

Modernization Of Government Monitoring and Auditing Methods in The Event Of Applying the Privatization System in Iraq: An Applied Study in Iraq

¹LuayQays Abdullah, ²Faisal SarhanAboud, ³DuraidFarisKhayoon

Abstract:

This study deals with the problems and obstacles and finds solutions for them; in the case of the experience of the privatization system in some Iraqi government institutions and the conditions and requirements for modernizing government control methods in Iraq is to enable government oversight to preserve public money to avoid control gaps that occur as a result of the privatization of some Iraqi government institutions

Keywords: *the governmental oversight, the privatization, the auditing*

I. Introduction:

Many of the projects that have been privatized have suffered from many financial, accounting or production problems, such as the large number of debts, the imbalance of the structure of their assets compared to the structure of their liabilities, and the accounting problems represented by the wrong evaluation of their commodity stocks, and the book values of their assets may be in light of the accounting systems under which they operate. It does not necessarily represent its real value, hence the necessity for the financial control bureaus to play the role of full control, which calls for examining all documents and documents and for there to be a regular control in which the principle of importance is taken into account. This role is also distinguished by its eagerness to develop its methods with the development of the field in which that control operates.

The real value of the project subject to privatization and the information provided by the financial control authorities to decision-makers from investors and others must be reliable, reliable and consistent information with international accounting rules, as well as with recognized evaluation methods, which prompts the supreme financial control bodies to update their methods in light of the tremendous technical progress that has occurred in the methods of collecting and preserving information and data, on the means of communication, and on the methods of collecting and circulating funds and the various modern means used in preserving public money for its development, and its proper use.

¹Presidency of the University of Diyala

²Faculty of Administration and Economics, Diyala University

³Presidency of the University of Diyala

You may need specialized skills to understand internal control or to design effective audit tests for clients who use computer systems. Therefore, training and education on control and computer systems is an important part of professional development programs in many areas of government oversight and auditing firms.

The First Topic

The importance of Study:

The importance of the research lies in determining the expected role of the private sector in the advancement of the country's economic reality in the event of a shift to a system of privatization of some government sector facilities in Iraq and the role of government oversight in updating the methods of control over the facilities subject to privatization in order to put the Iraqi economy on the right path to keep pace with the knees in developed countries.

The problem of Study:

As a result of the great economic crises that the country and the world is going through, and Iraq in particular because of its total economic dependence on oil and the significant decline in global oil prices, it has led to thinking about the privatization system of some establishments as a first stage in order to benefit from the advantages of the privatization system in fighting government corruption and trying to advance the Iraqi economy through the sector. The private, the problem lies in the gaps that the restructuring of the economic, financial and administrative sectors could create due to privatization processes, which necessitated that the supreme bodies of financial control reconsider their supervisory programs and their priorities in order to cope with this development so that the privatization and structural reform processes continue, and the state and its bodies implement international agreements. For trade, and the effects of that on the national economy, in line with this development. Therefore, we are trying from this research to reduce the impact of these financial gaps that may result from economic restructuring, the emergence of rifts and deficiencies of some financial administrations after privatization and expansion of spending, through enabling financial control to preserve public money.

The Aims of Study:

The research aims to study the extent of the possibility of implementing the privatization system in Iraq and the resulting challenges to restructure the institutions subject to the restructuring in such a way that it does not allow the emergence of financial gaps through which public money may be lost or wasted due to the large expenditures or the maintenance of old methods of auditing, control and manual operation of data before Privatization and restructuring of some economic sectors. By developing new programs and strategies to implement its plans, relying on international auditing standards, auditing performance, or broad electronic operation of data in various stages.

Financial and economic departments and structures.

The Hypotheses of Study:

In light of the propositions included in the research, we can focus on the following hypotheses:

- 1 .There is no relationship between privatizations and the role of higher government oversight.
- 2 .The need for SAIs to reconsider their supervisory programs and priorities in order to twin with the procedures for implementing privatization, globalization and electronic commerce, as some agencies still rely on traditional auditing.
- 3 .A relationship between data electronic operation and international auditing standards and performance auditing is expected in the strategic planning of Supreme Control.

