

A Proposed Framework for the Development of the Internal Control System According to the COSO Model: An Applied Study

Iskandar Mahmoud Nashwan¹ & Khaled Eid Ashour²

¹ Assistant of proof in Accountancy and Auditing at Al-Aqsa University, Partner in charge at Farrage Nashwan & Co., Palestine

² Researcher and Director of Finance, Municipality of Jabaliya, Palestine

Correspondence: Iskandar Mahmoud Nashwan, Assistant of proof in Accountancy and Auditing at Al-Aqsa University, Partner in charge at Farrage Nashwan & Co., Palestine. E-mail: dr.eskandar.n@gmail.com

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Abstract

The research aims to develop the internal control system in Gaza's municipalities in accordance with the proposed COSO model to achieve the goal for which it was found. The research used the analytical descriptive curriculum to prepare the applied aspect of the study, where the two researchers used data collected by the study tool, a questionnaire that is specifically designed for that purpose. The research followed a thorough survey methodology to apply the study instrument to all 122 Ministry of Local Government employees who operate in the various control units in the Gaza Strip municipalities. The results of the research indicated the positive impact of all components of the COSO model (control environment, control activities, risk assessment, information and communication systems, and monitoring and follow-up) on the development of the internal control system in the municipalities of the Gaza Strip. The research recommends that you should have to rely on a control manual based upon the updated COSO model and standards to be commensurate with the work and activity of local bodies. Furthermore, the establishment of a specialized department for fundraising to oversee project finance from donors and the activation of an awareness and control guidance committee within the municipal sector to raise awareness of the monitoring role.

Keyword: COSO model, Gaza Strip, Municipalities, internal control

1. Introduction

The municipal sector is a non-profit services sector in all countries of the world, including Palestine; They fall within the responsibilities of municipalities and the many services they provide fully; such as infrastructure, questionnaire of lands and streets, and other services that increase as the number of citizens increases. Due to the multiplicity of these services and the diversity of income and expenditure, there had to be a specialized department within the organizational structure to supervises, control of the processes of the provision of services, revenue collection, and rationalization of expenditures.

Accordingly, the importance of this specialized department as a separate unit has been identified within the municipalities' organizational structure, known as the "Internal Control Unit", with a team of employees for each municipality. and instructions governing working procedures in all units and departments; ascertain the soundness of transactions; and prepare necessary documents for each transaction within the system.

In light of the importance of internal control, several international professional authorities have shown great interest in internal control systems and have produced several bulletins and reports in order to define and evaluate the internal control system, mainly: the COSO Committee Report aimed to enhance the quality of financial reporting issued by institutions for the design of internal control systems and be comprehensive for all aspects of control (Nashwan, 2018).

In order for the institution to be able to design an effective control system to achieve the objective for which it was placed within the institution's organizational structure, it should be contain the control components resulting from the committee of COSO (control environment, control activities, risk assessment, monitoring and follow up, information and communication). Furthermore, the researchers saw that by adding both dimensions (cultural awareness and fundraising) to the COSO model, it could be an added value to promote control work in

municipalities because of their its drawing up administrative and financial plans based on sources of funding through grants, subsidies, and from donor organizations.

With a population increase, which was followed by an increased need to expand municipal services, the volume of projects implemented, and the external funding received by municipalities for the implementation of these projects, the responsibility of internal control has increased to ensure that these plans and projects are implemented in accordance with what is planned fairly, away from all risks to project implementation and to make sure the disbursing funds are in accordance with the budgets prepared for them.

1.1 Study Problem and Questions

Keeping up with modern developments in internal control is essential, especially since the old curriculum has not proven effective enough; it just had to apply an integrated framework with its principles and dimensions; to correct the deficit of the existing system for making error-free lists and rationalization of expenditures in all sectors, including the municipal sector, as much as possible, leading to the increase in municipal sector services has significantly increased accounting and administrative policies that need ongoing monitoring.

Hence, the need for attention to the role of internal control and its development following the (COSO) model. The researchers also noted, from his work as head of the accounts department in one of the municipalities of the sector, the shortcomings and weaknesses of the internal control system in these sectors. It also touched on the need to develop the existing control system to reach the desired level; Achieving the objective for which he was found, the research problem can therefore be formulated into the following question:

What is the Proposed Framework for the Development of the Internal Control System according to the COSO Model?

From the main question has been, the following sub-questions are as follows:

1. What is the importance of developing the internal control system according to the COSO model?
2. What is the impact of the control environment on the development of the internal control system according to the COSO model?
3. What is the impact of control activities on the development of the internal control system according to the COSO model?
4. What is the impact of risk assessment have on the internal control system according to the COSO model?
5. What is the impact of monitoring and follow-up have on the development of the COSO model internal control system?
6. What is the impact of ICS on the development of the COSO model's internal control system?
7. What is the impact of cultural awareness on the development of the internal control system according to the COSO model?
8. What is the impact of the move towards fundraising on the development of the internal control system according to the COSO model?

1.2 Study Hypotheses

1.2.1 A Proposed Framework for the Development of the Internal Control System can be Submitted according to the COSO Model

1. There is the importance of developing the internal control system according to the COSO model.
2. There is a statistically significant effect of the control environment on the development of the internal control system according to the COSO model.
3. There is a statistically significant effect of control activities on the development of the internal control system according to the COSO model.
4. There is a statistically significant effect of risk assessment have on the internal control system according to the COSO model.
5. There is a statistically significant effect of monitoring and follow-up have on the development of the COSO model internal control system.
6. There is a statistically significant effect of ICS on the development of the COSO model's internal control system.
7. There is a statistically significant effect of cultural awareness on the development of the internal control

system according to the COSO model.

8. There is a statistically significant effect of the move towards fundraising on the development of the internal control system according to the COSO model.

1.3 Study Objectives

1. Identify the importance of developing the internal control system according to the COSO model.
2. Recognize the impact of the control environment on the development of the internal control system according to the COSO model.
3. Highlight the impact of control activities on the development of the internal control system according to the COSO model.
4. Demonstrate the impact of risk assessment have on the internal control system according to the COSO model.
5. Detection of the impact of monitoring and follow-up have on the development of the COSO model internal control system.
6. Determine the impact of ICS on the development of the COSO model's internal control system.
7. knowing the impact of cultural awareness on the development of the internal control system according to the COSO model.
8. Indicating the impact of the move towards fundraising on the development of the internal control system according to the COSO model.

1.4 Study Limits

- Spatial Limits: This study was limited to the municipalities of the Gaza Strip; the non-inclusiveness of West Bank municipalities; because of the prevailing circumstances and the difficulty of applying to them. Further, there is a need to develop Gaza's municipalities in order to provide the quality of service demanded by the community.
- Temporal Limits: The time of the study was in 2022.
- Objective limits: The objective limit is limited to COSO model after adding its two dimensions and applied within the municipalities of the Gaza Strip.
- Human Boundaries: Financial and administrative control officers and accountants in the municipalities of the Gaza Strip.

2. Previous Studies and Research

The study (Suwaiti, 2022) highlighted the role of internal control by fighting corruption in public sector institutions. The study was conducted on 15 procurement units in government institutions in the cities of Ramallah and Al-Bireh. The results were analyzed through the statistical program SPSS; one of the top findings of the study: Internal control has been applied to a high degree in its dimensions (control environment, control activities, risk assessment, information and communication systems, and monitoring and follow-up) in Palestinian public sector procurement units, and the study's recommendations include: It is important to urge top managers of Palestinian public sector institutions to pay attention to internal control of information and communications technology.

