

ABSTRACT

In this study intended to provide analysis and planning for internal control improvement in UD Lumbung Sari Jaya production cycle. UD Lumbung Sari Jaya which engages in the manufacturing industry specifically in the field of shoes and sandals production. This study describes research using interview, observation, and analysis document methods for data collection. For manufacturing companies, the production cycle is an important thing to consider. This is because the production cycle is interrelated with the existing cycles, such as the expenditure cycle, the revenue cycle, and also payroll cycle. Therefore, this research will help UD Lumbung Sari Jaya in overcoming problems and obstacles related to internal control problems in the production cycle. Processing data is done by analyzing internal controls based on the COSO framework that will provide information about components and determine what is associated with constraints and controls related to internal control. The findings of this study indicate how internal control implemented by UD Lumbung Sari Jaya still has many weaknesses because it involves the application of internal control components that are truly in the production cycle so that it causes various differences in the production cycle. Based on this, recommendations will be made to UD Lumbung Sari Jaya to improve the internal control weaknesses to overcome the difficulties that exist in the production cycle according to the COSO framework.

Keywords: Internal Control, Production Cycle, COSO Framework