

AUDITING COMPLIANCE AND ITS ROLE IN COMBATING FINANCIAL AND ADMINISTRATIVE CORRUPTION: AN APPLIED STUDY AT THE MUSAYYIB TECHNICAL INSTITUTE

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ABSTRACT

This research sought to explain the role and importance of compliance auditing and its quality requirements in light of INTOSAI Standard 3000. It also explained the role of compliance auditing in combating financial and administrative corruption. The Al-Musayyib Technical Institute was chosen as a group for the study, and a random sample of 20 individuals was selected from individuals working in the Auditing Division and the Financial Division. The study concluded that compliance auditing has a role in combating financial and administrative corruption, and that the internal auditor reflects the civilized face of the administration by exercising its duties and achieving its goals on a mission. He completed his face. One of the most important recommendations presented by the research is to oblige all institutions to work on compliance auditing and to select competent, honest, and specialized employees to work in the audit divisions to ensure that the audit objectives are achieved.

Keywords: Auditing, Compliance auditing, Corruption, Financial corruption, Administrative corruption.

INTRODUCTION

The auditing profession is considered a social profession that aims to provide service to others, and is based on mutual trust between the auditor and the relevant parties, including preparers and users of financial statements. The increasing reliance of these parties on the audited financial statements as a source of appropriate information for making appropriate economic decisions and accompanying increase in the responsibility of the auditor is before these parties. Therefore, there was a need to increase the control procedures on the quality of the audit work in order to provide reasonable conviction to the auditor and the parties concerned. The audit work was carried out with a high degree of efficiency, fairness, speed, and economy, which adds more confidence and avoids criticism directed at the auditing profession about the quality, the credibility of the work it carries out, the methods of monitoring it, and the policies and procedures that govern its work. Those responsible for developing the profession in the United States of America had no choice but to begin setting standards and controls for the quality of auditing that would contribute to the self-development of the profession, in order to increase the confidence in the quality of services provided by the auditing profession and its credibility, as all auditing offices must have policies and

procedures. Especially for quality control for all professional services, the member bodies of the International Federation of Accountants must ensure that these policies and procedures are subject to external audit, as many sectors of society, when making various decisions, increasingly rely on information over which they have no control, and resort to auditors for requests, to help when assessing the reliability of some information.

The first section: Research Methodology

First: The research problem:

After the expansion witnessed by the government in all its aspects and activities and the significant increase in spending in recent years, this expansion and spending in the government activities require compliance auditing. And, given the widespread corruption in the country, it is necessary to audit compliance in government institutions and through the reports submitted by the auditing bodies to clarify the extent of the organization's commitment to INTOSAI 3000 standards and its requirements in implementing the compliance audit process and enhancing the quality of the reports issued by it. Because the reports are important in the audit process and are directly reflected in the services provided by the audited entities to the community, the full meeting those requirements of the standard will enhance the outcomes and quality of the process. For auditing and its sobriety, the research problem can be formulated through the following question: "Does the compliance auditing have a role in combating the financial and administrative corruption"?

Second: The importance of research: The research derives importance from the significance of compliance auditing and the extent of government institutions' compliance with the INTOSAI 3000 standard and the requirements for the process of implementing compliance auditing and enhancing the quality of the reports issued by it as one of the most important standards used in the compliance auditing process. This is reflected in its application to enhance the auditing process and its integrity, add value and benefit, as well as improve the performance for subject entities, to scrutinize the provision of public services in the best possible way for society.

Third: Research objectives: The research aims to achieve the followings:

- 1- Explaining the concept of compliance audit reports and their quality requirements in light of the INTOSAI 3000 standard.
- 2- Explaining the role of compliance auditing in combating financial and administrative corruption.

Fourth: Research hypotheses:

Hypothesis: There is a significant impact relationship between compliance auditing and combating financial and administrative corruption.

The second section: The theoretical framework of the research

First: The concept of compliance auditing: Compliance auditing is an independent assessment of the compliance of a particular subject with the established references as standards. Auditors evaluate activities, financial transactions, and information. In all essential aspects, according to the references that govern the entity subject to audit, auditors also search for financial deviations in the compliance audit process that are based on all of the laws, regulations, and principles of financial management or discipline.

