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## Comparative study of Duties and Authorities of Supreme Audit Court and General Inspection Organization

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### ABSTRACT

The Supreme Audit Court and the General Inspection Organization, as the supervision arms of the judicial power and the Legislative Power, play a main and remarkable role in the overall process of the State financial and official control system. The legal and statutory fundamentals of these two supervision organizations, regarding the importance considered for them by the legislator of the Constitutional Law, are based on principles Nos. 54, 55 & 174 of the Constitutional Law. The objective of this research is to study the duties and authorities of the Supreme Audit Court and Chief Inspectorate Organization comparatively in order to understand the common, remarkable and especial goals and tasks of these two supervision institutes and to establish coordination in the process of supervising the performance and function of the executive organizations of the state. The method of research is descriptive-analytic. The information required for carrying out this research has been gathered by the librarian method, reading books and using electronic resources. The findings indicate that, since the laws and regulations on which both organizations act, has designed according to the fact of not interfering the roles of the three powers (executive, judicial, legislative), these two organizations have no parallel tasks and complete each other.

**Keywords:** Supervision, Inspection, Auditing, Supreme Audit Court, General Inspection.

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### Introduction

To investigate the process of inspection, audit, Supervision and its position in IRI monitoring system play an important role as the legislative and judicial arms of Control. In constitution we allocate the 54, 55, and 174. Principles to it, in the

case that upon which they are assigned in each of these two branches of government regularity agencies in order to implement these Principles So effectively and in the law of fifth five-year development program of the

country in the inspection branches of 221 Act , in order to establish a coordination about supervising the monitoring system and improve Productivity and to strengthen the management of the state and is emphasized to establish the council of regulators. In this study , to study the objectives and duties of supervision and inspection of these two institutions named as supreme Audit Court and (G.B.I tio) general Inspection organization is done, to compare the results of these two institutions in promoting the position of these monitoring organization and having the better evaluation in order to impact some further results and different achievements as the evaluation of the various executive performance based on Micro and Macro indicators of five-year overall programs, Imam Khomeini's guidance and the supreme leader to be used and create a coordinated system of supervision and inspection in country by providing in- depth studies and investigations. In this study, the general concepts and Principle, and Basics and nature of research, monitoring, inspection and audit, duties and the powers of supreme Audit court and G.B.I tio general Inspection organization and the comparative survey on duties and powers of these two monitoring organization have been discussed Monitoring , inspection and Audit Based upon what has been explained in relating Rules and Regulations means as the evaluation of these devices, performance and their functions, managers and regulations. The important point is the presence of these two organizations (Supreme Audit court and general Inspection Organization) as a Similar and parallel ones in legislative and judicial resources So they act as an

inspector. The study of these two organizations in monitoring and inspecting and the comparative analogy of their objectives and duties description is the main subject of this study. In this issue of study, it includes different objectives and various detailed operational duties of these two monitoring devices So it Shouldn't enter into matters as the type of management and its organization the last point in this study is to interpret ate their prominent and special duties as well as their overall objectives and duties recognition of these two monitoring devices and explain their different types of supervision precisely in order to certain that each of the inherent tasks territory of these two ,monitoring organizations is deferent. Pay Special attention to the monitoring and supervision in the constitution of IRI is derived from Islamic religious law and it emphasized on public oversight of people (Enjoining and prohibited from denying), the judicature, legislature, executive. So different rules of the first five- year programs till the fifth development and the rules of annual budget and the approval of the Supreme leader to establish the high court of inspection shows the great importance of monitoring process in the country as well as the great importance of the existence of these two organization. The need for research into parallel tasks, rework, Fragmentation, low efficacy and relative weakness of the Process of monitoring and Scrutiny and little attention to the studying results and evaluation and their feedback in different executive devices is very important which indicates the lack of a Single system and Coordinated surveillance of monitoring state with coherent body needs to have the

necessary and different organizations and concepts. The comparative study of these objectives and duties of these two monitoring institutions makes it possible to provide the appropriate setting for removing the mentioned Weaknesses and problems as well as the optimized information. And gradually the coordinated monitoring organization is established by enough efficiency. In this case its accountability and reformation of different performances and programs and how to manage them and handling the executive devices is appropriate with the objectives and holy aims of this organization. In this regard, In addition to the comparative recognition of total goals and similar to these two diagnosis organization, the main and special powers and duties of is each of one is considered as a total necessary.

