





“Training, attitudes, segregation of duties and internal control of church finances: an empirical study in Indonesia”

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TRAINING, ATTITUDES, SEGREGATION OF DUTIES AND INTERNAL CONTROL OF CHURCH FINANCES: AN EMPIRICAL STUDY IN INDONESIA

Abstract

Church organizations are non-profit organizations operating in the religious sector. Church financial management requires good and adequate internal control to protect and secure church assets from fraud, damage, and waste due to ineffective use of assets. Sacralization is a factor that gives rise to blind trust in financial managers and spiritual leaders in the church. This study aims to analyze the influence of trained accounting personnel, attitudes toward the importance of internal control, and separation of duties on the level of internal control of church finances. The sample used was 115 pastors at the HKBP Church in Jakarta, Indonesia. Data were obtained by distributing questionnaires to pastors as respondents. The analysis technique is carried out using multiple regression. The results of this study show that trained accounting personnel, attitudes about the importance of internal control implementation, and the existence of separation of duties in church organizations have a significant effect on the level of internal control of church finances. The results of the study strengthen support for the implementation of effective church financial internal control, which requires increasing the competency of accounting staff through accounting training, the attitude of organizational members to support the implementation of the church's financial internal control system to make it more accountable, and the existence of a clear separation of duties within the organization to avoid fraud.

Keywords

accounting, church, finance, internal control, training and segregation of duties

JEL Classification

H83, L31, M41, M53

INTRODUCTION

Non-profit organizations, like religious organizations, have a social and religious vision and mission. The management of religious organizations requires internal control to ensure the achievement of the organization's vision and mission (Agang, 2020; Ahiabor & Mensah, 2013; DeVries, 2016; Harris & Neely, 2021). The church, as an organization that is considered sacred, is not immune from fraud as a result of weak internal controls within the church. The high sacralization factor, which gives rise to blind trust in financial managers and spiritual leaders in the church, is the main cause of weak internal control (Quinn, Oliveira, & Santidrián, 2022; Wibowo & Kristanto, 2018). Churches have little oversight of their financial affairs and trust has become the foundation for people who work in the church environment (Lachney, 2022). The church is a sacred religious institution. Therefore, in every activity it should show itself as a holy institution that has high moral standards that exceed other worldly organizations. The church should



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show an active role in reducing the number of corruption and fraud, because these actions are not in accordance with God's Word. However, in reality, activities in the church often show the opposite. Several churches in Indonesia and abroad have been trapped and involved in cases of fraud or corruption.

1. LITERATURE REVIEW AND HYPOTHESES

The control environment sets the tone of an organization and influences the control consciousness of its members (Andrei et al., 2018; Behn et al., 2010; Boyd, 2022; Nwankwo et al., 2012). There is a rejection of the existence of accountants by church congregation leaders (Bigoni et al., 2013; Joo, 2022; Muller, 2015; Njobvu et al., 2020; Williams, 2022). The control environment is the basis for all internal control components. Chester et al. (2008) said that to achieve good internal control, sacred and secular belief patterns are applied side by side, and accounting plays an important role in the financial management of church organizations. Therefore, managing church finances requires personnel who are trained and understand accounting to achieve good internal control.

Internal control in the church will be effective if all organization members support it. The wealth owned by the church is protected by the entire congregation, thereby minimizing the potential for loss and fraud. Apart from that, the separation of duties and functions will support the implementation of good church internal control. The results of research conducted by Ahiabor and Mensah (2013) and Lachney (2022) indicate that internal control in the church is adequate and effective, where assets are protected from waste, fraud, and inefficiency. The financial reporting of the church has high-quality information if accounting and operating data are accurate and reliable (London & Richardson, 2020; Tanui et al., 2016). Policies are followed and there is segregation of duties and transaction authorization. In addition, there is a positive and significant relationship between the competence of church employees and the effectiveness of implementing the internal control system for church finances (Froud, 2021; Rojas, 2022). There is recognition of the importance of accounting in church organizations, which is marked by the similarity of perceptions between clergy and congregation regarding the importance of managing church finances (Halik & Halik, 2020; Parker, 2002). The competency of church employees great-

ly influences the quality of financial reporting, and this is achieved through training accounting programs for church employees.