Auditors need to understand the context in which the compliance audit is being conducted. The concepts of the control process and its procedures are rooted in the management of public funds, and the control process is not considered an end in itself, but rather it is considered an integral part of the regulatory system that aims to detect early deviations from agreed-upon standards and actions that violate the legitimate principles, efficiency, effectiveness and economy of financial management. This gives the opportunity to take the correct measures in some individual cases and makes the official aware of the responsibility that falls on them. It also provides the opportunity to take the necessary steps to prevent the occurrence of illegal acts. The compliance audit raises the level of transparency by preparing approved reports on whether public funds have been spent in accordance with the law. The terms of reference are in place or not. It also enhances the accountability process by reporting deviations from and violation of the terms of reference. Such information helps in taking the correct measures and holding government employees accountable for their actions. Compliance auditing also enhances good governance by identifying the weak points and actions in the violation of regulations and laws as well as evaluating the extent of Staff discipline (Compliance Audit Guide, 2015: 8-9).

The compliance audit was defined by the US General Accounting Office as an objective and systematic examination for the purpose of providing an independent assessment of the performance of government units, programs, activities or functions in order to provide information to improve the public accountability and facilitate the decision-making process by the parties responsible for supervising the work, in order to take a corrective action (Irawan, 2015:22).

Compliance auditing is an assessment of the extent to which a particular subject adheres to the applicable references as standards. It is carried out by evaluating activities, financial transactions, and information in all their essential aspects, which adhere to the references that govern the entity subject to audit.

Compliance auditing is also defined as an organized process that aims to access evidence and evaluate it objectively to determine whether the information or actual circumstances adhere to the specified standards. The concept of compliance auditing is based on this definition, with a particular focus on the standards derived from references (Oversight Guide, 2015, 19).

Second: Principles of compliance auditing: Auditing is characterized by an iterative and cumulative nature. Therefore, the auditor should study the principles of compliance auditing before starting any audit process and during this process, which are planning, designing, collecting evidence, evaluating it, and preparing reports. These principles are accompanied by several principles related to the organizational needs of the agency, which can be considered general principles. These principles are related to specific steps in the audit process, which are planning, conducting the audit, and preparing reports (Monitoring Guide, 2015: 13):

1. **Professional skepticism and judgment:** Professional judgment is the application of relevant training, knowledge and experience when using auditing standards. In this way, wise decisions can be made about audit procedures that are compatible with the audit circumstances. Professional judgment also explains how the auditor uses the professional experience and knowledge in the context, or different positions from several different angles and perspectives. Professional skepticism refers to maintaining professional safety, and it is a cautionary or questioning position that evaluates the suitability and adequacy of the evidence received during the audit process.
2. **Quality audit:** Quality audit refers to processes through which the overall quality is reviewed with this audit in order to ensure that this audit has been carried out in accordance with the established standards. And the audit reports, conclusions or opinions are consistent with the surrounding circumstances, and the Central Auditing Organization has two quality audit departments that serve the objectives. The audit report is not issued until these two departments carry out this evaluation.
3. **Managing the audit team and its skills:** The members of the audit team should have the knowledge, skill, and experience necessary to complete the audit process successfully. This includes understanding the type of audit used and integrating it with practical experience and becoming familiar with the standards and references followed. It also includes understanding the operations of the entities being audited, the ability to make professional judgment, and the presence of qualified experience to do so (Al-Hadithi, 2009: 105).
4. **Audit risks:** This means the risk that afflicts auditors due to reports, conclusions, or opinions that may accompany the work. Therefore, a compliance audit should be conducted to reduce this risk to an acceptable level for the audit process. Audit risks are divided into: Inherent risk, Audit risk, and Risk of discovery).