II. The Methodology of Study:

In the context of trying to achieve the research objectives on both inductive and deductive approaches.

This is in order to stabilize the work processes of the internal financial control system in government projects and agencies and the extent of commitment to the applications developed by the Iraqi Ministry of Finance in the field of financial control and the efficiency of use of the various departments concerned with this matter, and then making comparisons with what is stated in the international auditing standards for where to use them in developing The governmental financial control process, in addition to the report of this benefit, with what was mentioned in the scientific references and journals of an addition that serves the study methodology.

The Plan of Study:

The research focused on two main axes:

The first: the theoretical side. In it, the main ideas were studied in its various theoretical aspects, where the researcher dealt with the definition of peculiarity, its stages and steps, the concept of government financial control and the characteristics of an effective control system in government agencies in light of electronic operating systems. It also shows the frameworks that supreme financial control systems deal with in light of international auditing standards.

The second: the practical aspect, as the study population dealt with its sample, measurement standards, validity and reliability tests of the measuring instrument, as well as methods of data collection in addition to the statistical methods used to analyze data and arrive at results. This study is considered descriptive, exploratory or investigative, based on the opinions or trends of the study sample, as this study was conducted on a sample of employees of accounting departments in government departments.

The Second Topic

First: Defining privatization, its stages and steps for its implementation:

The term privatization includes various concepts, including: the expansion and increase in the activity of the private sector, and this includes the establishment of new private projects without any reduction in the

state's investment activity. The second concept is the transfer of state assets to the private sector. Privatization, then, is a process through which the government's economic role is reduced or the role of the private sector in owning or managing assets available in the economy is increased (Al-Qudah, 1997/7/1996). Although the privatization process may differ in its size, the method in which it will be executed, as well as the time it takes to implement the process, it can be said that any privatization process must include the necessary stages and elements necessary for its implementation as follows:

The First Stage: The Privatization Stage

First: The institution or company to be privatized shall be studied in a preliminary manner, whether by the institution itself or by a consultant to be used for this purpose in order to determine its conditions in order to make a decision regarding its privatization.

Second: To take a decision by the Council of Ministers, with a recommendation from the Privatization Council, to adopt an appropriate strategy to privatize the institution, the company, or the project in general.

Third: Forming a steering committee headed by the relevant minister or general manager concerned, or a special bid committee headed by a senior government official in order to lay down and draw the outlines and general policy for the institution's privatization, oversee and follow up the project privatization process until its end, and this includes facilitating communication and coordination with various relevant parties and raising recommendations To the Privatization Council. Represented in this committee are the competent ministry or the entity to which the project is affiliated, the ministries of planning and finance, the central bank, the executive authority for privatization, the company or institution to be privatized, and any other body that requires representation in the committee, in addition to the Audit Bureau to ensure transparency and control over the work of this committee.

Fourth: Forming a work team as a technical support team or a technical committee that includes competencies, specialized cadres, technicians from the relevant authorities, employees of the Executive Authority for Privatization, and some other experts. These teams follow up the evaluation and preparation processes for privatization. And developing the necessary and necessary procedures for the privatization of the project and setting the terms of reference for the use of financial and legal advisors who will be used to lead the privatization process.

The Second Stage: Recruitment of Financial Advisors or Legal Technicians

First: Evaluating and assessing the need for the assistance of consultants of all kinds, and this is decided in light of the size of the deal, the nature of the project, or the complexities of the deal and the potential investor (internal or external). The financial advisor can be a bank, an investment institution, a consulting institution, or a single advisor. And if it was decided to seek the assistance of a financial, legal or technical advisor. So we go to the next step.