The attitude of congregation believes that church workers are volunteers to serve God. This attitude forms the perception that workers will not commit financial fraud. Therefore, there is no need to increase accounting knowledge to manage internal control of church finances. Christanti et al. (2023) provide empirical evidence that churches are generally controlled by volunteer workers who do not have an educational background in accounting. Support for implementing a control system in an organization is influenced by belief factors that will influence the mindset of the church congregation. Most people think that work in the church is sacred, so they believe that church workers will not commit fraud. Therefore, there is an opinion that the church does not need accounting knowledge. It turns out that this blind belief is the biggest source of problems and is the cause of weak internal control in the church. According to Wibowo and Kristanto (2018), churches tend not to pay more specific attention to financial issues in terms of internal control, so the results of their research reveal that churches do not need trained accountants.

Attitude towards internal control is a belief in the importance of internal control in the church environment. This belief is influenced by an understanding of internal control itself and also planned behavior to implement new roles that can develop the church's performance (Ajzen, 1991; Bandura, 1978; Bethlen, 2018; Martes & Rodriguez, 2003). According to Muller (2015), the church as a sacred organization is, in fact, not free from corruption. This is caused by weak internal control in managing church finances, which is caused by high sacralization factors that give rise to blind trust in church financial managers or spiritual leaders. Improvements in the financial management of churches and religious institutions, in general, are absolutely necessary to create religious institutions that are free from corruption. Clean religious institutions will be at the forefront of fighting corruption.

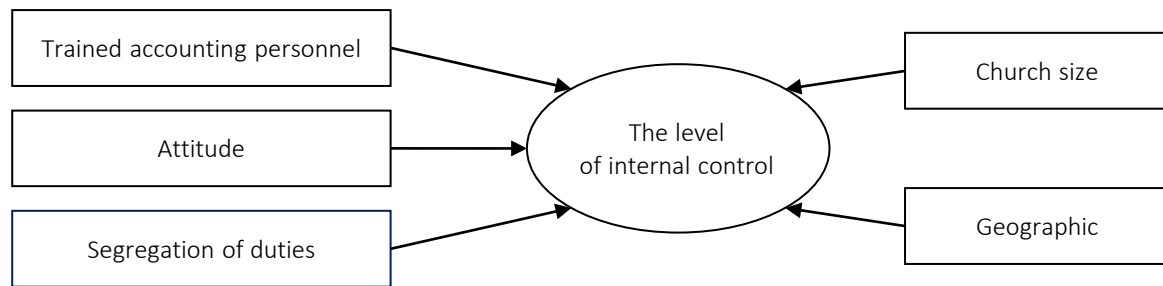


Figure 1. Research model

Implementing internal control in a church environment is not as easy as compared to business companies. The rejection of the attitude of the priest and the congregation is the main obstacle. Some pastors and congregations support the implementation of internal controls, but others do not. Lachney (2022) and Young (2018) provide evidence that there are no differences in attitudes regarding internal control between positions in the church (pastor, treasurer, congregation). All three positions in the church have good attitudes and support the ideal church governance system. Supporting this good attitude provides information that the church does not need internal control. However, research conducted by Myers (2012) and Pang et al. (2022) indicates that there is a possibility that the lack of differences in church employees' attitudes towards internal control is caused by a lack of knowledge of the assembly and congregation about the internal control system.

Internal control in religious organizations is very necessary to protect assets and increase accountability to the congregation. According to Myers (2012), churches with external stakeholders will have better internal control than churches without outside budget oversight. Sharma and Frost (2023) state that there are half-hearted financial management practices due to regulations that place church leaders at the center of activities, thus making church leaders authoritarian in managing finances. Quattrone (2015), Niederwimmer (2017), and Jałocha and Bogacz-Wojtanowska (2019) argue that the reason for the lack of internal control is generally due to the subjective attitudes of church members. Ortega-Rodríguez et al. (2020), Crawford et al. (2018), and Dethier et al. (2021) provide evidence that subjective attitudes towards the accountability of church organizations will have an impact on the implementation of internal control in the church. There is awareness that weak internal controls lead to misuse of church fi-

nances and assets (Laughlin, 1990; Suryandari & Lintang, 2018; Tetteh et al., 2021; Yohanna et al., 2021). The implementation of internal control in an organization is very dependent on personal attitudes to accept internal control as a need for the organization. The main reason for the absence of internal financial controls in the church environment is the lack of trained accounting personnel who handle church finances among church workers towards internal control.