Third: Objectives of compliance auditing: The main objective of compliance auditing is to constructively enhance the economic, effective and efficient governance. It also contributes to improving accountability and transparency compliance auditing, enhances the accountability by helping those responsible for governance and

oversight, and improves the performance by examining whether the decisions made by the legislature or executive body which have been prepared and implemented efficiently and effectively, and whether the taxpayers or citizens have received a value for money. A compliance audit enhances the transparency by informing Parliament, taxpayers and other funding sources, the targets of government policies, and the media about how various government activities are managed as well as their results. It thus contributes directly to providing useful information to citizens while also serving as a basis for learning and improvements. When conducting a compliance audit, audit bodies can decide, in accordance with their mandate, what to audit, when to audit, and how to audit, as well as there is nothing preventing the publication of the results (DAMPFSCHIFFSTRASSE, 7).

Fourth: Compliance audit elements:

1. **References and standards:** References are the laws and decisions of the legislative authority or any other legal documents, directives and instructions issued by public sector bodies that have legal authority, and which the entity subject to audit must adhere to.

2. **Subject:** The subject means the information, condition, or activity that is being measured or evaluated in light of specific criteria. The subject may be in the form of activities, financial transactions, or information.

3. **The three parties:** The compliance audit is based on a relationship between three parties in which the auditor aims to obtain appropriate and sufficient audit evidence to formulate a conclusion that enhances the confidence of the target users other than the party responsible for measuring or evaluating a subject according to the standards. The following parties are available in all types of compliance audits:

- The responsible party (the entity subject to audit, such as a government body) who receives the funds allocated to specific activities.
- The intended users (House of Representatives) are those responsible for allocating funds to government agencies and determining their use on the basis of the relevant references.
- The Financial Supervision Bureau, which conducts the audit process on behalf of the House of Representatives and ensures that these funds are used in accordance with standards (Oversight Manual, 2015: 9-10).

Fifth: Different methods for conducting compliance audits: The Financial Supervision Bureau conducts the various types of annual audits assigned to it, such as: 1. compliance auditing as a stand-alone activity: The Financial Audit Bureau may conduct the compliance audit as a stand-alone task. This means that the compliance audit in the case is conducted alone, and there is no synchronization with the financial auditing and performance auditing processes. INTOSAI's international standards stipulate that Compliance auditing can be dealt with separately in terms of its planning, implementation, and reporting, so it is separate from the processes of auditing financial statements and auditing performance. It

can be conducted regularly and on its own basis as a clearly defined audit process related to a specific topic. The Standard 4100 explains the main considerations applicable when the agency conducts Monitoring compliance as a stand-alone task.

2. Conduct a compliance audit with other audits: (Oversight Guide, 2015: 12)

Sixth: Stages of the compliance audit process:

1. **Initial considerations and audit planning:** In the preliminary considerations stages, auditors determine both the subject and scope, study principles in terms of their ethical importance, such as auditors' independence and objectivity, and ensure that the compliance audit procedures are in place.
2. **Conducting the audit and collecting evidentiary evidence:** At this stage, auditors are interested in collecting evidence to formulate conclusions or opinions about whether the subject, in all its essential aspects, adheres to the established standards. Auditors may change some cases of the scope of the compliance audit when they encounter evidence that forces them to do this change. For example, when collecting evidence, auditors find something that indicates fraud, in which case they should change their procedures. They should also document the reason that led to this change in the audit plan.
3. **Evaluating the evidence and formulating conclusions:** In the end, reviewers examine the evidence in terms of its adequacy and suitability to formulate a conclusion or an opinion about whether the topic adheres to the established standards. At this stage, reviewers are interested in relative importance when preparing reports on objectives.
4. **Preparing reports:** When the conclusion or opinion is presented, it takes the form of a report to the targeted users, and the auditor places in this report the recommendations and the entity's responses to these recommendations (Oversight Guide, 2015: 17).

The second axis: Corruption

First: The concept of corruption:

The phenomenon of corruption is considered one of the most dangerous negative manifestations widespread in countries and the most fatal to societal security and peace. This is because it affects the vital and influential aspects of the state, such as health, education, and other various government and state institutions. Money, bribery, and nepotism are considered the major headlines in this phenomenon, and from here, there are bodies that have volunteered to combat the corruption, as well as others have an official supervisory side from the state itself (Salem, 2007: 138).

