasibility of a decision also involves checking the basis or reasons underlying decision making.

The State's Attorney will examine whether the decision is based on accurate information, valid data, and careful analysis. Decisions supported by a solid foundation have a better tendency to achieve positive outcomes. The decision feasibility assessment also checks whether legal aspects have been properly considered in decision making.¹¹ This involves considering whether the decision complies with relevant legal principles, such as the rights and obligations of the parties involved, as well as whether the steps taken comply with applicable legal procedures. Attorney Attorney. The State will also ensure that the measures taken comply with applicable legal requirements. In government procurement of goods and services, this assessment involves checking whether the decision complies with the requirements of the auction procedures set out in law. Prosecutors will also consider the legal consequences of the decisions taken.¹² This involves checking whether the decision could trigger legal liability or disputes in the future, as well as whether risk mitigation measures have been considered.

The State Attorney can carry out an examination of the procedures for making state administrative decisions that have been taken in accordance with the law and have a strong basis. This involves checking whether the decision takes into account legal aspects and whether the steps taken meet legal requirements. Based on the results of the analysis and assessment, the Attorney General's Office determines whether the decision is in accordance with the procedural and substantive authority aspects in the Government Administration Law.¹³ In cases of findings involving actions by the government or certain institutions, prosecutors as law enforcement officers can coordinate with related agencies, both at the government level and other institutions, to discuss the findings and the steps to be taken.

Fourth, consideration of further legal action is an important step taken by prosecutors as law enforcement officers after carrying out analysis and assessment of the findings found in audits or evaluations. At this stage, The State Attorney office will consider further steps to be taken based on the results of the analysis.¹⁴ so that if the audit or evaluation findings indicate a violation of the law or a potential criminal act, the State Attorney may decide to conduct a further investigation. These investigations involve more in-depth evidence gathering and more detailed analysis of the alleged offense or related criminal acts. The goal is to gain a more comprehensive understanding of the situation and to determine whether there is sufficient evidence to take further legal action.¹⁵

The State Attorney may also consider relevant preventive measures to prevent similar violations from occurring in the future. This may include recommending changes in policies,

¹⁰ *Ibid*, h. 88

¹¹ Rustam, 2017, "Pelaksanaan Pengembalian Kerugian Keuangan Negara (Asset Recovery) dalam Tindak Pidana Korupsi (Studi Kasus Kejaksaan Tinggi Sumatera Barat)", *Jurnal Dimensi*, 6(2), h. 223

¹² *Ibid*, h. 223

¹³ Ardilafiza, 2010 "Independensi Kejaksaan Sebagai Pelaksana Kekuasaan Penuntutan Dalam Sistem Ketatanegaraan Indonesia", *Jurnal Konstitusi*, III(2), h. 79

¹⁴ *Ibid*, h. 81

¹⁵ ASAHI, *Op, Cit*, h. 17

procedures or governance that can reduce the risk of misconduct or criminal offences.¹⁶ In some cases, the Prosecutor may also decide to collaborate with other agencies or institutions that have related authority. This may include coordinating with other law enforcement officials, supervisory entities, or relevant government agencies to take more comprehensive and effective action.

Fifth, Involvement of Related Parties is a step taken by Prosecutors as Law Enforcement Officials to involve relevant agencies or institutions in the process of handling findings involving actions of the government or institutions. This step aims to ensure cooperation, coordination and transparency in dealing with relevant findings. The prosecutor will contact the relevant agency or institution that has authority in matters related to the findings. This involves establishing effective communication channels to share information and findings that have been uncovered in an audit or evaluation. Good coordination and communication are key in ensuring that the steps taken are aligned and effective.¹⁷ In meetings or discussions with related parties, the Prosecutor will present the findings that have been found, the results of the analysis and assessments. This discussion will include a discussion of the next steps that will be taken to address these findings. Relevant parties can also provide their input and views regarding these steps. After discussing the findings, the Prosecutor and related parties can plan joint actions to address the problems found.