The study (Al-Usaimi, 2021) aimed to find out the role of internal audit in the governance of public sector institutions and to reveal the role of internal audit in reducing financial and administrative corruption. The study was conducted on 112 accountants and auditors in Saudi government bodies to achieve the purpose of the study and test hypotheses. The researchers followed the analytical descriptive approach. A key finding of the study is that there is a statistically significant link between the impact of internal audit on governance in the government sector, its mechanisms to tackle corruption and the credibility of the preservation of state funds, and the study's recommendations include the need for full knowledge and use of the determinants of internal audit governance.

The study (El Rimahi, 2021) sought to enhance intellectual knowledge about the control framework that brings together updated COSO components; assessment of the internal control framework in accordance with the COSO model updated in Iraq's private banks auditors, where the study was conducted on external staff working in external auditors' companies and offices, as well as internal auditors working in the internal audit departments of private banks listed in the Iraqi securities market. One of the most important findings of the study is: As the internal control system becomes coherent and robust, this is reflected in the external auditor's performance; it reduces sample size, effort, and time, reduces the risks to the unit, and seeks to achieve its objectives. Among the

recommendations made by the study are: raising organizational awareness of all levels of administration, especially the internal control unit; publicizing the importance of the components of COSO's internal control system; and familiarizing itself with the information provided. What is positively reflected in the performance of internal control?

The study (The Novita, 2021) aimed to provide a management system that enables it to assess risks, help it create a competitive advantage, and research the impact of enterprise risk management (ERM) on Islamic strategic planning through the use of the COSO model, where the study was conducted on office staff of the Sharia Bank of Mandiri in Indonesia, and used the analytical descriptive approach. One of the top findings of the study is the positive impact of the risk management approach on strategic planning in Islamic banks. Among the study's recommendations are: Focus on risk management for its importance in achieving the corporate strategy, which is the fundamental foundation of strategic planning, as well as protection during the company's competitive implementation.

The study (Antonio, 2021) sought to detect the causes and methods of the World Com fraud by analyzing the COSO model. The study was conducted by World Com as a case study. The study used the analytical descriptive approach based on the processing of the company's data to obtain the results of the study. One of the top findings of the study is that fraud is an ideal representation of how internal controls are lacking and the failure of corporate governance are the main drivers of fraud schemes. Among the study's recommendations are that discipline, education, and ethical behavior modeling should be combined in order to prevent and reduce fraud.

The study (Hai Nam, 2020) tried to answer the question of how does internal control affect Vietnam's bank credit risk? Investigating the impact of internal control on the credit risk of commercial banks contributing to Vietnam. The study was conducted on 30 Vietnamese contributory trading banks as a sample for the study. The two researchers followed the analytical descriptive approach to process the study's data. The study's main findings are: Five elements of internal control have an impact on bank credit risks, namely: control environment, control activities, risk assessment, information and communication systems, and monitoring and follow-up. For economic factors, inflation has a positive impact and economic growth has a negative impact on banks' credit risks. Among the recommendations made by the study are: designing a control system based on internal control elements to reduce bank credit risk.

What sets this study apart from previous studies is:

According to the researchers, no previous research on this topic has been conducted in Palestine. Therefore, this study is expected to fill a vacuum. Most previous studies dealt with the realities of internal control in the municipal sector, but no study sought to develop that reality; So, what distinguishes this study:

1. Adapt the COSO model to the nature of the work of local bodies (municipalities) by introducing two dimensions, one on fundraising and the other on cultural awareness on censorship. The COSO model thus becomes more appropriate for the control of municipalities' activities and operations.
2. Many development projects in the municipal sector depend on local or external funding. That indicates the crucial importance of continuing to care and maintain funding of the municipal sector in the sustainability of service delivery and completion of projects.
3. The funds and property of the municipal sector are public funds, requiring their preservation through the commitment and collective honesty of all workers and working together in team spirit.
4. As far as researchers were aware, it was the first study that concerned the development of internal control in municipalities according to the COSO model in the Gaza Strip.

Moreover, the Palestinian environment has distinct specificities, given the difficult economic and financial conditions it is experiencing, and is thus different from other environments that are considered to be more sophisticated and advanced economically and financially. This has had an impact on the professional practice of accounting, auditing, and internal control in the Palestinian context, as it still needs to develop methods and tools and improve quality.

2.1 Study Gaps

Through reviews of the previous studies carried out by other researchers, it has been found that there is a consensus among them concerning the importance of internal control and the need to develop it; thus, the research gaps can be concluded as follows:

- Spatial Gap: There is no local study in the Palestinian environment on the subject. The current study was applied in the municipalities of the Gaza Strip.

- Substantive Gap: Previous studies did not use the same current study variables in internal control development.
- Standard Gap: There is a difference between the current study and previous studies in the method of measurement of the study variables (independent and dependent variable).

3. Theoretical Framework

3.1 Internal Control System

The Internal Control System is an independent performance for conducting audits of operations and municipal activities in administrative, financial, and technical terms according to a manual of professional procedures for internal control work. Internal control is one of the main pillars for enabling municipalities to perform their duties and provide their services.

As a result of the expansion of services and multiplicity of activities provided, the risks surrounding these activities have increased. Hence, the need for attention to the internal control system, its development according to mechanisms, and a specific system that helps in the early detection of any potential risks and reduces its negative outcomes to ensure fair service delivery.

3.1.1 The Concept of Internal Control

There are several professional definitions of the concept of internal control, including: It's a system that's been designed, employed, and maintained by the economic unit's management and top executives, in order to provide a high degree of assurance to achieve the goals while adhering to policies, laws, asset protection, maintaining efficiency and effectiveness in regular processes, and reliability of financial statements (Defond and Lennox, 2017:15).

The (Samarai, 2016:17) indicates that the internal control system is a set of plans and procedures developed by the company and supervised by top officials and management, in order to protect the assets of the enterprise from misuse; identify the risks facing the company and develop methods to address those risks; avoid lawlessness to access more transparent financial reports containing information on all operational activities, financial and cash flow to the satisfaction of investors and to help them make reliable decisions.

3.1.2 The Importance of Internal Control

The importance of internal control stems from the importance of achieving planned goals; identifying weaknesses in the system, and highlighting this importance through objectives; plans that individuals work to achieve in different circumstances, different tools and regions, and at different times; So, it's probably not the same things that are performed, which means that there is potential for deviations to emerge. Some of these deviations may be dangerous. Others are less dangerous, and the degree of risk, in fact, is determined by the degree of deviation from the planned criteria. The importance of internal control does not depend on the detection of errors. Working to correct them, attempting to prevent them from occurring, but also shining a light on the positives within the establishments by discovering administrative and operational competencies by evaluating the performance of workers within the establishment, and thus appreciating hard workers through material and moral incentives; what motivates them to increase affiliation and mastery at work, in order to meet the administration's goals (Aba Zeid, 2017: 18-1).

Undoubtedly, the importance of control stems from the importance of the role for which it is designed. All institutions seek to identify positive and negative deviations, know their causes, and work to correct them; Internal control is the means of measuring performance and correcting it by feedback made through recommendations made to departments and specialists. Therefore, the absence of an internal control function in institutions leads to increased deviations, reduced performance, embezzlement, and weakness of the institution.