Corruption in language is the opposite of goodness, and this term is intended to describe the state of things departing from the moderation, whether it is a slight or severe departure. Technically, corruption, according to what has been defined by many international organizations and legal bodies concerned with corruption issues, is that immoral behavior represented by those in administrative or political

positions exploiting the authorities, and the powers granted to them illegally to achieve personal private benefits

Transparency International, which was founded in 1993, is defined as: “The misuse of power in order to achieve private gains and benefits.” As for the United Nations Convention against Corruption of 2003, it did not address the definition of corruption, but it criminalized the cases of corruption that are defined in (Al-Ukaili, 2009: 80) as bribes offered to employees, bribes offered to foreign employees residing in the country, embezzlement of property, exploiting influence, and abuse of position. Corruption can be defined as dishonest acts carried out by people in positions of authority, such as managers, government officials, and others, in order to achieve private gains (Al-Issawi, 2012: 116).

Therefore, it can be said that corruption is every illegal act carried out by influential people who exploit their positions to obtain private benefits.

Second: Administrative corruption: It is difficult to find a unified definition of administrative corruption, and this difficulty is due to several reasons, including the complexity of the phenomenon of corruption, the complexity of its features and causes, the different methods of studying it, the multiplicity of its forms of expression, and the diversity of the backgrounds of the participants in its discussion and research. Therefore, several definitions were given for this phenomenon, and among the definitions given to administrative corruption is the definition of Transparency International, which defines it as “the exploitation of power for private benefit,” while the World Bank defines it as “the misuse of public office for private gain” (Al-Fatlawi, 2010: 84). **Third: Financial corruption:** The financial corruption in terminology is the misuse or transfer of public funds for a private benefit, or the exchange of funds for a specific service or effect. It is also defined as financial deviations and violation of the financial rules and provisions that regulate the conduct of administrative and financial work in the state and its institutions, as well as violation of the instructions of financial oversight bodies, such as the Central Financial Supervision Agency, which is responsible for examining and monitoring the accounts and funds of the government, public bodies and institutions, and companies. The Manifestations of financial corruption can be observed in: Bribery, embezzlement, tax evasion, land allocation, favoritism, and nepotism in job appointments.

Fourth: Causes of corruption: Some of the most important causes of corruption in societies can be summarized through the following points (Al-Jabri, 2005: 37):

- 1- Personal ambitions, as a person has an innate drive to love possessions. The cause of corruption is sometimes due to the employee or official’s desire to possess the former by exploiting his position and influence.
- 2- Lack of patriotic and moral sense.
- 3- Low awareness and lack of courage among the rest of the people to confront the corruption and the corrupt.

- 4- The existence of cultural environments that encourage and condone corruption.
- 5- Non-deterrent laws and regulations, which open the way for corrupt people.

Fifth: Forms of corruption: Corruption takes many forms, and the following points address the most prominent of these forms and reveal the nature of each one of them (Iyad, 2015: 93):

- 1- **Bribery:** It involves an official exploiting the position to achieve the interests of other individuals in exchange for a financial return.
- 2- **Fraud:** It is a form of fraud where someone deceives you with the conduct of a transaction or goods, and this is against the law.
- 3- **Forgery:** It involves an official expecting or changing confidential data in order to facilitate the workflow.
- 4- **Money laundering:** This means working in illegal projects.

The third section: The Applied Aspect of Research

Introduction: This practical framework deals with how to build a research tool to collect the information necessary for research and the scientific procedures used to ensure the validity and reliability of the research tool, and it evinces the procedures for applying the field research and the appropriate statistical methods to analyze the data obtained.

