

ABSTRACT

PT. Bank of Mandiri (Persero) Tbk Branch Majapahit Semarang is one of the financial institutions that raise funds and give the loan. One form of loans held by Bank Mandiri is Mandiri Micro Credit. The implementation of micro credit risk, credit congestion is a problem affecting the health of banks. Therefore, we need an execution control system to assess internal controls and to know the policy of the bank's management in their performing duties. Issues raised in the research are how the internal control system applied and whether the system of internal control in the process of lending micro credits have been applied effectively in Bank of Mandiri Branch Majapahit Semarang. This research was conducted with the aim to evaluate the process of lending micro credit in accordance with the prudent principle and the sound lending principle and evaluate the effectiveness of internal control systems in the process of lending micro-credit in Bank of Mandiri Branch Majapahit Semarang.

The evaluation result shows that the system adopted in the micro credit lending process has already most of the elements of internal control, although there are some weaknesses, there are Micro Credit Analyst (MKA) in Bank of Mandiri Branch Majapahit Semarang are not proportional to the amount entry application for credit, that so feared would happen loss from the weak credit quality. In addition, the implementation of the visit or on the spot is done, not in accordance with the procedures in the Manual of Micro Credit Product.

Compliance testing conducted on the internal control system using fixed sample size. Determination of the number of samples selected using random numbers table, set the level of reliability 95% and the highest accuracy limits expected (Desired precision Upper Limit / DUPL) 5%. The result of this compliance testing is the amount of the accuracy limit is achieved (Achieved precision Upper Limit / AUPL) of 3%. From these results if AUPL less than or equal to the DUPL, the existing internal control is said to be effective. This could mean that the elements of internal control contained in the process of lending micro-credit has been implemented by management. the research conclude that internal control systems that exist in the process of lending micro-credit was adequate and has been implemented by management.

Key word : Internal control system, credit, attribute sampling