Integrity is a subcomponent of the internal control environment. Separation or segregation of duties is a parameter used to carry out responsibility, honesty, and wisdom. The results of a study by Alleyne and McGovern (2020) provide empirical evidence that weak internal control in the church is influenced by weaknesses in the separation of duties, which is caused by a lack of financial management workers in the church. Meanwhile, according to Young (2018) and Agyei-Mensah and Kwame (2016), the separation of duties in the church is influenced by the number of employees needed in the church, where the higher the church's recruitment, the more staff it will employ to manage its finances. Ahiabor and Mensah (2013) and Lachney (2022) reveal that internal control activities in the church are adequate and effective with the separation of functions and duties for church employees. A clear separation of duties for church employees ensures that assets are better protected from waste, fraud, and inefficiency.

This study aimed to analyze the effect of trained accounting personnel, attitudes, and segregation of duties on the level of internal control of church finances at the HKBP Churches, Jakarta, Indonesia. The research hypotheses are formulated as follows:

H_1 : *Trained accounting personnel have an effect on the level of internal control of church finances.*

H_2 : *Attitude has an effect on the level of internal control of church finances.*

H_3 : *Segregation of duties has an effect on the level of internal control of church finances.*

2. RESEARCH METHODOLOGY

In this study, data were obtained through questionnaires distributed to coincide with the implementation of the Synod of District VIII Jakarta and a functional pastor training event where pastors throughout Jakarta gathered in one place. The questionnaires, which were 144 copies in total, were filled in by the resort pastors and functional pastors of the HKBP Churches, District VIII Jakarta. The distributed questionnaires were fully completed by the respondents so that the instruments could be used to analyze the results of further research.

The population of this study is all pastors of HKBP Churches in Jakarta. The number of HKBP Churches in Jakarta Province, which is called District VIII Jakarta, is 82 church units that are divided into 53 resorts. The number of pastors is 161, and they serve as resort pastors, functional pastors, and department pastors at district offices. The sample size is the number of all pastors in the HKBP Churches, District VIII, Jakarta. Based on the 2018 Almanac, the number of pastors serving in HKBP churches throughout Jakarta is 161 people. So, by using the Slovin formula, with an error of 5%, the number of samples in this study was 115 respondents. Data were obtained by distributing questionnaires to pastors as respondents. The questionnaire measurement is carried out using a 1-5 Likert scale. The research questions in the questionnaire for the level of control variable are 11 questions, the trained accounting personnel variable is 9 questions, the attitude towards internal control variable is 8 questions, and the separation of duties variable is 7 questions (see Appendix). The analysis technique is carried out using multiple regression, with SPSS.

3. RESULTS

The validity test results in Table 1 show that all indicators of each variable, consisting of the level of internal control, trained accounting personnel, at-

titudes towards internal control, and separation of duties, are declared valid. This is because all indicators have an r-count value > r-table value and r-count > 0.197 (Hair et al., 2018).