Study population: Al-Musayyib Technical Institute: Al-Musayyib Technical Institute is considered one of the oldest educational institutions in Babil Governorate, as it was established in 1979 on a large area of land to be an "agricultural institute" specializing in mechanization, and from it, other specializations emerged. Dozens of graduates, who have supported the institutions, have graduated from this institute; the state or those who worked in the private sector in all the different governorates of Iraq. A random sample was selected from the individuals working in the Finance Division and the Auditing Division, amounting to 25 male and female employees, and a sample of 100% was chosen. The questionnaire was distributed to the individuals working in the relevant divisions, and 21 items were retrieved. When the data was collected and audited, it was found that there was an item that was not suitable for testing, and thus the sample was valid for the 20-single test

The first axis: Designing the research tool: The researcher relied on the questionnaire method as a basic tool for collecting data, and a basis for knowing the opinions and trends of the research sample, as the questionnaire is considered one of the important and basic tools for collecting data in field research, and this is due to the researchers' ability to control the questions and facts to be collected from the research community. The questionnaire was divided into two parts as follows: The first section: related to questions about internal audit and included (8) paragraphs.

First: Regarding the questions related to the financial and administrative corruption paragraphs, it included (8) paragraphs. The answers in the first and second sections were closed answers according to a five-point Likert scale (strongly agree, agree, neutral, disagree, and strongly disagree). The researcher calculated the weighted average of the sample's answers to the questions in a form similar to the Likert scale, as it is considered one of the best methods for the measuring attitudes. The weighted average is used if the variable takes values that differ in terms of their importance. Therefore, this importance must be taken into account by giving each statement the appropriate weight for its importance. The researcher gave the appropriate weight to the importance of each statement in the questionnaire, as follows.

The weight	Phrase
5	Strongly Agree
4	OK
3	Neutral
2	Not agree
1	Strongly Disagree

Second: The validity of the tool: The validity of the research tool is defined as the extent to which the data collection tool or measurement procedures are able to measure what is being measured. This means that if the data collection tool is able to measure the purpose for which it was designed to measure, then it is honest. Honesty also means that the form includes all the elements that must be involved in the analysis on one hand, and the clarity of its paragraphs and vocabulary on the other hand, so that it is understandable to everyone who uses it.

The validity of the research tool was confirmed by two types of validity: Apparent validity and constructive validity.

A- Apparent validity: It is one of the types of validity of the tool that is relied upon in measurement, as it is known as the ability of the scale to measure what should be measured by looking at it and examining the suitability of its items to measure the various dimensions of the variable. To ensure the apparent validity of the questionnaire and that it measures what it was designed for, the questionnaire was presented in its initial form to a number of experienced and specialized arbitrators from the faculty members. They kindly graciously expressed their comments and suggestions about the contents of the questionnaire, and then the amendments and additions recommended by the arbitrators were made.

B- Construct validity: It is after ensuring the apparent validity of the research tool by applying it to a survey sample of (20) individuals from the research community.

Third: Stability of the research tool: Stability is defined as “consistency in the results of the tool, and it means the ability of the measure to obtain the same results if the same tool is reused again”. The stability of the research tool was confirmed by applying it in its final form to (20) items from the research community, and after several days of distribution, the data was retrieved, transcribed, and analyzed using the Statistical Software Package for the Social Sciences (SPSS v.22).

The second axis: Presentation, analysis and interpretation of the research results

First: Diagnosing the opinions of the research sample regarding the research variables:

Table (1) shows the frequencies and percentages of the research sample members’ answers to the statements related to the internal control tools paragraphs.

Table (1): Frequencies and percentages of answers from members of the research sample