2. Administrative Errors Potentially Harmful to State Finances Based on the Legal Audit by the State Prosecutor

In order to find out errors that have the potential to harm state finances, the State Attorney's Office carries out investigation and prosecution mechanisms that emerge as a result of audits, which are very important in maintaining legal compliance. So that State Attorneys in determining errors that have the potential to harm state finances are obliged to determine Indications of Criminal Acts or Legal Violations. When an audit is carried out, the auditor can find indications of criminal acts or other legal violations involving financial or administrative aspects.¹⁸ In this regard, the State Prosecutor has a role to assess these findings and determine if there is sufficient evidence to support allegations of legal violations. During the audit process, auditors can identify irregularities or non-compliance with the law regarding misuse of public funds, financial misconduct, or other administrative violations involving state finances.

The State Prosecutor, in conducting legal audits as regulated in Regulation No. 7 of 2021, employs a normative legal analysis method. Firstly, the State Prosecutor must understand corporate legal aspects and other civil law aspects, such as contract law, property law, procurement law, according to the legal audit object, and conduct analysis based on legislation, related legal provisions, and other legal sources both vertically and horizontally from relevant civil law and/or state administrative law aspects, including governance, and Coordinate, seek expert opinions or official opinions from institutions or bodies that specifically master the technical aspects of the legal audit target. Secondly, the State Prosecutor must provide limitations on the analysis conducted limited to the scope proposed and the time frame of the legal audit object by stating that the State Prosecutor does not verify beyond the proposed scope and time frame of the legal audit object.

The State Prosecutor, in conducting legal audits based on Regulation No. 7 of 2021, must obtain approval from the unit's leader. For the sake of fulfilling accuracy and quality standards or in case there are doubts about complex civil law and state administrative problems requested for legal audit, the legal audit concept can be consulted with the Deputy Attorney General for Civil Law and State Administration Affairs. Specifically for legal audits conducted on State Administration decisions, the State Prosecutor must progressively expose to the Deputy

¹⁶ Aldirafiza, *Op, Cit*, h. 83

¹⁷ *Ibid*, h. 17

¹⁸ Mustamu, Julista, 2011, “*Diskresi dan Tanggung Jawab Administrasi Pemerintahan*”, *Jurnal Sasi*, 17(2), h. 7

Attorney General for Civil Law and State Administration Affairs. The results of the legal audit are then conveyed to the applicant with a confidential cover letter from the unit head. The implementation of legal audit provision is given by informing the applicant based on Regulation No. 7 of 2021 in case there is a criminal allegation handled by law enforcement officials against the object of the legal audit problem and filing a lawsuit against State Administration decisions that become the object of legal audit.

The State Prosecutor has Standard Operating Procedures in conducting legal audits to assess whether these administrative errors have the potential to harm state finances based on the results of the legal audit by the State Prosecutor. The State Prosecutor, in the preparation of legal audits, has a format based on Regulation No. 7 of 2021, which firstly includes a Basis containing the basis for the preparation and legal basis of the State Prosecutor to conduct legal audits, secondly, Data containing a description of legal regulations and other relevant provisions, documents, and/or material information in written or oral form, electronic or non-electronic obtained, found, or derived from relevant third parties related to the legal audit object, thirdly, Objectives, Targets, and Legal Audit Objects containing the objectives and targets of the legal audit and clarity of the object according to the circumstances or a specific timeframe for legal audit of legal entities or activity, fourthly, Issues related to when there are core issues that become topics and target issues in the legal audit, and fifthly, Limitations of Legal Audit is an analysis and opinion on legal audits made and prepared based on documents obtained by the State Prosecutor with detailed explanations of documents and verification results and certain parties with the assumption that the signatures on documents provided or shown to the State Prosecutor are valid signatures, the original documents shown to the State Prosecutor are authentic documents and/or copies or photocopies of documents provided to the State Prosecutor are copies or photocopies of documents that match the originals, and assessment based on legal regulations.