3.1.3 Internal Control Objectives

Public institutions endeavor to implement their programs, plans, and strategic vision through limited government resources. Internal control is therefore aimed at rationalizing government expenditure and preserving resources and public funds.

Thus, the objectives of internal control in government institutions as referred to (Sattenbart and Romney, 2014:277) are as follows:

- Protect assets by verifying the protection of the organization's funds, property, personnel, and dealers.
- Ensure and monitor the credibility and validity of information.
- Verify the application of the procedures established by the administration and respect the laws.

- Optimize the use of available resources (physical and human), stimulate and improve workers' performance.
- Ensure that management's objectives are achieved.

3.2 COSO Model

The term COSO is an abbreviation for "Committee of Sponsoring Organizations". (Roses, 2014), a private sector non-profit committee comprised of the Institute of Administrative Accountants (IMA), the American Institute of Chartered Accountants (AICPA), the American Accounting Association (AAA), the Institute of Internal Auditors (IIA), and the Institute of Financial Managers (FEI).

In 1992, the Committee issued an integrated internal control framework, which assists the Department in assessing and strengthening internal control and is a widely accepted reference for organizations' reliance on it when formulating policies, making laws, and enacting regulations used to adjust control activities (Hurt L. Robert, 2013:18).

The COSO Committee's report defined the internal control structure as: a process designed to obtain reasonable assurance regarding the achievement of the main objectives, achieving efficiency and effectiveness of activities; reliability of financial statements, confirmation that they were prepared in conformity with recognized accounting principles, and ensuring compliance with the laws and regulations governing the company.

The 1992 COSO model represents a radical transition in the development of the internal control structure, which was updated in 2013; This framework consists of five components representing the internal control structure (control environment, control activities, risk assessment, information and communications, and monitoring) (Yunhao, Al et., 2014:41).

COSO's primary task was to prepare financial reports on financial fraud. The primary focus of COSO was on the risk side of internal control problems that contributed to the failure of financial reporting, and the first COSO report was issued in 1987. He called on the Department of Economic Units to report on "the effectiveness of internal control", focusing on the following key elements: An effective internal control system, including a strong control environment, code of conduct, competent commission of inquiry, strong management, and risk management of economic unity (Moeller, 2007:3). In 1992, the COSO Committee issued a framework for evaluating and operationalizing internal control systems. This framework helps the economic unit achieve operational objectives: Related to the efficient and effective use of all the unit's resources and the objectives of the financial reports: Directing the use of production, documenting it with reports to the Department and commitment objectives: guiding the requirements of the Economic Unit's compliance with the legal requirements of public units.

3.2.1 Reasons for Updating the Integrated Internal Control Framework: COSO

COSO's integrated internal control framework is one of the most accepted internal control frameworks; As a baseline for evaluation, reporting, and improvement of internal control and due to significant changes in the business environment, COSO has updated the internal control framework by codifying effective principles of internal control to meet key changes in business and operating environments, to respond to control, and to stakeholders' expectations (Richardson & el. al, 2014). There are some weaknesses diagnosed in the original framework in terms of when it was introduced and disseminated in an era in which IT systems were not subject to the evolution and comprehensiveness that we see at present (Moeller, 2014, p: 14). Over the 20 years or so of COSO's life, the business and technology environment have not changed, and the evolution of IT and technical systems, the increasing focus on risk management and governance, as well as globalization, have all been essential examples of the need to renew COSO. The original COSO model for internal control was published in 1992 when computers were large and still commonly used, and the Internet was not at the time a supporting tool for the functioning of economic units, as is currently the case, and the modified or revised framework reflects the general use and reliance on all types of IT systems in order to achieve effective internal control appropriate for the present (Moeller, 2014:14),

3.2.2 Internal Control Components according to COSO

Internal control includes five categories of control elements, designed and implemented by the Department to provide appropriate emphasis on achieving the Department's control objectives, called internal control components as defined by the Committee: COSO

1. **Control Environment:** Encompasses the organization's internal environment and is the basis for how risks are considered and addressed by the entity, including risk management philosophy, risk appetite, integrity, ethical

values, the environment in which they operate, efficiency, organizational structure, attribution methods, human resources standards, and external impacts (Lizzannin, 2016), the control environment means policies and procedures that reflect the trends of senior management, managers, and the owner of the organization regarding the importance of internal control. There are several elements that make up this environment; ethical values, management philosophy, operational and supervisory style, human resources policies, people's adequacy and harmony, and the interest and guidance of the Board of Directors, which together form a culture of total control (Khalidi, 2015, p. 304).

2. Risk Assessment: A risk assessment is done to determine how it should be managed; risk is measured on the basis of inherent risk and non-inherent (remaining) risk.

The COSO Committee has emphasized the existence of two types of risk: inherent risk and risk that exists before management takes any control action to reduce such risk. The second type is residual risk, which remains after management uses control action. Economic units should therefore assess the inherent risks, develop appropriate control procedures, and then assess the remaining risks (Romney and Stenbart, 2009).

A prerequisite for risk assessment is the establishment of targets linked to all levels of the enterprise. Management defines objectives within the categories of operations, reports, and compliance with sufficient clarity to be able to identify and analyze risks for these objectives. Risk assessment requires management to consider the impact of potential changes in the external environment and within its business model (COSO: 2013).

3. Control Activities: Through the development and implementation of policies and procedures to ensure an effective response to risks. Control activities are implemented at all levels at the establishment, at different stages within processes, technological, preventive or exploratory environment, and include manual or mechanical activities, such as licensing, approvals, verification, adjustments, business performance and segregation. Since segregation of duties is not practical, the Department is working to select and develop alternatives to monitoring activities (COSO, 2013, 4).

(Romney & Steinbart, 2017) classified control activities with proper delegation of activities and operations, segregation of duties, control of the development of economic units, change of administrative control, design and use of documents and records, inventory protection, records and data, and independent audit of performance.

4. Information and Communication: Relevant information is identified and sent within a time frame; to enable staff members to discharge their responsibilities; For the purpose of creating more effective communication through the economic unit, an effective internal control system requires the existence of reliable information systems. Covering the entirety of the unit's activities, as well as effective channels of communication to ensure that all staff understand, they fully adhere to the regulatory policies and procedures relevant to their work and responsibilities within the system and provide workers with a means to communicate important information to higher levels, and open communication with external parties, When the enterprise's objectives are compromised, the necessary action could be taken in due course.

5. Monitoring and Follow up: Control over enterprise risk management as a whole, adjustments as necessary and control is accomplished through the management of ongoing activities, separate evaluations, or their both.

Monitoring is a process through which the quality of internal control is assessed over time; To provide reasonable assurance that the Unit's objectives will be achieved, and management must pursue internal control to determine the circumstances that lead to operational effectiveness, noting that risks are constantly changing; Management therefore needs to redesign control activities when risks change (Messier & el. al., 2010).

6. Cultural Awareness: It plays an important role in the success of the censorship process through its understanding of the concept, the role of censorship in preserving the identity of municipalities, and its support in the discharge of its functions in the most efficient and effective manner possible; Members of the Municipal Council, department directors, the Internal Control Unit, and employees are responsible for the cultural outreach of the control role.