Second: Determining and providing the source of financing for financial, technical and legal consultations, and determining whether the consultant's fees will be paid from the government budget or the project budget, and whether the payment will be as assistance by an international donor organization or a grant

from other sources. Study the special conditions and procedures related to providing financing from external sources, obtaining draft financing agreements from donors or preparing local agreements related to financing these services, and making sure that adequate funding is available for advisory services for the deal before moving to the next stage.

Third: The government's approach to privatizing the project is announced in the local or international newspapers and the media from the various Expression of Interest financial and investment institutions to attract offers of interest, expertise and specialization in the project. Or, you can write to a short list of candidates for this job based on their executive record in this field. To ensure more transparency, the deal can be announced and written to these candidates at the same time. It is recommended that those interested in the project give at least 4 weeks to respond.

Fourth: After receiving the expressions of interest offers, they will be studied and a short list of the initially qualified institutions is drawn up in preparation for sending requests for proposals to them.

Fifth: The terms of reference are amended (when necessary) and according to the acceptable observations made by the consultants.

The Third Stage: The Necessary Steps to Implement a Typical Privatization Process

The first step: Announcing the project to be privatized. The purpose of this step is to announce the project to be privatized as much as possible among potential investors, and the media can be by paid or non-paid publishing media, and the advertisement and publication usually aims to elicit an expression of interest in the deal and not to bid.

The second step: Receiving expressions of interest offers: This step aims to select a group of investors whom the government or the private entity is comfortable with in dealing with. To achieve this, the Privatization Authority must prepare itself to receive expressions of interest and respond to them. It should put in place a specific mechanism to sort out all the received interests and prepare a list of the most eligible investors who will be allowed to bid.

The third step: Sending requests for proposals to qualified investors: This step aims to lay down the basic rules for the privatization process. Within a week of the date set for receiving expressions of interest, requests for proposals must be established for the initial qualified investors. The request for proposals must include a background on the project subject to privatization, open agreements, and the procedures followed in the testing and bidding, including the information bulletin.

The fourth step: the last day of receiving inquiries about the tender, as this step aims to feel the pulse of potential investors regarding their interests and questions about the proposed deal and to give the privatization body sufficient time to prepare the appropriate responses before holding a pre-bid conference.

The fifth step: Investors conference before bidding: This step aims to give an opportunity to tentatively qualified investors to give their opinions (feedback) regarding the contents of requests for proposals and the status of the authority concerned with the privatization in the form of the prevailing conditions in the market.

The sixth step: Sending the revised requests for proposals to be submitted to qualified investors in principle: This step aims to lay down the rules and principles that govern the privatization of the project and in light of the inquiries and comments (Rules of the Game) and the suggestions made by the investors in the conference referred to in (Step 5), if However carefully prepared the RFPs, they will not be a complete and complete document.

The seventh step: Renewal of the deadline for submitting bids: Each privatization body awaits this step with great interest, as the success or failure of the deal is determined at this stage. One may be able to carry out all the previous steps in a proper manner and without mistakes, but all this work is of no value if offers are not received before the end of the day specified for that.

The eighth step: Bid evaluation: Most privatization deals include an evaluation of two main issues in the submitted offers: one is technical and the other is financial. Policy-makers must define evaluation criteria for the technical and financial aspects and the relative importance of each in the evaluation process, and set the institutional framework for conducting the actual evaluation process. With regard to the first two items - the evaluation criteria and the relative importance of the technical and financial proposals, they must have been clarified and explained to the investors in the transaction documents, and then the focus at this stage is on forming the evaluation apparatus and providing it with clear and specific powers, as well as the instructions and standards necessary for the evaluation process.

The ninth step: Bid referral: In this step, the bid is referred to the investor who submitted the best offer. As long as the proposed agreement with the investor has been sent to the investor as part of the bidding documents, negotiations are supposed to be minimal and not substantial after announcing the winning investor, and it is imperative that justice and equality be followed with all investors, that no substantial amendments are made to the proposed agreement at this stage.