Table 1. Validity test

Variable	Indicator	(r-count)	r-table 5%	Conclusion
Internal control – TPI	TPI.1	0,516	0,197	Valid
	TPI.2	0,414	0,197	Valid
	TPI.3	0,434	0,197	Valid
	TPI.4	0,473	0,197	Valid
	TPI.5	0,535	0,197	Valid
	TPI.6	0,599	0,197	Valid
	TPI.7	0,544	0,197	Valid
	TPI.8	0,524	0,197	Valid
	TPI.9	0,503	0,197	Valid
	TPI.10	0,368	0,197	Valid
	TPI.11	0,337	0,197	Valid
Trained accounting personnel – PA	PA.1	0,298	0,197	Valid
	PA.2	0,594	0,197	Valid
	PA.3	0,364	0,197	Valid
	PA.4	0,597	0,197	Valid
	PA.5	0,524	0,197	Valid
	PA.6	0,413	0,197	Valid
	PA.7	0,404	0,197	Valid
	PA.8	0,479	0,197	Valid
	PA.9	0,375	0,197	Valid
	PA.10	0,427	0,197	Valid
	PA.11	0,440	0,197	Valid
	PA.12	0,604	0,197	Valid
	PA.13	0,533	0,197	Valid
	PA.14	0,572	0,197	Valid
	PA.15	0,622	0,197	Valid
Attitude – ATT	ATT.1	0,739	0,197	Valid
	ATT.2	0,702	0,197	Valid
	ATT.3	0,368	0,197	Valid
	ATT.4	0,642	0,197	Valid
	ATT.5	0,785	0,197	Valid
	ATT.6	0,657	0,197	Valid
	ATT.7	0,568	0,197	Valid
	ATT.8	0,553	0,197	Valid
Segregation of duties – PT	PT.1	0,531	0,197	Valid
	PT.2	0,585	0,197	Valid
	PT.3	0,688	0,197	Valid
	PT.4	0,597	0,197	Valid
	PT.5	0,776	0,197	Valid
	PT.6	0,690	0,197	Valid
	PT.7	0,741	0,197	Valid

Reliability test results in Table 2 show that the Cronbach's alpha value for each variable, consisting of the level of internal control, trained accounting personnel, attitudes towards internal control, and segregation of duties, is greater than 0.60, so it can be concluded that all variables are

declared reliable because they meet the minimum requirements for Cronbach's alpha reliability coefficient value > 0.60 .

Table 2. Reliability test

Variable	Cronbach's Alpha	Conclusion
Internal control – TPI	0,618	Reliable
Trained accounting personnel – PA	0,748	Reliable
Attitude – ATT	0,734	Reliable
Segregation of duties – PT	0,760	Reliable

Table 3 informs that respondents who agreed with the highest average score of 4.22 for implementing internal control of church finances were in West Municipality. Respondents who agreed that trained accounting personnel were needed, with an average score of 4.14, were in Central Municipality, while respondents who agreed to attitude awareness in internal control implementation and segregation of duties were highest with an average score of 4.30 in North Municipality.

The size of a large church manages a budget of >3 billion rupiah per year, a medium size 1 billion-3 billion rupiah, and a small one <1 billion rupiah. Table 4 shows that the highest levels of

internal control and trained accounting personnel are in large churches which have an average score of 4.15 and 4.20, whereas the highest average scores for attitudes towards internal control and segregation of duties are in small churches, 4.19 and 4.16.

The classical assumption test has met the criteria because the residual data are normally distributed, with a Kolmogorov-Smirnov value of 0.969 and a significance value of 0.304, or >0.05 . The results of the multicollinearity test for each independent variable show that tolerance value X_1 was 0,623, X_2 was 0,421, and X_3 was 0,450, all the tolerance values were >0.10 , and $VIF < 10$. Based on the results of this test, it can be concluded that there is no multicollinearity in the regression model. The results of the heteroscedasticity test show that the significant value X_1 was 0,537, X_2 was 0,999, and X_3 was 0,923, the three independent variables have a significance value of >0.05 , which means that there is no heteroscedasticity problem.

The F test results in Table 5 show that the F_{count} value is 357,119 with a significance value of 0.000, which is smaller than 0.05. This means that the re-

Table 3. Descriptive analysis of variables by municipality

Variable	East Municipality	North Municipality	Central Municipality	West Municipality	South Municipality
Internal control	4.12	4.20	4.07	4.22	4.08
Trained accounting personnel	4.13	4.02	4.14	4.06	4.08
Attitude	4.11	4.30	4.14	4.20	4.10
Segregation of duties	4.14	4.30	4.10	4.26	4.01

Table 4. Descriptive analysis of variables by size

Variable	Small	Medium	Large
Internal control	4.10	4.14	4.15
Trained accounting personnel	4.19	4.06	4.20
Attitude	4.19	4.14	4.14
Segregation of duties	4.16	4.16	4.13

Table 5. Hypothesis test

Model	Unstandardized Coefficients		Standardized Coefficients	F	T	Sig.
	B	Std. Error	Beta			
1	(Constant)	.498	.126		3.964	.000
	PA	.236	.037	.245	6.388	.000
	ATT	.279	.036	.347	7.659	.000
	PT	.369	.033	.494	11.338	.000
				357.119		.000

Note: a. Dependent Variable: TPI.