7. Fundraising: The recruitment of funds is intended to be: "a strategic organized activity for the provision of funds that charitable organizations need to achieve their objectives" (Mutz, 2000:11). The fundraising is defined as the ability to provide and secure the necessary material and human resources needed for non-profit organizations; In order to carry out its work and carry out its activities (Hardan et al., 2012:39), the sources of financing for municipalities are diversified from members of society, corporations, business enterprises, Governments, international organizations and the bodies themselves through their undertaking investment projects that generate a real dividend, through income-generating projects invested by municipalities to continue

to provide their services and reduce risks.

32.3 The Relationship between the Application of the COSO Model and the Development of Internal Control

Local bodies wish to develop applicable internal control systems; Being a tool for following up on actions and the conduct of activities to determine their achievement of the goals set, in addition to their comprehensive evaluation of performance and ensuring its efficiency and continuity, and being an important source of data for departmental decision-making departments; Internal control is a continuous and up-to-date process for all operations and activities, aimed at achieving the objectives of local bodies and measuring performance by comparing the outputs of their activities with what has been planned. It is a tool to provide departmental departments and municipal council with feedback on operations and activities, and what services have been provided.

The importance of the internal control system has increased with the evolution and progress of its concept; as a conclusion of the large size of the enterprises and the complexity of their operations; The internal control system is an important part of each system used by the enterprise to regulate and guide its operations, and all facilities should be interested in it; Being a performance control system that ensures the achievement of the established objectives, the internal control system consists of a set of procedures and means that occur continuously during the operations of the enterprise. Management adopts it in the development of the organizational plan for the purpose of protecting assets, ensuring the accuracy of accounting data, achieving maximum productivity efficiency and ensuring that employees adhere to management policies and plans (Al-Madhoun, 2014:64).

The control service seeks to find an ideal regulatory system that covers all administrative and financial operations within the municipality and preserves all its resources; To contribute to the achievement of its objectives within the plans developed and desired, and that the absence of an ideal system of control commensurate with all the needs of the bodies requires the creation of a system that combines the elements of control commensurate with all the current and anticipated bodies' requirements; The COSO model has therefore been developed as an integrated framework for control, consisting of several components: control environment, risk assessment, control activities, information and communication, monitoring and follow up.

4. Procedures

4.1 The Methodology of the Study

In order to achieve the study's objectives; The two researchers used the analytical descriptive approach, defined as: one form of analysis and structured scientific interpretation to describe a specific phenomenon, or problem, and to portray it quantitatively by collecting, classifying, analyzing and subjecting measured data and information on the phenomenon or problem; In order to access information and conclusions on which we can build a future; Two main sources of information have been used:

- Secondary Sources: Secondary data sources have been consulted to address the theoretical framework of research, which consists in books, relevant Arab and foreign references, periodicals, articles, reports, research, previous studies on the subject of study, research and reading on various Internet sites.
- Primary Sources: Access to preliminary data to complete the study's applied aspect; The two researchers used data collection through the study tool of specially designed questionnaire , which is then emptied, and analyzed using the software SPSS (Statistical Package for Social Sciences).

4.2 Study Population and Sample

The study community consists of all vocabulary related to the problem of the study. Based on the study's problem and objectives, the target community is all (122) staff working in the various control units in the municipalities of the Gaza Strip, according to the Ministry of Local Government. A comprehensive sample of all staff working in the internal control of the municipalities of the Gaza Strip has been selected.

Table 1 shows the distribution of the study sample by gender variable; The distribution of males and females by municipal staff shows.

Table 1. Distribution of study sample by gender

| | | Number | Percentage |
|--------------------------|-------------------------------------|------------|-------------|
| Gender | Male | 80 | %74.1 |
| | Female | 28 | %25.9 |
| | Total | 108 | %100 |
| Age Group | Less than 30 years old | 40 | %37.0 |
| | From 30 years to less than 45 years | 49 | %45.4 |
| | More than 45 years | 19 | %17.6 |
| | Total | 108 | %100 |
| Academic qualification | Public secondary or less | 0 | %0.0 |
| | Diploma | 16 | %14.8 |
| | Bachelor's degree | 82 | %75.9 |
| | Postgraduate | 10 | %9.3 |
| | Total | 108 | %100 |
| Specialization | Financial | 76 | %70.4 |
| | Non-financial | 32 | %29.6 |
| | Total | 108 | %100 |
| Job Position | Auditor | 11 | %10.2 |
| | Accountant | 59 | %54.6 |
| | Financial Manager | 6 | %5.6 |
| | Other position | 32 | %29.6 |
| | Total | 108 | %100 |
| Practical experience | Less than 5 years | 35 | %32.4 |
| | From 5 - less than 10 years | 34 | %31.5 |
| | 10 - 15 years old | 16 | %14.8 |
| | More than 15 years | 23 | %21.3 |
| | Total | 108 | %100 |
| Municipal classification | A+ | 27 | %25.0 |
| | A | 50 | %46.3 |
| | B | 30 | %27.8 |
| | D | 1 | %0.9 |
| | Total | 108 | %100 |

4.3 The Study Tool

The two researchers used a questionnaire as a tool for the study, a tool for collecting data on a specific research topic through a form that is packaged by the respondent, to adapt to this type of field study to obtain information from the study sample.

4.3.1 Validity of the Study Tool

Truthfulness means that the study tool measures what it is designed to measure only: without increasing or decreasing, or in other words, the extent to which the two researchers demonstrate the validity of the findings from the data collected by that tool. The researchers verified the veracity of the questionnaire by:

- Arbitrators honesty (Virtual honesty): The two researchers presented the questionnaire to an experienced and specialized group of arbitrators, consisting of 6 specialists in accounting and statistics, to express their opinion in terms of the correctness of the paragraphs' wording, their suitability for study areas, and after the recovery of questionnaires, the two researchers responded to the arbitrators' views, made the necessary amendments, and deleted the paragraphs prior to their distribution to the sample of administrative supervisory office holders in the municipalities of the Gaza Strip, and Appendix No. 2 shows the names of the arbitrators for questionnaire .

- Validity of the scale:

1) Internal Validity means the consistency of each paragraph of the questionnaire with the dimension to which it belongs, by calculating the correlation factors between each paragraph of the questionnaire and the overall degree of the dimension itself.

2) Structure Validity is one measure of the instrument's sincerity. It measures the achievement of the objectives to which the instrument wants to reach and shows the extent to which each area of study relates to the overall degree of questionnaire. It also verifies constructive honesty; all correlation transactions between the overall degree of each area of questionnaire, each axis thereof, and the overall degree of questionnaire have been calculated, as all correlation transactions in all areas of questionnaire and their interlocutors are statistically relevant at a level. In doing so, all areas of questionnaire and their interlocutors are sincere with what they are designed to measure.

4.3.2 Stability of the Study Tool

The term stability refers to "the consistency of the conclusions drawn from the scale. If we obtain similar scores when applying the same measure to the same group of individuals twice, we infer that the conclusions have a high degree of stability. That is, the stability means consistency in the results of the questionnaire and it does not change significantly if distributed to individuals several times during certain periods of time.

The researcher verified the stability of the research questionnaire through the use of (Cronbach's Alpha Coefficient) and the (Split Half Reliability Coefficient) to measure the stability of each area of measurement individually, in addition to calculating the scale as a whole.

The researchers used the Alpha Cronbach method to measure the resolution stability, as shown in Table No. (11).