### **Theoretical basics and literature**

Generally supervision is an Arabic word which derived from the root "view". Late Raghab Esfahani in *Materia words in the Quran* translated "view" as looking, returning and due to eye popping and inner-eye for seeing and preempting what is aimed (as its performance) to contemplate and study about it. And Also the purpose of seeing and preempting is to achieve to the knowledge and recognition which is resulted after the study. Basically supervision is the process that evaluate the quality of the system performance continuously. In order to comment on the matter under review for making a decision and locally it refers to one of the So-called budget divided into three parts as an administrative supervision, parliamentary supervision, Judicial supervision. The last part of the supervision, upon the supreme Audit

court, is placed as the reprehensive of lenitive. (Abdolmaleki, 2011). Supervision, strictly, is called as checking and studying and the official actions of one organization or position from the other organization or position which aims to achieve the complete confidence from remaining the mentioned actions in the legal limits and boundaries. In other words, Supervision means, indeed, <<Power control with power>> and Hence, supervision organization must be in the case of balance and equivalence, not to be transformed into their opposites, it means that don't lead to abuse the power of the regulatory Compact. (Rasakh, 2009). Inspection in Persian word of Arabic word's translation means "detection" and detection is used as means of looking for someone or something, investigation, finding, analyzing/ excavating, looking and searching, good search, looking at the appearance of something and searching for it, probing and searching and analyzing, checking out, tracking, surveying, researching and getting back. (Dehkhoda, 1993). Inspector terminally means a person who is handling the Employees and personnel's work from the ministries or agencies and reports their Right and wrong actions to the related officials. Or one who responsible for handling a person's actions or the institution or department actions. (Karimi, 1999). Auditing has different definitions. That any definition depends on using of that kind of Auditing. Auditing means Data Collection and evaluation of evidence to determine and reporting the degree of compliance between these information and pre-determined criterion (Vafadar and Dabe, 2009). Auditing is the regular and orderly process (Systematic) in order to collecting and evaluating evidences

neutrally on relating claims to economic activities and events, in order to determine the degree of compliance of these claims (Statements) with pre-determined Criterion and reporting the results to the beneficiaries. (Gabari and Sadeghi, 1960). Supreme Audit court is considered as a financial arm of the Parliament according to the 54 and 55 principles of IRI's constitution and to watching from treasury and financial activities and operation of overall administrations and institutions and public companies or inspect and control all the other devices which using from the curvature of the national budget. (Abdolmaleki, 2011). G.B.I. is a general inspection organization with the purpose of supervising the affairs and proper implementation of laws in administrative devices and to implement 174 principle of IRI constitution try to establish an organization called G.B.I. is a general inspection organization " which is managing by the head of the judiciary and runs with the powers and duties in this law. We can consider the supervision as the practical and informed choice which obviously or secretly appears in different areas of personal, social and political life in order to monitor the binding, avoiding mistakes, fighting corruption and watching and preserving of laws and liberties by various tools and methods (Javan Araste, 2010). Preventing from violation in each of these organization and ruling devices that is better than punishing the violators, is only possible by supervision . By controlling the performances, we can predict the basis in which these violation and fining happens and it is provided to us how to predict them. Observation and supervision shows the future path in front of government and regulation and