The tenth step: Implementation of the agreement: In any privatization process, there are a number of conditions that the two contracting parties must implement before signing the agreement and starting to implement it. The period between signing the agreement and starting its implementation must be shorter for the two parties to fulfill their obligations in parallel, such as providing matters (mobilization). . In the preparation period for logistical implementation, experts, equipment, etc.

The ThirdTopic

First: The Concept of Higher Governmental Financial Control:

Monitoring represents - in general - a set of procedures through which to ensure the proper implementation of the directive, which can be represented in the constitution, law and order, instructions, administrative and financial work plans, programs and budgets (Al-Rahlah, 2006), and higher financial control appears according to this general concept represented In those procedures through which to ensure the proper implementation of the directives that ensure the preservation of public funds and their good management. Therefore, it is the duty of the supreme audit to ensure the integrity of procedures. Supreme financial control is usually practiced by supreme financial and accounting auditing bodies that grant them sufficient independence that qualifies them to exercise their supervisory role over the financial actions of the executive authority and

submit their reports on the results of their oversight to the higher and legislative authorities in the state with the aim of building an evaluation system. Proper performance and objective accountability for the results of the government's management of public funds. The concept of supreme financial control has evolved according to the development of the concept of managing public money, as the supreme control was concerned in its early stages with regular oversight with its well-known dimensions (legality and accountability), which is concerned with ensuring the safety of the procedures applied by the government in the field of preserving public money and their good compliance with applicable laws and regulations. While the scope of oversight extended to include ensuring the proper management of public money and ensuring that the objectives set for the various government activities that use and manage public money are achieved to include the scope of control in this, in addition to the systemic oversight - performance auditing in its dimensions of evaluating the efficiency of the organization and the conduct of financial operations and the effectiveness of Activity in achieving its goals, then the level of efficiency of its performance in achieving those goals and the extent of its keenness on economics and savings and the effect of privatization operations on the government supervisory system during that time, so the supreme control thus takes its dimensions as a comprehensive control.

All the rules relating to Supreme Financial Control have expressed the dimensions of comprehensive higher financial control, as they made of its objectives: "Verify effective and appropriate management of public funds, and that implementation is carried out in accordance with the directives specified in the action plan, and within the established rules and objectives, with the intention of clarifying aspects Error, weakness, and deviation, and taking appropriate solutions to avoid them, to prevent their recurrence, to determine responsibility for their perpetration, to ensure the proper implementation of these rules and objectives, to verify their safety and adequacy, to work to improve financial management to be sound management, and to achieve high rates of performance and much more. Efficiency, effectiveness and savings "(Abdullah, 1998, Paragraph No. (132) of the Financial Control Rules of the International Organization of Supreme Audit Institutions (INTOSAI) stipulated:

According to the following: "The financial controller must plan the financial control in a manner that confirms that a high quality (qualitative) control has been carried out in an economic, efficient, effective and timely manner." Planning the control work is the development of a plan and a timetable for the control body to achieve a goal or Certain goals during a future period of time, and each higher financial control body must work within a plan that takes into account the statutory requirements and the order of priorities, and is committed to following specific activities according to well-thought-out procedures for examining the data that differ according to the nature of work and timing, and also depends on obtaining information about the entity Subject to control in relation to the nature of its activity, the accounting system, the internal control system, and the type of financial and administrative policies it has.

Second: The concept and nature of internal audit:

Its most recent definitions of internal auditing as defined by the Institute of Internal Auditors, the Institute of Internal Auditors issued the following: "Internal audit is a neutral, objective, advisory and reassuring activity aimed at increasing the value and improvement of the organization's operations. Internal audit helps in achieving the organization's objectives through a systematic and disciplined method to evaluate and improve the effectiveness of management procedures. Risk, control and government ". These standards aim to:

- 1 .Drawing the outlines of the basic principles for practicing internal auditing.
- 2 .Establishing a general framework for finding and enhancing the scope of internal audit activities.
- 3 .Laying the basis for measuring internal audit performance.