Table 2. Cronbach's Alpha Coefficient to measure the stability of the questionnaire

| # | Field | Number of paragraphs | Cronbach's Alpha Coefficient |
|---|--|----------------------|------------------------------|
| | The importance of developing the internal control unit | 8 | 0.836 |
| 1 | Control Environment | 9 | 0.799 |
| 2 | Control Activities | 8 | 0.861 |
| 3 | Risk assessment | 9 | 0.857 |
| 4 | Monitoring and follow-up | 7 | 0.816 |
| 5 | Information and communication | 8 | 0.738 |
| 6 | Fundraising | 8 | 0.783 |
| 7 | Cultural Awareness | 8 | 0.622 |
| | Dimensions of COSO | 57 | 0.929 |
| | Total Degree of Questionnaire | 65 | 0.926 |

The previous table shows that the stability coefficient value ranges from (0.622 to 0.929), while the stability coefficient value for the total resolution grade (0.926) is very high and statistically high.

5. Data Analysis and Discussion

Analysis of the questionnaire paragraphs and discussion of the results

The two researchers answered the study's questions through data analysis, focusing in the areas of the highest and lowest paragraphs, interpreting their findings and comparing them with previous studies.

5.1 Analysis of the Paragraphs of the First Axis (Importance of Developing the Internal Control Unit in the Municipalities of the Gaza Strip)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged by average, in addition to relative weight; To determine the degree of approval, The results are as shown in Table No. (13).

Table 3. Analysis of the paragraphs of the field of importance of the development of the internal control unit.

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|--|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | The control unit ensures that all accounting information and processes proceed properly to accurately produce accounting reports. | 4.30 | 0.584 | 85.9% | 6 | Very high |
| 2 | The Internal Control Unit verifies the municipality's commitment to and compliance with the financial system issued by the Ministry of Local Government. | 4.35 | 0.569 | 87.0% | 3 | Very high |
| 3 | The work of the control unit is based on the significant reduction of accounting and management errors. | 4.42 | 0.598 | 88.3% | 1 | Very high |
| 4 | The control unit reviews the Department's work and ensures that they comply with the Procedures and Policies Manual. | 4.35 | 0.646 | 87.0% | 4 | Very high |
| 5 | The control unit verifies the integrity of the financial reports and its commitment to the budget items approved by the Ministry of Local Government. | 4.37 | 0.635 | 87.4% | 2 | Very high |
| 6 | The control unit prepares reports with all important recommendations in due course and submits them to the departmental directors. | 4.27 | 0.692 | 85.4% | 7 | Very high |
| 7 | The control unit oversees the efficiency of the organizational structure and ensures that the right person is in the right place in accordance with his or her qualifications and functional capabilities. | 4.20 | 0.806 | 84.1% | 8 | Very high |
| 8 | The control unit works to better employ available resources and capabilities across all sources. | 4.32 | 0.681 | 86.5% | 5 | Very high |
| | All paragraphs | 4.32 | 0.424 | 86.4% | - | Very high |

From table 3 above, we find that there is very high approval by sample individuals of the area of "importance of developing the internal control unit" in general; It appears that the arithmetic average calculation is equal to (4.32), relative weight (86.4%), and paragraph (3), "The work of the control unit is based on the reduction of accounting and administrative errors to a large extent", has the highest degree of approval at a relative weight (88.3%), and to a very high degree of approval, and the researchers attribute this to the presence of an experienced and highly efficient accounting and administrative staff in municipalities.

While paragraph (7), "The control unit oversees the efficiency of the organizational structure, ascertaining the right person in the right place in accordance with his or her qualifications and functional capabilities", obtained the lowest degree of approval at a relative weight (84.1%), and to a very high degree of approval, the researchers explain that the organizational structure works to separate the competence and functions of the municipality; this reflects a general climate suitable for business performance.

In general, there is very high approval by members of the sample of the paragraphs in the area "Importance of developing the internal control unit"; It appears that the arithmetic average is equal to (4.32), and a relative weight of (86.4%), which is a very high level of approval. The researchers attribute this to the municipalities' assessment of the importance of developing a regulatory system that reflects the efficient performance of all departments and departments in the municipality.

This conclusion is consistent with the study (Ghanoudi: 2020), and differs from the study (Abdullaoui: 2019).

5.2 Analysis of Dimensions of the Second Axis (COSO dimensions)

5.2.1 Analysis of the First Dimension (Control Environment)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged according to their average, in addition to the relative weight; To determine the degree of approval, the results are as shown in Table 4.

Table 4. Analysis of paragraphs of the first dimension (control environment)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|---|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | Internal audit reveals the extent of employees' commitment to integrity and ethical values when conducting their work within the municipality in accordance with proper procedures. | 4.25 | 0.613 | 85.0% | 1 | Very high |
| 2 | Internal audit verifies the level of competence, experience and skill of employees and their compatibility with the requirements of their jobs. | 4.22 | 0.660 | 84.4% | 2 | Very high |
| 3 | The municipal internal control system ensures that there is a delegation of authority commensurate with the municipality's objectives. | 4.10 | 0.640 | 82.0% | 4 | High |
| 4 | Employees are committed to the use of authorized powers and their adherence to the instructions and instructions of the powers. | 4.19 | 0.662 | 83.9% | 3 | High |
| 5 | Mechanisms are in place to provide administrations departments with information on problems and risks facing internal control in their work | 3.91 | 0.792 | 78.1% | 5 | High |
| 6 | The organizational structure within the municipality is flexible in its response to internal and external variables. | 3.91 | 0.756 | 78.1% | 6 | High |
| 7 | Reports are transmitted and traded between administrative levels periodically and continuously. | 3.81 | 0.802 | 76.1% | 8 | High |
| 8 | There are guiding rules and flexible systems that respond to variables. | 3.88 | 0.924 | 77.6% | 7 | High |
| 9 | There is an overlap in staff members' functions and functional powers. | 3.71 | 0.957 | 74.3% | 9 | High |
| | All paragraphs | 4.00 | 0.441 | 80.0% | - | High |

Table 4 above shows that there is a high degree of approval by sample individuals of the first dimension of the "control environment" in general; It shows that the arithmetic average is equal to (4.00), relative weight. (80.0%), paragraph (1), "Internal audit reveals the commitment of employees to integrity and ethical values when conducting their work within the municipality according to proper procedures" has the highest degree of approval by a relative balance. The researchers attribute this to employees' belonging to their working environments, loyalty and commitment to the tasks and powers conferred upon them as authorized within a sound working environment.

While paragraph (9), "overlapping functions and functional powers conferred on staff", received the lowest degree of approval at a relative weight (74.3%), and to a high degree of approval, the two researchers note this because of the staff members' work as a highly team-spirited conclusion of their desire to accomplish the tasks significantly.

In general, there is a high degree of approval by sample individuals of the first dimension of the "control environment" It appears that the arithmetic average is equal to (4.00) and a relative weight of (80.0%), which is a high level of approval. This is because the two researchers' control environment contributes to the creation of a general climate of awareness and culture within the municipality; What affects improving the efficiency and effectiveness of internal control, this conclusion is consistent with the study (Al Obaidi and Al Johar: 2019).

5.2.2 Analysis of the Second Dimension (Control Activities)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged according to their average, in addition to the relative weight; To determine the degree of approval, the results are as shown in Table 5.