provide the best conditions for programming the several years reviews because supervision's result is achieving experience. And it is better to say that Past is considered as a future light. (Amid Zangani and Mosazade, 2010). Indeed, the supervision's philosophy is a cross-way from purity and considered as a way to hale the actions from mistakes and violations. More precise is considered as the main goal of supervision, purifies the actions and reach them to the maximum efficiency in the way of improving the evolution. (Amid Zangani and Mosazade, 2010). Nowadays that the basic rules of social's order was known. Supervision is precise, proficiently, multilateral, not only warrant the virtue of these rules and regulations, performance but gradually shows / represents the weakness and sustenance of these rules and regulations and provides the safe and obvious methods in order to correct them and In addition provides the improvement and ideal basis of social regulation. Supervision is not considered as the first or most important formulating element of constitution's order. Indeed we should provide a great collection of the other elements and the other organizing principles of constitution's order in order to have a supervision as its modern meaning and resulting the expected Production. There are two composer elements in constitution's order. One is the rule's authority principle and other is the principle which separate/ divide the powers Role's authority is considered as one of the political fundamental values by which we are managing their overall principles based upon public affairs (Rasekh, 2009). In great Quran, the word " supervision" and it's derivatives is repeated about 129 times that this

matter shows the great importance of the subject. Although God could bring it only one time in Quran, like the Khams verse which is nameable Just one time in the whole of Quran, but We must responsible to pay our treasure<sup>s</sup> one-fifth (Ramezan poor Nargasi, 2008). After reviewing the signs of also-ran in the connection of supervision, It is important to become familiar with this conception in the word of greatest messenger and his practical style as a presence in Islamic government, The most important and impressive word of that majesty which we can rely on is what he said “every man is a for his action”. And he was saying in other words account your actions before the other audit your actions. (Majidi khansari, 2006). In respect of the history of the previous researches we must put the subject in remembrance that in the case of the comparative survey on duties and powers of these two monitoring organization which belongs to the legislature and Judiciary , there isn’t a coherent study until now. Of course, in a few cases, there are some books, articles and thesis’s in auditing and financial<sup>s</sup> rules and regulations that studying these kinds of administrative and financial rules and regulations, in which they have been studied these formations or organizations and strictly they have been begun to the purview of supreme Audit court and G.B.I tio General inspection organization. Whereas In this

study It has been tried to investigate different duties and powers of these two controlling organizations, It also comparatively and has been explained their similar and segregation’s concepts on their powers, duties and purview.

### **Development of hypotheses and conceptual Model**

According to the mentioned theoretical basics, The following questions have been raised:

1-what is the difference between the objectives and duties of supreme Audit court and G.B.I tio general inspection organization?

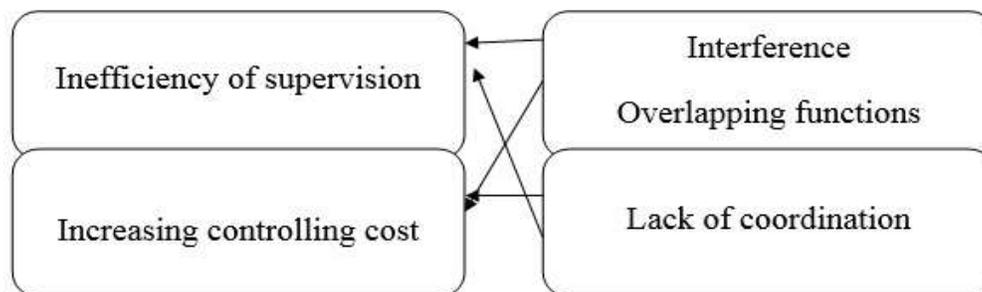
2- To create one efficient and effective supervision system on investigating and cognizing different problems of these two controlling organizations , what is needed?

3- Between the performance of these two regulatory bodies is responsible for supervision, control and inspection , Is there a logical , coherent and coordinate relationship in their functions or Not?

In order to answer to these kinds of questions, such hypotheses have been proposed.

1- Overlapping functions of these two controlling institutions makes it inefficient.

2- lack of Coordination and Interaction of these two controlling systems cause some parallel activities and increased regulatory costs.