Table 6. Coefficient of determination test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0	1	.952 ^a	.907	.11717

Note: a. Predictors: (Constant), PT, PA, ATT.

search model is fit. The t-test results in the following table show that trained accounting personnel (X_1), attitudes towards internal control (X_2), and segregation of duties (X_3) have a significance value of <0.05 . This means that the three variables (X_1 , X_2 , and X_3) significantly affect the level of internal control of church finances (Y).

The coefficient of determination is calculated to determine the contribution of X to the rise and fall of the value of Y. The results of the coefficient of determination test in this study can be seen in Table 6.

The results of the coefficient of determination test show that the adjusted R-squared value is 0.903, or 90.30%. This means that the variables of trained accounting personnel, attitude towards internal control, and segregation of duties simultaneously affect internal control by 90.30%. Meanwhile, the remaining 9.70% is influenced by other variables outside the research model.

The results of the coefficient of determination test in Table 7 show that the adjusted R-squared values for model 1, model 2, and model 3 are the same: 0.903 (90.30%), and the value for model 4 is 0.902 (90.20%). This means that the variables of trained accounting personnel, attitude towards internal control, and segregation of duties simultaneously affect internal control by $>90\%$. Meanwhile, the remaining is influenced by other variables outside the research model.

Model 1

$$TPI = 0,498 + 0,236 \cdot PA + 0,279 \cdot ATT + 0,369 \cdot PT + e. \quad (1)$$

Model 2

$$TPI = 0,411 + 0,248 \cdot PA + 0,277 \cdot ATT + 0,364 \cdot PT + 0,041 \cdot JU + 0,044 \cdot JT + 0,092 \cdot JB + 0,062 \cdot JS + 0,016 \cdot NN + e. \quad (2)$$

Model 3

$$TPI = 0,431 + 0,239 \cdot PA + 0,280 \cdot ATT + 0,368 \cdot PT + 0,044 \cdot SD + 0,031 \cdot BS + e. \quad (3)$$

Model 4

$$TPI = 0,395 + 0,242 \cdot PA + 0,280 \cdot ATT + 0,364 \cdot PT + 0,043 \cdot JU + 0,039 \cdot JT + 0,089 \cdot JB + 0,060 \cdot JS + 0,012 \cdot NN + 0,032 \cdot SD + 0,038 \cdot BS + e. \quad (4)$$

Table 7. Results of multiple regression test to all models

Variables	Model 1	Model 2	Model 3	Model 4
Contanst	0.498	0.411	0.431	0.395
PA	0.236	0.248	0.239	0.242
ATT	0.279	0.277	0.280	0.280
PT	0.369	0.364	0.368	0.364
South Municipality		0.041		0.043
East Municipality		0.044		0.039
Central Municipality (JP)		0		0
West Municipality (JB)		0.092		0.089
North Municipality (JS)		0.062		0.060
Neutral Municipality (NN)		0.016		0.012
Small Municipality (KC)			0	0
Medium Municipality (SD)			0.044	0.032
Large Municipality (BS)			0.031	0.038
Adjusted R ²	0.903	0.903	0.903	0.902

4. DISCUSSION

The control environment is the basis for all internal control components (Andrei et al., 2018; Behn et al., 2010; Boyd, 2022; Nwankwo et al., 2012). The financial control environment in this study focuses on trained accounting personnel who manage church finances. Based on the Indonesian Financial Accounting Standards (PSAK) Number 45 concerning the financial reporting of non-profit organizations, the main objective of the financial reports of non-profit organizations is basically

the same as the objective of the financial reports of commercial organizations, i.e, to present relevant information on the activities carried out by the organization (Magdalena et al., 2022). The elements of a non-profit organization's financial report are the financial position report, activity report (amount of income and costs), cash flow report, and notes to the financial report.