Table 5. Analysis of paragraphs of the second dimension (control activities)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|--|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | The Department continuously checks and adjusts its control activities in response to changes. | 3.90 | 0.875 | 78.0% | 7 | High |
| 2 | The Internal Control Unit compares actual performance from the planned and identifies performance deviations. | 4.04 | 0.709 | 80.7% | 3 | High |
| 3 | Control is committed to following certain controls to validate the delegation of responsibilities and employees' commitment. | 4.00 | 0.697 | 80.0% | 4 | High |
| 4 | Control tracks assets from purchase to preservation by verifying separation of tasks. | 3.88 | 0.851 | 77.6% | 8 | High |
| 5 | The Internal Control Unit benefits from technological advances in the exercise of its control functions. | 3.91 | 0.826 | 78.1% | 6 | High |
| 6 | The control Unit lifts the Department's corrective actions in a timely manner. | 3.96 | 0.819 | 79.3% | 5 | High |
| 7 | There is a specialized department dealing with assets in terms of purchase and follow-up. | 4.08 | 0.833 | 81.7% | 2 | High |
| 8 | The Internal Control Service investigates cases of theft and misappropriation of assets. | 4.18 | 0.747 | 83.5% | 1 | High |
| | All paragraphs | 3.99 | 0.531 | 79.9% | - | High |

Table 5 above shows that there is a high degree of approval by members of the sample for the second dimension of "control activities" in general; It appears that the arithmetic average is equal to (3.99), a relative weight (79.9%), and paragraph (8), "The internal control service in cases of theft and embezzlement of assets", has obtained the highest degree of approval at a relative weight (83.5%) and a high degree of approval, This can be explained by the fact that municipalities' assets of public funds are paid with the utmost care by the Control Section for these properties in order to preserve them and public funds. Because assets are the most important resources on which municipalities depend to finance their expenses, the Control Section maintains and monitors them from embezzlement.

While paragraph (4) "Control traces assets from purchase to preservation through verification of separation of duties" has obtained the lowest degree of approval at a relative weight (77.6%), and to a high degree of approval. The researchers attribute this to the importance of assets in the daily completion of the required work. They must be purchased in accordance with the system followed by the local authority and maintained, tracked, and maintained periodically.

Generally, the paragraphs of the second dimension "control activities" are highly approved by members of the sample; it appears that the arithmetic average is equal to (3.99), and a relative weight (79.9%), which is a high level of approval. The researchers explain that there is a written plan of action in municipal control units that enables them to divide their control activities to facilitate their control function. This conclusion is consistent with the study of Hadab (2018).

5.2.3 Analysis of the Third Dimension (Risk Assessment)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged according to their average, in addition to the relative weight; To determine the degree of approval, the results are as shown in Table 16.

Table 6. Analysis of paragraphs of the third dimension (risk assessment).

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|---|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | The monitoring unit follows all documents and documents required for each operation. | 4.15 | 0.747 | 83.0% | 1 | High |
| 2 | Control checks the extent of the municipality's ability to continue to provide its services. | 4.13 | 0.712 | 82.6% | 2 | High |
| 3 | All municipal departments and departments are involved in the development of municipal goals and decisions | 3.94 | 0.834 | 78.7% | 5 | High |
| 4 | Assess external variables affecting the municipality's provision of its services to the public. | 3.87 | 0.833 | 77.4% | 6 | High |
| 5 | Contingency plans are in place to address the perceived risks facing the municipality at the beginning of the year. | 4.06 | 0.807 | 81.1% | 3 | High |
| 6 | The control unit has all the tools and means to identify and assess the risks facing all the municipal departments. | 3.79 | 0.821 | 75.7% | 9 | High |
| 7 | Periodic reports are submitted on the results of the Municipal Council's internal audit. | 4.06 | 0.783 | 81.1% | 4 | High |
| 8 | Communicate emergency plans to all departments to deal with risks. | 3.87 | 0.810 | 77.4% | 7 | High |
| 9 | Each section analyses potential risks and develops proposals to address these risks. | 3.81 | 0.961 | 76.1% | 8 | High |
| | All paragraphs | 3.96 | 0.523 | 79.2% | - | High |

Table 6 above shows that there is a high degree of approval by members of the sample of the third dimension of "risk assessment" in general, showing that the arithmetic average is equal to (3.96), and relative weight. The two researchers believe this is because of the importance of documents, which are used to determine the financial and administrative validity of the process and can be used as legal evidence in the event of a dispute.

While paragraph (6) "The Control Unit has all the tools and means to identify and assess the risks facing all departments operating in the municipality", it has the lowest degree of approval at a relative weight (75.7%). To a high degree of approval, the researchers explain this with the novelty of the Control Unit and its endeavor to develop its work by acquiring experience and learning to follow control methods that are appropriate to each operation.

In general, the paragraphs of the third dimension, "risk assessment", are highly approved by members of the sample; it appears that the arithmetic average is equal to (3.96), and a relative weight (79.2%), which is a high level of approval. The researchers attribute this to the assessment of each section of the municipality of the potential risks facing the department in written reports; the supervisory service taking care of these reports, and taking remedial action before these risks occur. This conclusion is consistent with (El Junusi, 2020).

5.2.4 Analysis of the Fourth Dimension (Monitoring and Follow-up)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged by average, in addition to relative weight; To determine the degree of approval, the results are as shown in Table 7.

Table 7. Analysis of paragraphs of the fourth dimension (monitoring and follow-up)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|----------|---|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | The control unit is constantly committed to monitoring activities to evaluate all systems. | 3.96 | 0.842 | 79.3% | 7 | High |
| 2 | Each section is followed up and its findings assessed and compared to the plans developed for each section | 4.04 | 0.748 | 80.7% | 3 | High |
| 3 | Internal control adheres to a single plan to follow the integrity of employees in their commitment to their business. | 4.01 | 0.755 | 80.2% | 4 | High |
| 4 | The Supervisory Unit reports to the Municipal Council and Department Management if any deficiencies or deficiencies are detected. | 3.99 | 0.704 | 79.8% | 6 | High |
| 5 | The Control Service redesigns control activities and procedures when risks change. | 4.01 | 0.791 | 80.2% | 5 | High |
| 6 | The auditor considers that the monitoring and follow-up procedures are less costly and more feasible than the control procedures. | 4.05 | 0.813 | 80.9% | 2 | High |
| 7 | The Management tracks corrective procedures for deficiencies and ensures that they are dealt with in a timely manner. | 4.06 | 0.836 | 81.2% | 1 | High |
| 8 | All paragraphs | 4.01 | 0.499 | 80.3% | - | High |

Table 7 above shows that there is a high degree of approval by individuals' sample of the fourth dimension of "observation and monitoring" in general; It appears that the arithmetic average is equal to (4.01), relative weight (80.3%), and paragraph (7), "Management shall track corrective procedures for deficiencies and ensure that they are dealt with in a timely manner", has the highest approval at relative weight (81.2%), and to a high degree.

This is due to the two researchers that the role of the Control Service does not end with the issuance of reports of corrective procedures for deficiencies only but also follows the Management commitment to implement corrective actions to the proper procedure for each operation.

While paragraph (1), "The Control Unit is constantly committed to monitoring activities to evaluate all systems", received the lowest degree of approval at a relative weight (79.3%), and to a high degree of approval, this can be interpreted as requiring the success of the work of the Control Section to keep track of all sections to detect deficiencies as they occur, and to take corrective action before the imbalance worsens.

Generally speaking, the paragraphs of the fourth dimension "observation and monitoring" are highly approved by the individual's sample. It appears that the arithmetic average is equal to (4.01) and a relative weight (80.3%), which is a high approval level.