Relative importance	Standard deviation	Weighted arithmetic	Paragraphs	T
Paragraphs related to the internal audit				
64%	0.99	3.2	Internal audit's commitment to standards is one of the most important means that contribute to addressing financial and administrative corruption.	1
60%	1.07	3.0	Using the audit sampling method contributes to addressing financial and administrative corruption	2
86%	1.00	4.3	Commitment to controls and procedures is considered the basis for effective internal control that limits financial and administrative corruption	3
88%	0.83	4.4	Establishing an organizational structure that includes all the powers that each job is committed to contributes to reducing financial and administrative corruption	4
64%	0.99	3.2	Contributing to developing an annual audit plan based on the size of the potential risks contributes to reducing financial and administrative corruption	5
58%	1.16	2.9	Providing various consultations to the organization’s administrative leaders contributes to reducing the rate of financial and administrative corruption	6
84%	1.36	4.2	Improving wages for various segments of employees or employees of the institution contributes to reducing financial and administrative corruption	7
80%	1.18	4.0	Compliance auditing is one of the means of reducing financial and administrative corruption	8
Paragraphs related to the financial and administrative corruption				
88%	1.01	4.4	Preparing the corruption of the money and the administrative one VI money authority of the public or functioning of the worker and that from the okay earn private.	1
90%	0.45	4.5	Private infringement instructions with the body censorship finance lead to more corruption of the money and the administrative one.	2
74%	0.964	3.7	Non respect the dates of the job and exploitation favor function on the appearances of corruption of the money and the administrative one.	3
84%	0.962	4.2	The letters contributed to the appearance of the financial corruption and the administrative one.	4

88%	1.01	4.4	Non clarification laws and simplifying them for the workers in units enough lead to more opportunities of the financial corruption and the administrative one.	5
84%	1.36	4.2	Non giving freedom and the turn great institutions censorship the public lead to more level of the financial corruption and the administrative one.	6
80%	1.18	4.0	The situation of cruel penalties in reducing that non to improve the level of income leads to the appearance of corruption of the money and the administrative one.	7
74%	0.964	3.7	Failure to improve the level of income leads to the emergence of the financial and the administrative corruption.	8

Source: Prepared by the researcher based on the computer results using the SPSS v.22 program

Table (1) shows the frequencies and percentages of the research sample members' answers to the statements related to the internal control tools paragraphs.

The third

axis: Paragraphs related to the internal audit:

1- Statement No. (1) came with a weighted arithmetic mean of 3.2 and a relative adequacy of 64%. Statement No. (2) had a weighted arithmetic mean of (3.0) and a relative adequacy of (60%). While statement No. (3) achieved a weighted arithmetic mean of (4.3) and a relative adequacy of (86%), and statement No. (4) performed a weighted arithmetic mean of (4.4) and relative adequacy of (88%). This portrays that all the weighted arithmetic means are higher than the hypothesized arithmetic mean of (3) according to the Likert scale, and this indicates the availability of independence and objectivity in the performance of the internal control bodies. **Paragraph (5)** obtained a weighted arithmetic mean of (3.2), a standard deviation of (0.99), and a relative importance of (64%). Statement No. (6) came with a weighted arithmetic mean of (2.9) and a relative adequacy of (58%), less than the hypothetical arithmetic mean (3). Statement No. (7) had a weighted arithmetic mean (4.2) and a relative adequacy (84%). This means that the employees of the Bureau of Financial Supervision work efficiently. Statement No. (8) conducted with a weighted arithmetic mean of (4.0) and a relative adequacy of (80%).

2- The axis related to the financial and administrative corruption:

Statement No. (1) came with a weighted arithmetic mean of (4.4) and a relative adequacy of (88%) higher than the hypothesized arithmetic mean of (3). Statement No. (2) had a weighted arithmetic mean of (4.5) and relative adequacy of (90%). Statement No. (3) achieved a weighted arithmetic mean of (3.7) and a relative adequacy of (74%), and Statement No. (4) performed a weighted arithmetic mean of (4.2) and a relative adequacy of (84%), higher than the hypothesized arithmetic mean (3). **Paragraph (5) obtained a weighted arithmetic mean of (4.4), a standard deviation of (1.01), and a relative importance of (88%).** Statement No. (6) came with a weighted arithmetic mean of (4.2) and a relative adequacy of (84%). This means that the employees in Diwan work efficiently. Statement No. (7) had a weighted arithmetic mean (4.0) and a relative adequacy (80%), and Statement No. (8) conducted a weighted arithmetic mean (3.7) and a relative adequacy (74%).

Table 2 lists the outcomes of correlations between the internal auditing and the financial and administrative corruption (t) values.