Non-profit organizations have different characteristics from profit-oriented business organizations. One of the differences lies in the way the organization obtains the resources needed to carry out its various operational activities. Non-profit organizations obtain resources from donations from members and other donors without expecting anything in return from the non-profit organization. On the other hand, in managing organizational finances, as mentioned in the Indonesian Financial Accounting Standards (PSAK) No. 45, non-profit organizations also need people with an educational background in accounting or at least people who understand accounting.

The results of the first hypothesis test (H_1) prove that trained accounting personnel have a significant effect on internal control, either partially or simultaneously. This means that the more church financial managers who have an accounting educational background or are given accounting training, the better or more adequate the level of internal control of church finances will be. This is supported by the results of descriptive analysis where the average score for the trained accounting personnel variable is the highest, indicating that the church's financial environment is church employees who are educated in accounting and understand accounting. Church employees with accounting knowledge and experience are better able to present accountable church financial reports. This accounting knowledge is obtained from the employee's formal education and accounting training provided by the church. Employees who have good church accounting skills tend to be better able to control church finances.

These results are in accordance with Ahiabor and Mensah (2013) and Lachney (2022) and supported by the Financial Management Guidelines contained in the 2002 HKBP Regulations Article 4,

paragraphs 4 and 5 regarding the treasury council (head of finance) and the congregation treasurer, which state that:

"The treasury council is a number of ordained and non-ordained ministers who assist congregation leaders in managing the assets and administration of the congregation."

The duties of the treasury council and treasurer are explained in detail: (1) help the congregation leader (pastor) prepare a work plan, budget, and congregation assets to be presented to the ordained ministers' meeting; (2) regulate all congregational assets for regular use, placement, and supervision; (3) make periodic reports on asset management and congregation administration to be submitted to the congregation leader (pastor) according to the specified time. Article 19 regarding the HKBP audit board states:

"The audit board is an organ that audits and evaluates the use of finances, assets and the implementation of work programs for all service units in HKBP. The audit board is selected from church members, provided they have skills in accounting and have worked as auditors wherever possible."

Basically, the financial management of the HKBP Churches is regulated by the organization's rules and regulations. The results of this study are also supported by the results of a study by Kistler (2008) that weak personnel knowledge of accounting results in a weak level of internal financial control. According to Christanti et al. (2023) and Radianto and Laturette (2019), financial internal control is considered adequate if accounting practices have been carried out well. The results of research conducted by Ahiabor and Mensah (2013) and Lachney (2022) show that internal control activities in churches are adequate and effective because they are supported by accurate and reliable accounting and operating data. Irvine (2005) argues that accounting is important in managing church finances. The results of this study are not in line with the results of research conducted by Muller (2015) and Wibowo and Kristanto (2018) that the church does not require internal control, and if there is fraud it will prioritize aspects of the divine value approach which is considered to be one of the differences between the church and other profit-oriented organizations.

Attitude towards internal control is a belief in the importance of internal control in the church environment. The results of the second hypothesis test (H_2) prove that attitude has a significant effect on internal control, either partially or simultaneously. The attitude of church stakeholders towards the existence of good control, which is felt as a necessity, will facilitate the implementation of internal control of church finances (Lachney, 2022). The results of the descriptive analysis inform that church stakeholders agree that it is necessary to keep expenditures in line with the budget. Church leaders (pastors) and church employees realize that the money managed by the church is trust money from the congregation which must be accounted for transparently. The attitude of the pastors and church employees clearly supports internal control of church finances so that all income and expenditure of church funds can be used for the needs of the congregation. The higher the confidence of church leaders (pastors) in internal control, the better the level of internal control of church finances will be.

The results of this study are also supported by Ortega-Rodríguez et al. (2020), Crawford et al. (2018), and Dethier et al. (2021) that good or bad internal financial control is determined by the level of belief of church leaders in the importance of internal financial control. Niederwimmer (2017) and Jałocha and Bogacz-Wojtanowska (2019) state that there are differences in perceptions of the importance of internal control, which are influenced by understanding and knowledge of accounting. Furthermore, Myers (2012) and Dethier et al. (2021) show that internal control activities in churches are adequate and effective because they are supported by compliance with church management policies. However, the results of this study are not in line with the results of Wibowo and Kristanto (2018) that the three members (pastor, treasurer, and congregation) of the church equally perceive that the church management system is ideal and accountable, so it does not re-

quire internal control. However, there is a possibility that this perception arises due to their lack of knowledge about internal control.