The researchers attribute this to the existence of a working procedure manual for the municipal internal control department used periodically (daily-monthly), which is consistent with the study (El Junusi, 2020)

5.2.5 Analysis of the Fifth Dimension (Information And Communication)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged by average, in addition to relative weight; To determine the degree of approval, the results are as shown in Table 8.

Table 8. Analysis of paragraphs of the fifth dimension (information and communication)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|--|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | There are clear and specific mechanisms for obtaining information on the external environment. | 3.98 | 0.785 | 79.6% | 5 | High |
| 2 | There are channels of communication that enable staff to communicate information about each department to management. | 4.09 | 0.792 | 81.9% | 2 | High |
| 3 | There are mechanisms for communicating information that the municipality needs to communicate to external parties. | 3.98 | 0.875 | 79.6% | 6 | High |
| 4 | The Control Unit oversees the presentation of information in a summary and concise manner. | 4.10 | 0.815 | 82.0% | 1 | High |
| 5 | Availability of communication channels that are always available and open to external parties. | 3.96 | 0.853 | 79.3% | 7 | High |
| 6 | There is a unit for monitoring and dealing with communications from external parties. | 3.99 | 0.848 | 79.8% | 4 | High |
| 7 | The management is interested in developing strategic plans for the development of information systems within the municipality. | 3.99 | 0.922 | 79.8% | 3 | High |
| 8 | The conclusion of the internal auditor's reports is made public. | 3.79 | 0.993 | 75.9% | 8 | High |
| | All paragraphs | 3.99 | 0.471 | 79.7% | - | High |

Table 8 above shows that there is a high degree of approval by individual sample of the fifth dimension "information and communication" in general; It shows that the arithmetic average is equal to (3.99), and relative weight. (79.7%), paragraph (4), "The Control Unit shall supervise the presentation of information in a summary and concise manner", has the highest degree of approval at relative weight. The two researchers attribute this to the efficiency of departmental departments in summarizing their overall work correctly to help senior departments make sound decisions, while the paragraph obtained (8) "The conclusion of internal auditor reports is made public" at the lowest approval score at a relative weight (75.9%), and at a high approval rating.

The researchers explain this about the municipality's integrity and transparency in disclosing its financial and administrative reports to the public, and the control of the authenticity of the published reports; What gives these reports more credibility is that they increase trust between the municipality and the public.

In general, the paragraphs of the fifth dimension, "information and communication", are highly approved by members of the sample; it appears that the arithmetic average is equal to (3.99) and a relative weight (79.7%), which is a high approval level.

The researchers interpret this as follows:

- The commitment of workers within the municipality to the reporting lines in the organization of the workflow and the flow of documents according to the administrative ladder.
- The municipality's interest in the continuity of its relations with the public by communicating data and information on developments and developments; to take advantage of their needs and proposals. This conclusion is consistent with the study (Ghanaudi: 2020).

5.2.6 Analysis of the Sixth Dimension (Fundraising)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged by average, in addition to relative weight; To determine the degree of approval, the results are shown in Table 9.

Table 9. Analysis of paragraphs of the sixth dimension (fundraising)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|--|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | There is a particular entity responsible for writing project proposals according to the needs of the public. | 4.10 | 0.927 | 82.0% | 7 | High |
| 2 | The Department provides estimated plans for funded programmers and projects. | 4.16 | 0.775 | 83.1% | 4 | High |
| 3 | The Management is committed to reporting on project achievements to funders. | 4.18 | 0.818 | 83.5% | 2 | High |
| 4 | The municipality maintains its existing relationship with financiers and seeks to build new relationships with potential financiers. | 4.26 | 0.766 | 85.2% | 1 | Very high |
| 5 | The Management is committed to using donor funds as planned. | 4.14 | 0.912 | 82.8% | 6 | High |
| 6 | The funds provided are treated as grants impartially. | 4.18 | 0.905 | 83.5% | 3 | High |
| 7 | The Management seeks to form a specialized department to manage funded projects and programmers. | 4.07 | 0.817 | 81.5% | 8 | High |
| 8 | Projects funded by control agencies are audited from outside the municipality. | 4.15 | 0.829 | 83.0% | 5 | High |
| | All paragraphs | 4.15 | 0.492 | 83.1% | - | High |

Table 9 above shows that there is a high degree of approval by sample members of the sixth dimension of "fundraising" in general; It appears that the arithmetic average is equal to (4.15), relative weight (83.1%), and paragraph (4), "the municipality maintains its existing relationship with financiers and seeks to build new relationships with potential financiers", has the highest degree of approval at relative weight (85.2%), and to a very high degree of approval.

The researchers attribute this to the large reliance of municipalities on external or internal grants, whether financial, in-kind, or project grants, in order to complete their development and development projects to serve their areas of influence; municipalities always seek to interconnect and strengthen relations with similar municipalities abroad to support their projects, while paragraph (7), "The Department seeks to form a specialized department for the management of funded projects and programmers", has the lowest degree of approval at a relative weight (81.5%), and with a high degree of approval.

The researchers explain this credibility with the financiers' commitment to monitor the conduct of the works and activities funded in accordance with the established plans and the municipalities' commitment to implement them accurately.

In general, there is high approval by sample individuals of the sixth-dimension paragraph "fundraising"; The computational average appears to be (4.15), and a relative weight (83.1%), indicating a high level of approval. The researchers attribute this to the importance of the focus of fundraising in municipalities to enable them to sustainably provide their services, develop them, and cover their balance deficit in implementing development projects under difficult economic circumstances.

5.2.7 Analysis of the Seventh Dimension (Cultural Awareness)

The arithmetic average and standard deviation were used, and the paragraphs were then arranged by average, in addition to relative weight; To determine the degree of approval, the results are as shown in Table 10.

Table 10. Analysis of paragraphs of the seventh dimension (cultural awareness)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|---|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | The municipality conducts educational courses on the importance of the active role of internal control in achieving the municipality's objectives | 3.93 | 0.914 | 78.5% | 7 | High |
| 2 | Municipal employees enjoy self-control during their work | 4.01 | 0.791 | 80.2% | 6 | High |
| 3 | Municipal employees help the supervisory department to easily complete their work and provide them with all the required documents | 4.11 | 0.789 | 82.2% | 1 | High |
| 4 | Provide incentives to workers to encourage them to adhere to the organization's objectives. | 4.06 | 0.857 | 81.3% | 3 | High |
| 5 | Workers feel that internal control seeks to catch their mistakes. | 3.71 | 1.103 | 74.3% | 8 | High |
| 6 | Department managers interact positively with the internal control unit. | 4.06 | 0.795 | 81.1% | 4 | High |
| 7 | The Internal Control Department works on the principle of truth-seeking and reassurance. | 4.06 | 0.800 | 81.3% | 2 | High |
| 8 | Each employee pursues the objectives of his/her section. | 4.04 | 0.906 | 80.7% | 5 | High |
| | All paragraphs | 4.00 | 0.417 | 80.0% | - | High |

From table 10 above, we find that there is a high degree of approval by sample members of the seventh dimension of "cultural awareness" in general; It appears that the average arithmetic is equal to (4.00), relative weight (80.0%), and paragraph (3), "Municipal employees help the control department to easily complete their work and provide them with all the required documents", has obtained the highest degree of approval at a relative weight (82.2%), and to a high degree of approval, and the researchers explain this because of the high responsibility of the employees, and their awareness of the supervisory role, To assist them in effectively accomplishing their tasks to provide reasonable assurance of the validity of transactions, while the paragraph obtained (5) "Workers feel that internal control seeks to catch their mistakes" at the lowest degree of approval at a relative weight (74.3%) To a high degree of consent, the researchers attribute this to the fact that the control role is not limited to catching mistakes, but strives in parallel with all workers to accomplish the required tasks and provide services fairly to all citizens.