## Conceptual Model

### Materials and Methods

This method of study is descriptive-analytical and of the Data Collection we can mention to the librarian method and required Information was collected, pluralized, concluded and discussed through:

- 1) direct presence in these two controlling institutions and Interviewing and meeting their objectives and tasks.
- 2) Collecting the regulatory documents and evidences and the internal Regulations of discussed controlling institutions.
- 3) Studying these documents and evidences and Extracting their objectives and tasks.
- 4) Arranging the tables of the objectives and their tasks of discussed controlling institutions.
- 5) Outlining the same and similar tasks and objectives of the Matrix and their special tasks and objectives.

#### 5- Data Analysis:

Distinguishing features, functions and powers of general Inspection organization and supreme Audit court can expressed as follows:

1- Preparing a report of Bill Budget: Bill Budget is considered as a regulatory final result after the process of expensing.

And considered as a statutory duties of Audit court. Budget bill report is considered as the most important regulatory document of legal and juridical. Budget bill, on the one hand, is considered as one of the best controlling lever and can play its important role in financial state system and the other hand play as the important tools of public management of society, play an important role in reflecting the previous operation and is considered the main source of

information for future planning so providing Budget bill report is assumed as one of the most specialized tasks of supreme Audit court, Not only G. B. I tio general inspection organization but the other controlling devices of the country don't have such powers.

-2- Semi- Judicial proceedings as a manifest properties of supreme Audit court: The essence of different parts of semi- Judicial proceedings is found inside the organization. No doubt this is the important score which is legislator before and after the revolution.

(Specially the corrigendum of the supreme Audit court in 1991) is placed for this controlling constitution. If They face any violation, or any financial losses of the government and treasury has followed by chasing the violators through the supreme Audit court and If they try to follow the violation more and more, sentenced by Article 21 and 23 of supreme Audit court's Act according to the petitioner issued by the Attorney, in advisor staff and then in the court of Appeals is putting in a Semi - Judicial proceedings and the Definite vertical including the necessity of compensating the incurred losses or applied the administrative penalties in case of noncompliance and implemented in the circle of enforcing the Vertices in the court. Whereas the general inspection organization of one important and effective controlling devices in country, which considered as the regulatory institutions of the judiciary General regulatory authority in all the state administrative devices and even non - state public institutions, don't have any mechanism to deal with the judicial or semi- judicial proceedings. Hence If they face with any violation or

crime, Inevitably separate the subject and it send the case toward the proceeding staff in order to solve the administrative violations of the inspector's Executive device or court of justice . even in accounting with the government financial losses or treasury which concluded without any occurrence of the crime or violation, Inevitably they should follow the demand of the treasury law toward the court of Justice. (Arabian, 2012).

3- The scope of supervision: Examples of administrative units Article (2) of constituting law of general scrutiny organization is clear, So that includes all of the administrative, Executive , military and disciplinary devices of the country and only the private sector have been excluded from this provision.

For the state companies , the definition used in this organization's law is greater than its special definition in Article 2 of the servicing management law and Article 4 of the public Audit law or includes those organizations that their capitals or stock completely or partly belongs to the government or somehow the government helps or controls them not to destroy. Also the Inspection organization tries to complement the whole apparatus which doesn't have any relationship with the government like formal documents officials and of Public utility agencies So In the case of peripheral condition this supervision's territory of General Inspection organization is a public one. And None of these state administrative devices hasn't been excluded from it Also In each of these devices involves all sections of the headquarters, regional and even cross- border line , indicating the role and importance of the mentioned organization While supreme Audit court's Territory supervision

includes those apparatus which don't communicate much with the public institutions and formal official documents.

So It has governed on those state companies which are based upon the mentioned definitions in Article 4 of the public Audit law and Article 4 of the state servicing management law. It includes the companies that more than 50 percent of their capitals belong to the government. And rather than the order sections, try to manage the total state budget of course based upon the exact amount of it.