Audit committees and their role in preparing, developing and implementing plans:

The audit committee of the company's board of directors is a sub-committee that consists of external members, meaning members independent of the company's management, who help in:

- A - Make the external internal auditors independent of management. (Dud Care)
- B - Ensure that members practice caring

Functions of the Audit Committee: Engagement Letter

- a. Selecting the external auditor and reviewing audit fees and appointment letter
- B. Review the overall audit plan of the external auditor.
- C. Review the annual and periodic interim financial statements.

Dr.. Review internal and external audit results, for example limitations, audit findings and recommendations.

- e. Review internal audit work schedule, budget and reports.

And the. Meet regularly with the Director of Internal Audit.

- G. Review internal control evaluations.

- H. Review the accounting, financial, and operational control of the company.

- I. Policy Review on Unethical and Unlawful Actions .. Regulatory

- J. Review financial statements of agencies

- K. Review the observations and observations of the company's employees.

to. Contribute to choosing accounting policies.

M. Reviewing the impact of new or proposed legislation or government instructions regarding economic restructuring or privatization.

The concept of governmental internal control:

It is the control that the executive authority exercises over its executive organs, that is, over its various units, and in most countries the Ministry of Finance exercises such control. Internal control shall be one of the functions of the government,

This supervision can be classified into two types:

1 .Presidential control or direct oversight: which is imposed by the Ministry of Finance directly on the ministries and central departments whose budgets are included in the state's general budget, including the

government's central accounts management, financial inspection control and the general budget management control.

2 .Guardian or indirect oversight: The executive authority's exercise of oversight over independent institutions in the state, including discussion and approval of the draft budget of these institutions and their final accounts, examining financial reports and conducting financial inspection, and in some countries representatives of the Finance Ministry assume custody of these Institutions.

The Forth Topic

A Practical Framework of Study

First: - Description of the study sample

1 -Study sample:

The study sample included updating government auditing and control methods in the event of applying the privatization system in Iraq, as 55 questionnaires were distributed to employees of the Financial Affairs Department and the Control and Audit Department at Diyala University, and 50 questionnaires were retrieved to measure to prove or deny the research hypotheses.

2 -Sample collection method:

The researcher used the simple random sample method in distributing the questionnaire forms to the research community, namely accountants and auditors, on the assumption that the community is homogeneous. Therefore, the researcher used the simple random sample, and then the appropriate sample was drawn, as the sample size reached 50 employees, which represented the study population.

3 -Statistical indicators:

In the statistical analysis, the researcher relied on the data and information obtained from the research according to Likert's five-year scale, and the researcher used the most important statistical indicators in a way that fits the research hypotheses and questions related to it, which are as follows:

1 -Frequencies and percentages: to find out the number and percentage of respondents within the research sample.

2 -The weighted arithmetic mean: It is used to find out the degree of agreement of the questioned sample to the questions.

3 -Standard deviation: It is used to find out the extent of the dispersion of the answers of the researched sample from the degree of approval.

4 -Person correlation coefficient: It is used to measure the extent to which the research variables are related to each other and to determine the type of relationship whether it is positive (positive) or opposite (negative).

5 -F test: It is used to find out the presence of an effect of the independent variables in the search on the dependent variable.

6 -Regression equation: It is used to find out the effect of the independent variable on the dependent variable.

Note:

The significance value (sig.) Was adopted in testing research hypotheses instead of tabular values for the accuracy of the results computed from the significant value (sig).

It should be noted here that all of these indicators were calculated by the Statistical Package for Social Sciences (SPSSV20) program.

Second: Description and diagnosis of research variables

This paragraph includes a description of the main study variables and their diagnosis, represented by government oversight and auditing as an independent axis, and privatization as an approved focus of research, and to achieve this, appropriate statistical analyzes were used.