Segregation of duties is a parameter used in carrying out responsibility, honesty and wisdom. In financial management, effective separation of duties can be achieved if the following functions are separated: (a) Authorization, approving transactions and decisions. The results of the third hypothesis test (H_3) prove that separation of duties has a significant effect on internal control. Good internal control must have a separation of functions and levers in practice (Young, 2018). This function aims to ensure that authorization for an activity or transaction is clear, regarding which unit or staff has the right to provide approval. Separation of functions and duties is also a characteristic of good church management practices. As activities become more numerous and complicated, the separation of functions and duties within the church environment will minimize the risk of embezzlement and theft of church assets. The results of this study are in line with the results of the descriptive analysis that church stakeholders want authorization, not just one person or department who gives approval (signature) for a transaction. The goal is that there is a process of making, checking, and approving that is given to every church financial transaction.

The results of this study are supported by Alleyne and McGovern (2020) that weak internal control is caused by the absence of adequate separation of duties. The lack of separation of duties in the church environment may be due to the lack of full-time personnel. In general, church financial managers are volunteer workers. In practice, these financial workers work on a voluntary basis. Meanwhile, according to Young (2018), the separation of duties in the church is influenced by the amount of church revenue, where the higher the church revenue, the more workers the church employs to manage its finances.

CONCLUSION

The development of the church cannot be separated from good financial management and internal financial control so that it can protect assets from fraud, damage and waste due to ineffective use of assets. The purpose of this study is to examine the effect of trained accounting personnel, attitudes, and

segregation of duties on the level of internal control of church finances. Weak internal control in some churches, which is caused by high sacralization factors that give rise to blind trust in financial managers and spiritual leaders in churches, does not occur in the HKBP Church organizations in Jakarta. This may be due to the nature and character of research respondents who are more open in all matters. The financial management of church organizations has been regulated in detail in the rules and regulations of the HKBP Church organization, including the existence of regulations regarding audit boards in each church. From the results of hypothesis testing, it can be concluded that trained accounting personnel, attitudes towards internal control, and segregation of duties have a significant effect on the level of internal control of church finances. The limitation of this study is that it cannot reveal the comprehensive financial statement of the church, the amount of church revenue, and the number of congregation members which also influence the implementation of internal control over church finances. Church management needs to increase the effectiveness of implementing internal church financial control by providing training in accounting practices and internal auditing to accounting staff regularly as a research contribution.

AUTHOR CONTRIBUTIONS

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APPENDIX A

Table A1. Variable indicators

No.	Variable	Indicators
1	The level of internal control (Y) Wibowo and Kristanto (2018); Ahiabor and Mensah (2013)	Degree or level of internal control: Annual Audit Audit from CPA Financial statements Monitoring real costs versus budget Financial staff is tied up Use of accounting procedures Update inventory and non-cash assets Pre-approval of purchases Cash account or bank account holder Minimum cash to avoid loss Expenditures are the same as the budget
2	Trained accounting personnel (X_1) Wibowo and Kristanto (2018)	Human resources expertise, policies regarding the competence of people who manage finances: Pastor who understands Accounting There are internal controls Internal control from accountants Church Secretaries understand accounting Treasurer and financial manager have an accounting background There is a budget committee The board committee has accounting knowledge There is accounting training for people involved in the church financial environment There is an accounting book or manual instruction
3	Attitude (X_2) Wibowo and Kristanto (2018); Lachney (2022)	Belief in the importance of internal control Convinced of the importance of accounting for financial staff Believe in the importance of keeping expenses within budget Do not approve costs that are not within the budget Have an audit book at the church Convinced of the need for an audit of church financial management The need for supervision of people working in the finance department Selection of people who will manage finances Actions or sanctions against people who are indicated to be misusing money
4	Segregation of duties (X_3) Wibowo and Kristanto (2018); Young (2018)	Circumstances that demonstrate honesty, quality, and responsibility: There is a double check or "four eyes principle" Rotation of people who count cash There is a bank reconciliation Deposit money immediately to the bank (within 24 hours) Supervision when counting cash Physical examination of cash with notes or receipts Check and record bank receipts