The supervisory of General Inspection organization in this territory is not limited to a particular time and includes three kinds as a prospective, retrospective and is performed during the run , while the supervisory of Audit court is limited to the prospective and

4- Supervising the affairs : General Inspection organization has a great and special role in relation to the other controlling devices because of their heavy regulatory powers on supervising the affairs for example the supreme Audit court only can adopt those kinds of signs and arrangements which interfering with law. And basically does not work to study the preparations or the arrangements phenomena .

Whereas the General Inspection organization by the power of supervising of affairs , even assuming no authority's supervising on proper implementation of law on the wider supervisory circle has been performed. So it may diagnosis the proper from of the action from the court or those organizations complying with the law but there isn't any envy, money and interest in it. To recognize or reflecting the last section in the process of Auditing does not belong to the court

while it is a duty of General Inspection organization.

5- Issuance of the supply / The export supply: General Inspection organization's Inspectors includes the right to issue the supplement with respect of the mentioned legal requirements in Note number 2 of Article 5 of constituting General Inspection organization while the supreme Audit court's Auditors don't have such a power.

6- Application of suspending the employees: General Inspection organization's Inspectors try to recognize the suspension of one or more employees till the end of Inspection during the process of Inspection or the good performance of the Inspection and affairs of the device under Investigation, by complying with the legal requirements that mentioned in Article 9 of constituting law of General Inspection organization so try to request the suspension of the employees from the inspected devices managers but the supreme Audit court's Auditors don't have such a power.

7- Access to those accounts that are suspected: Access to those accounts which are suspected to the financial crime . such as bribery, embezzlement, fraud, collusion, and dissemble in transactions, illicit financial acquisition and obtaining a commission that somehow related to the devices subjecting to Inspection, is only obtained by Judicial Inspectors of the organization but Although the supreme Audit court try to have a financial supervision on the state executive devices, actually doesn't have such a power and In order to access to those accounts that are suspected to a financial crimes, certainly In this regard should proceed by permitting and achieving the judicial authorities.

8- Financial investigation: The supreme Audit court can investigate from all the financial affairs in order to perform their duties and shall in all cases corresponded directly. so all IRI officials and three branches, organizations, related companies, and those using from the total state budget, is responsible to the direct responding even if they are exempted from the rules of public Auditing, while the Inspection organization doesn't have such a power.

9- Nature of supervision: However General Inspection organization is known as a supervisory device and related to the judiciary. But verifying and Inspecting of this constitution has an administrative, Inspective and investigative aspect, not Judicial therefore they perform to achieve those violations or commonly the perpetration (committing) of a crime. In other words, It only considered as a way to activate the other Judicial organizations or administrative officials. However Audit court is dependent to the judiciary especially from structural point of view but for as this constitution had verified their financial documents and evidences (by) itself and discovered the financial violations so. In addition to Indicating the losses in dealing with treasury, It tries to issue to compensate these received losses.

The offending officials are condemned to the determined administrative punishments underarm supreme Audit court's law. Therefore the supreme court is considered as a financial control's specialized reference and its verification has a judicial nature. It's the most competent institution that could verify the executive apparatus, financial violations. On the other hand preparing and codification the budget bill report is belonged to the court especially

together to its views and its presentation to parliament under paragraph (C) of the Article (1) of supreme Audit courts law. In face this report tries to prepare the Parliament supervision at the end of the financial year.

10- Type of supervision: supervision of supreme Audit court is consultative and Auditing firms is continuing to its supervisory activity. So these necessary decisions in dealing with fraud and misuse of financial flows is adopted by a quasi-judicial firms of the court itself (Court, delegations advisory , prosecutors) while the type of supervision at General inspection organization is not Consultative and Inspected firms is continuing to their activities and the necessary decisions are adopted by the other device which the Inspection organization has prepared its necessary information.

Information and referrals to agencies or judicial decision is made by the Inspection organization.