1 -The arithmetic mean and the standard deviations of the sample responses for government auditing and control.

Table No. (1) below describes the variables for private research, government oversight and auditing

No.	The government oversight and auditing	TheMiddle Arithmetic Likely	TheStandradDeviation
1	There is a relationship between privatizations and the role of higher government oversight.	4.1000	1.07381
2	The public money in Iraq is spent properly and there is no need for privatization.	4.0000	0.96890
3	The highest government oversight system is effective in Iraq.	4.0000	0.90351
4	That Iraq really needs to review the control programs as a result of the continuing deficit in the general budget.	4.3800	0.80534
5	The implementation of privatization, globalization and electronic commerce processes helps in developing departments in	4.2400	1.17038

	the internal departments of the Iraqi government.		
6	Do you expect to modernize the methods of higher control in accordance with the requirements of privatization in Iraq?	4.2000	0.69985
7	The internal departments in the Iraqi government are committed to implementing the financial control systems set by the Iraqi Ministry of Finance.	4.0800	1.08496
8	Do you prefer staying on the old methods of auditing, controlling and manual data processing?	4.2200	0.81541
9	Is there a relationship between electronic data processing and international auditing standards?	4.1000	0.78895
10	Are you satisfied with the governmental monitoring and auditing methods in Iraq?	4.2600	0.98582
	The General Arithmetic	4.1555	0.895941

The results of Table No. (1) indicate that government control and auditing has obtained a general arithmetic mean of (4.1555) and a standard deviation (0.895941), and this indicates the homogeneity of the sample answers about the value of the arithmetic mean, and as for the paragraphs level, paragraph No. (6) came in this The axis, which is (Do you expect to update the methods of higher control according to the requirements of privatization in Iraq) is the most homogeneous, as it obtained an average (4.3800) and a standard deviation of (0.80534) and that the direction of this paragraph is (agree), and that the general trend of government oversight and audit decisions is (OK).

2 -The arithmetic mean and standard deviations of the sample responses for privatization.

Table No. (2) below describes the research variables related to privatization

No.	ThePrivatization	The Middle Arithmetic Likely	TheStandradDeviation
1	The privatization of public funds is a	4.3000	0.95298

	solution to the budget deficit.		
2	Iraq seeks to expand the activity of the private sector and spend public money on it.	4.4000	0.85714
3	Is Iraq affected by the call to restructure the economy, the repercussions of globalization, specialization, and the expansion of the ivory sector?	3.7400	1.49571
4	The electronic commerce system is considered better than the traditional systems used in controlling and auditing public funds.	3.8800	1.22291
5	The electronic commerce system is not considered to be better than the traditional systems used in controlling and auditing public funds.	4.2200	1.07457
6	Gaps may occur in the internal departments of the government if these departments restructure their financial and economic.	4.1800	0.80026
7	There can be no gaps in the internal departments of the government if these departments restructure their financial and economic.	3.8800	1.13641
8	The privatization of public funds will lead to the loss and waste of public funds due to the massive spending on the private sector.	3.4800	1.28158
9	Failure to privatize public funds will lead to loss and waste of public funds due to the massive spending on the public sector.	3.1000	1.37396
10	Do you prefer privatization and restructuring the economic sectors by introducing new programs and strategies?	3.2000	1.41421
	The General Arithmetic	3.8359	1.160973

The results of Table No. (2) indicate that privatization has obtained a general arithmetic mean of (3.8359) and a standard deviation (1.160973). This indicates the homogeneity of the sample's answers about the value of the arithmetic mean. As for the paragraphs level, Paragraph No. (6) came in this dimension, which It is (gaps may occur in the internal departments of the government in the event that these departments restructure their financial and economic) is the most homogeneous, as it obtained an average (4.4000) and a standard deviation of (0.85714) and the trend of this paragraph is (agree), and that the general trend of privatization is (OK).

Third: - Testing the hypotheses

1-The first main hypothesis test: - which states that there is a significant correlation between the axis of government control and auditing and the axis of privatization.