Fourth axis: Analyzing and testing the trends of influence among the research variables:

Introduction: This research aims to test the effect of the independent variable (compliance audit) individually and together on the dependent variable (financial and administrative corruption), by relying on Simple Regression Analysis and the (F) test to determine the significance of the simple regression equation. There is a significant effect if the calculated (F) is greater than the tabulated (F) value, and there is no such effect if the calculated (F) value is smaller than the tabulated (F) value at a significant level (1%). Also, the coefficient of determination (R^2) was used to interpret the amount of influence of the independent variables on the changes that occur on the dependent variable, and the (T) test to determine the significance of the influence relationships at a significance level (1%).

Table (2): The estimated parameters of the simple linear regression model to measure the compliance auditing and the financial and administrative corruption

Financial and administrative corruption y					The dependent variable x		
T value		F value		Interpretation coefficient R^2	Constant		Independent variable
Tabulation (%1)	Calculated	Tabulation (%1)	Calculated		B	A	
0.065	1.220	0.003	1.488	0.332	2.365	1.939	Compliance audit

Source: Prepared by the researcher according to the results of the electronic calculator (N=65)

Based on the above, the research objective will be achieved to test the alternative hypothesis through its sub-hypotheses, as follows:

Testing the hypothesis: There is a relationship a statistically significant influence relationship at the significance level (1%) between the compliance auditing and the financial and administrative corruption. Table (3) indicates that there is a positive influence relationship between the compliance auditing (X) in financial corruption and the administrative (Y), as the value of (F) calculated for the simple linear regression model, whose value is (1.488), which is greater than the value of the tabulated (F) of (0.003) at a significance level (1%). This exhibits the significance of the estimated model, and the value of the regression coefficient (0.332) is at the aforementioned level of significance, meaning that a change in the amount of one unit in the dimension of compliance auditing affects the financial and administrative corruption. This means that the significance of the simple linear

regression model is proven. The results also reflected the value of the explanation coefficient (R^2), which was respectively (0.332). This means that the dimension of compliance auditing in financial and administrative corruption (X) explains a percentage of the changes that occur in improving the performance. The remaining percentage is due to the contribution of other variables not included in the current research scheme. The calculated value of (T) is (1.488), which is greater than its tabulated value of (0.003), at a significance level of 0.01. This elucidates that the regression coefficient (B) for both financial and administrative corruption is proven at the aforementioned level of significance, and this means that the significance of simple linear regression model is proven. And accept the hypothesis there is a statistically significant influence relationship at the level of significance (1%) between the audit compliance and the financial and administrative corruption.

Section Four: Conclusions and Recommendations

First: Conclusions:

1. Auditing compliance affects and reduces administrative financial corruption
2. The internal auditor reflects the civilized face of the administration by exercising his duties and achieving its goals to the fullest extent.
3. The presence of a clear organizational structure in government institutions that includes all powers, regulations, and instructions contributes to addressing and reducing the phenomenon of financial and administrative corruption.
4. Employing individuals with expertise in the auditing side of the financial control divisions verifies the accuracy and validity of the data provided, which enhances the aspect of disclosure and transparency.
5. Providing job support by senior leadership, including letters of thanks and appreciation and appreciating efforts, contributes to creating a healthy environment for employees working in the oversight divisions.
6. Using the principle of reward and punishment in dealing with all employees of the institution contributes to reducing the phenomenon of financial corruption.
7. The internal auditor has an important role in the process of reducing financial and administrative corruption by reducing the mistakes made by the employees of the Financial Division.

Second: Recommendations:

1. Obligating all institutions to conduct compliance audits.
2. Selecting competent, honest and specialized employees to work in the audit divisions to ensure the achievement of audit objectives.
3. Senior leaders must provide letters of thanks and appreciation and appreciate the efforts of audit staff to create a suitable environment for audit staff.
4. There must be a clear organizational structure in government institutions that includes all powers, regulations, and instructions to contribute to addressing and reducing the phenomenon of financial and administrative corruption.

5. Department directors must work on the principle of reward and punishment for all employees of the institution to contribute to reducing the phenomenon of financial and administrative corruption.

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