Common functions and powers of the General Inspection organization and the supreme Audit court can be expressed as follows: Certainly the final aim and purpose of these two institutions is Realizing the rule of law and justice, Hence these two controlling institutions can servicing the same purpose although they are different in some aspects. Amongst their common characteristic, we can point out to monitoring the proper implementation of the supervision's rules and regulations on in comities method to transfer the state firms in performing the general policies of principle 44 of constitution, the wide campaign with economic fraud and helping the judicial officials and trauma managers in recognizing the damaged positions in

financial and economic circulation in order to handling the eight provisions order of our supreme leadership, controlling on the performance of the second chapter of the council of state and regulatory agencies, controlling on the national development fund ..... In general, It can be said that both Institutions and enterprises are seeking tools to diversify the country's administrative and realms and territories, with those violations and deviations that leads to wastage the public law and treasury.

Logical relationship between the powers and duties of the supreme Audit court and General Inspection organization is expressed as follows: The relationship between the powers and duties of the supreme Audit court and private or public General inspection organization is from the face.

It means that a part of the powers and duties of the supreme Audit court belongs to itself such as preparing a report on the budget bill, quasi-judicial proceedings are merely on the authority of the supreme Audit court and the General Inspection organization couldn't find a way to enter it. And on the other hand a part of the powers and duties of the General Inspection organization Such as providing issuing orders, requesting a suspension of staffs in the inspecting device at the time of Inspection , accessing to a personal accounts who are suspected and Inspecting those companies that are helped or verified by the government, Formal document officials and public organization belongs to itself so that the supreme Audit court can have any entrance to it and there are some duties and powers that are the same in both controlling apparatus such as supervision on the correct performance

of rules and regulation at executive appraises which have a same right on inspecting, supervising and entrance.

### **Discussion and Conclusion**

Each of these two functions have their own special duties and purposes besides their public and general responsibilities which try to constitute a prominent and central circle in their public responsibilities as these performing and structural process of institutions is defined and explained around their axis. Finally their success and failure depends on performing the amount and quality of these duties and prominent circles and their own results. Great attention to a duties distinction and separation of these two controlling institutions and evaluating the officials and pushing them towards their own special responsibilities can play an important role in reinforcing and efficiency of their performances evaluation and the formation of efficient and harmonious supervision. How they interact, is very important as their common and public duties and purposes especially those specific and more pronounced tasks of cache of them.

According to the survey and the results of this study, both general and specific objectives and duties of these two controlling devices, particularly in relation to assessing the executive systems, are complementary and integrated to each other and have a good overlap. So the controlling behavior of discussed controlling institutions is placed in the framework of the laws and regulations governing them and are not places in parallel interference powers and try to do their own controlling activities in respect to the principle of non- interference power.

### **Suggestion**

1- According to these duties and powers, and the specialization of these two controlling institutions, it is recommended to provide a council of officials and joint inspection from the Auditors and inspectors of the supreme Audit court and General Inspection organization in order to inspecting and auditing the executive systems and preparing the joint reports in the center and provinces.

2- Strengthening supervisory councils, provincial controlling councils to increase a coordination among these controlling agencies is recommended for performing the inspection and supervision program.

3- Using the specialized, experienced, efficient workforce is suggested in optimizing the control system.

4- Allocating appropriate funding with controlling activities is suggested to these main controlling systems.

5- Holding pre- and in- service training courses, promoting the imperial and scientific level of experts, Auditors and inspector in these two controlling devices is recommended.

6- In view of the multiplicity, heterogeneity, interpretability and transparency of financial and auditing rules and regulations, it is suggested to approve the rules by collating the rules, comprehensive law, complete and unit which enrolling by the whole executive devices and the Auditors power's gamut, responsibility of executive managers and legal requirement of auditing performance is stated explicit and transparent. And should be replaced by the current rules.

7- Dissemination of knowledge and culture of supervision and Inspection in Micro and Macro devices in different ways, According to the indicators,

programs and reinforcing their abilities to response for representing the optimal performance and using from the reflected results recommended.

8- Following and controlling the direct supervision of senior managers in the process of proper complementation of supervision and inspection and using its results to remove the damages, barriers, strengthening the process of development is suggested.

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