H0: There is no significant correlation between the government audit axis and the privatization axis.

H1: There is a significant correlation between the government audit axis and the privatization axis.

Table (3) represents The Correlation Relationship

Correlations		
		The privatization
Governmental oversight and Auditing	Pearson Correlation	**0.630
	Sig. (2-tailed)	0.000
	N	50
**. Correlation is significant at the 0.01 level (2-tailed).		

Table No. (3) indicates the existence of a significant correlation between the axis of control and government auditing and the axis of privatization research, where the value of the Pearson correlation coefficient was significant and equal to (0.630), because the significant value is sig. It is equal to (0.001) and it is less than 0.01 with a confidence of 99%. This means that the first main hypothesis is fulfilled, meaning that there is a significant link between the axis of control and government audit and the axis of privatization.

2 -Test the second main hypothesis: which states that there is an impact of moral significance between the axis of government control and auditing and the axis of privatization

H0: There is no effect between the axis of government control and audit and the axis of privatization

H1: There is an effect between the axis of government control and audit and the axis of privatization

Table No. (4) represents a Schedule for Analysis of Variance

ANOVA^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.133	1	6.133	31.634	0.000
	Residual	9.305	48	0.194		
	Total	15.438	49			
a. Predictors: (Constant), Governmental Control and auditing						
b. Dependent Variable: The Privatization						

The results of the F-test indicate the existence of the impact of government oversight and auditing on privatization, as shown in Table (4) that the calculated F value reached (31.634) at a significant level (0.05), where the P-value was equal to (0.000), which is less than 0.05, which means Rejecting the null hypothesis and accepting the alternative hypothesis, which means that there is an impact of government oversight and scrutiny on privatization.

Table No. (5) represents the Impact of Government Oversight and Auditing on Privatization

Coefficients^a							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	R ²
		B	Std. Error	Beta			
1	(Constant)	0.907	0.525		1.728	0.090	0.397
	Government oversight and Auditing	0.705	0.125	0.630	5.624	0.000	
a. Dependent Variable: The Privatization							

Table No. (6) indicates that the value of R^2 is equal to (0,397), and this means that government control and auditing has explained (39.7%) of the changes that occur in privatization, and the values of $B = (0.705)$, meaning that the increase of the variable of government control and audit alone One of the standard deviations will lead to an increase in privatization by 70.5% of a standard deviation unit.

III. Conclusions

The study reached a set of results, including:

- 1 .The higher supervisory authorities represented by the Bureau of Financial Supervision should exercise oversight over the privatization process.
- 2 .The thinking about the privatization system came as a result of international and local pressures to restructure and correct the economy.
- 3 .There is an urgent need to update the oversight methods carried out by the Supreme Audit Institutions.
- 4 .There is a relationship between electronic operation, modern control methods, and strategic planning for higher control authorities.

IV. Recommendations

The most important recommendations, that we reached from the theoretical studies in this research, can be highlighted as follows:

- 1 .It is imperative to focus on performance auditing, relying on economic feasibility criteria and studying the cost and benefit, and it starts with the program and performance budgets. To assess the steps of privatization procedures.
- 2 .The scope of government agencies' oversight of internal financial control should be broadened to include the forms of privatization, their feasibility, the effects of government support and the subsidies granted, and the study and evaluation of the effects of linking to trade and intellectual property agreements.
- 3 .The development of legal rules related to internal and governmental financial control and its relationship with the bodies subject to the audit through compatibility with computer and communication technologies in developing the method of supervisory performance.
- 4 .Exercising reasonable and due care in planning, implementing, and evaluating internal and governmental control procedures. During the privatization process.
- 5 .Creating an organization of the information department in a way that prevents employees from improper access to equipment, programs and data, by setting clear limits of authority and responsibility, segregation of jobs and the precise definition of duties. And facilitate the comparison process between privatization enterprises before and after privatization.

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