Secondly, Legal audits are submitted for the intended issues and targets stated and do not automatically apply to other issues, objectives, and targets not explicitly stated in the legal audit, and thirdly, the State Prosecutor is not responsible if there are errors or mistakes in part or all of the legal audits caused by errors in data or documents provided by the applicant. Based on this format, the analysis is prepared in a normative legal manner by detailing reviews of relevant documents or data related to the legal audit object linked to legislation, related legal provisions, and other legal sources from civil law and/or state administrative law aspects and governance. Furthermore, the conclusion section contains a summary of the analysis results related to the legal audit objectives.

The State Prosecutor, in conducting legal audits that discover administrative errors potentially harming state finances, acts as an auditor responsible for conducting thorough examinations of various documents, transactions, and processes related to the finances or administration of an entity, usually the government or a public institution.¹⁹ During this legal audit, the State Attorney has the responsibility to identify indications or signs of legal violations. Therefore, the State Attorney collects data, documents and records related to the entity being audited. This may include financial reports, transaction records, contract documents, internal policies, and other relevant records. then the State Attorney will examine these documents carefully to ensure that they comply with applicable laws and regulations.

The State Attorney is obliged to assess administrative errors that have the potential to harm state finances and must look for signs of non-compliance or irregularities in the documents. The State Attorney may also conduct interviews with individuals involved in the financial processes or management of the entity. This may include employees, managers or authorized officers. These interviews aim to gain a better understanding of internal practices

¹⁹ *Ibid.* h. 7

and check for signs of misconduct.²⁰ In some cases, the State Attorney can carry out physical examinations by involving a team of experts and technical experts, especially in construction work. This is done to ensure that the procurement is in line with financial records. Therefore, the State Attorney will also carry out data analysis and financial calculations to verify correctness and compliance with regulations. They will look for discrepancies that may be indicative of a violation.²¹ Based on this, the State Attorney's Office in the legal audit process finds signs of administrative errors in the nature of non-compliance with the law which have the potential for state financial losses. The State Attorney's Office will record these findings in the audit report. Administrative errors that have the potential to harm state finances are determined based on the results of the State Attorney's legal audit. If the State Attorney requires a calculation of potential state financial losses, the State Attorney will coordinate with the Government Internal Supervisory Apparatus to determine the concrete amount of potential state financial losses. Based on the calculations of the Government Internal Supervisory Apparatus, the State Attorney then notifies the applicant in the form of a written legal audit report for the applicant to follow up.

CONCLUSION

The role of legal audit in preventing state financial losses by the State Prosecutor involves receiving reports or complaints from the public as a starting point to detect alleged criminal acts or violations that may result in state financial losses. This encourages public participation in reporting suspected criminal acts or violations. Supporting evidence from public reports or complaints becomes the basis for verifying the validity of the claims made. This is crucial for identifying alleged legal violations or criminal acts that may harm state finances. Written notification of the handling results provides a comprehensive overview of how the case was handled, maintaining transparency and accountability in the legal audit process. Exceptions to disclosing the identity of the reporter protect the privacy of individuals reporting without sacrificing transparency and the integrity of the legal audit process.

The State Prosecutor plays a crucial role in identifying and addressing administrative errors that may potentially harm state finances. The investigation and prosecution mechanisms resulting from audits are key to ensuring legal compliance. In conducting legal audits, the State Prosecutor follows a normative legal analysis method in accordance with Regulation No. 7 of 2021. Steps taken in legal audits include understanding aspects of corporate law and other civil law aspects, conducting analyses based on legislation, coordinating with experts, and limiting analyses according to the proposed scope. During the legal audit process, the State Prosecutor is responsible for identifying indications of legal violations involving state finances, including criminal acts or other legal violations related to financial or administrative aspects. The results of legal audits are communicated to the applicant with a confidential cover letter.

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²⁰ F. Manao, *Penyelesaian Penyalahgunaan Wewenang oleh Aparatur Pemerintah dari Segi Hukum Administrasi Dihubungkan Dengan Tindak Pidana Korupsi*, *Jurnal Wawasan Yuridika*, Vol. 2, No. 1 Maret 2018, h. 19

²¹ *Ibid*, h. 22

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