Generally, the paragraphs of the seventh dimension "Cultural Awareness" are highly approved by members of the sample; it appears that the average arithmetic is equal to (4.00) and a relative weight of (80.0%), which is a high level of consent. In the view of the researchers, this is due to the Department of Control's interest in instilling a spirit of belonging among workers and constantly sensitizing them to their responsibility to provide fair services to citizens, through the supporting control role to ensure the success of all tasks entrusted to them.

5.3 Analysis of Dimensions of the Second Axis (COSO Dimensions)

The arithmetic average, the standard deviation, and thus the areas were arranged according to their average, as well as relative weight; To determine the degree of approval, the results are as shown in Table 11.

Table 11. Analysis of the paragraphs of the second axis areas (COSO dimensions)

| # | Paragraph | Arithmetic average | Standard deviation | Relative weight | Arrangement | Degree of approval |
|---|--|--------------------|--------------------|-----------------|-------------|--------------------|
| 1 | Control Environment | 4.00 | 0.441 | 80.0% | 3 | High |
| 2 | Control Activities | 3.99 | 0.531 | 79.9% | 5 | High |
| 3 | Risk assessment | 3.96 | 0.523 | 79.2% | 7 | High |
| 4 | Monitoring and follow-up | 4.01 | 0.500 | 80.3% | 2 | High |
| 5 | Information and communication | 3.99 | 0.471 | 79.7% | 6 | High |
| 6 | Fundraising | 4.15 | 0.492 | 83.1% | 1 | High |
| 7 | Cultural Awareness | 4.00 | 0.417 | 80.0% | 4 | High |
| | Dimensions of COSO in Gaza Strip municipalities | 4.02 | 0.387 | 80.3% | - | High |

Table 11 above shows that there is high approval by members of the sample of the axis "dimensions of COSO in the municipalities of the Gaza Strip" in general; It appears that the arithmetic average is equal to (4.02), a relative weight (80.3%), and the sixth dimension of "fundraising" received the highest approval score at a relative weight (83.1%), and to a high degree of approval, and the two researchers interpret this to the importance of the axis of fundraising in municipalities to enable them to be sustainable in providing their services, developing them, and covering their balance deficit in implementing development projects under difficult economic circumstances.

The third dimension, "risk assessment", received the lowest degree of approval at a relative weight (79.2%), and at a high level of approval, according to the researchers. The reason for this is the assessment by each section of the municipality of the potential risks facing the department in written reports, the supervisory service taking care of these reports; and taking remedial action before such risks occur.

In general, there is high approval by sample personnel of the axis "COSO" dimensions in the municipalities of the Gaza Strip"; It appears that the arithmetic average is equal to (4.02), and a relative weight (80.3%), which is a high level of approval, and the researchers attribute this to the Department of Control's perception of the importance of a method to improve municipal performance in service delivery.

New knowledge: This study provides a significant knowledge addition in the field of oversight through the development of internal control methods in Palestine that need further development and improvement in all their dimensions in order to be able to achieve their goals and objectives.

6. Testing of Study Hypotheses and Discuss the Results

6.1 First Hypothesis

There is a statistically significant effect at an indicative level ($\alpha \leq 0.05$) of the regulatory environment on the development of the internal control system according to the COSO model in the municipalities of the Gaza Strip.

To reveal the impact of the control environment on the development of the internal control system according to the COSO model in the municipalities of the Gaza Strip, simple linear regression analysis has been used to measure the effect of the independent variable (control environment) on the dependent variable (internal control system), as shown below:

Table 12. Shows the results of the simple linear regression analysis of the impact of the control environment on the development of the internal control system.

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value <i>t</i> | Probability Value (Sig.) | Significance Level When (0.05) |
|---|-------------------------|----------------|--|----------------|--------------------------|--------------------------------|
| Fixed Variable | 1.272 | 0.213 | - | 5.966 | 0.000 | P+ |
| Control Environment | 0.686 | 0.053 | 0.783 | 12.947 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 167.618 | | Probability Value | | | 0.000 |
| Adjusted Interpretation Coefficient Value | 0.609 | | Probability value of the interpretation factor | | | 0.000 |
| R² | | | | | | |

The above results show the following:

1. The modified interpretation coefficient (R^2) is equal to 0.609. This means that the control environment explains 60.9% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables that do not exist in the study scheme.
2. The calculated (F) test value is (167.618), and the probability value is equal to 0.000, so we conclude that there is a statistically significant relationship between the control environment and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
3. The control environment was found to be influencing the development of the internal control system of the COSO model in Gaza's municipalities.
4. The researchers conclude that the control environment has a statistically significant effect at an indicative level. ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
5. Regression equation: "Internal Control System Model COSO = 1.272 + 0.686 (control environment)".

The researchers consider that the level of impact of the control environment on the development of the internal control system according to the COSO model is high; Indicates that the effective application of internal control in accordance with an appropriate regulatory climate helps municipalities to improve the efficiency and effectiveness of their operations and activities; This enables it to develop and improve the level of services provided to citizens, reflected in the development strategies for the provision of updated services to citizens.

6.2 Second Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of control activities on the development of the internal control system according to the COSO model in the municipalities of the Gaza Strip.

To reveal the impact of control activities on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis has been used to measure the effect of the independent variable (control activities) on the dependent variable (internal control system), as shown below:

Table 13. Shows the results of the simple linear regression analysis of the impact of control activities on the development of the internal control system.

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value t | Probability Value (Sig.) | Significance Level When (0.05) |
|-------------------------|-------------------------|----------------|--|---------|--------------------------|--------------------------------|
| Fixed Variable | 1.560 | 0.152 | - | 10.247 | 0.000 | P+ |
| Control activities | 0.615 | 0.038 | 0.845 | 16.276 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 264.914 | | Probability Value | | | 0.000 |
| Adjusted Interpretation | | | | | | |
| Coefficient Value | | | Probability value of the interpretation factor | | | 0.000 |
| R² | | | | | | |

The above results show the following:

1. The modified interpretation coefficient (**R²**) is equal to (0.712) This means that control activities explain 71.2% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables not found in the current study scheme.
2. The calculated (F) test value is (264.91) The probability value is equal to (0.000) Therefore, we conclude that there is a statistically significant relationship between control activities and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
3. Control activities were found to be influencing the development of the internal control system as a model for the Gaza Strip's municipalities.
4. In the conclusion, the researchers conclude that control activities have a statistically significant effect at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
5. Regression equation: "Internal Control System Model COSO = 1.560 + 0.615 (control activities)".

The researchers consider that the impact of the level of control activities on the development of the internal control system under the COSO model is high and leads to the need to adopt control activities as routine procedures; Enhances employees' adherence to and compliance with laws, regulations and instructions issued by the Ministry of Local Government and the Municipal Council, as well as the granting of separate powers and functions by the organizational structure; Actions to separate the expense accountant from the Accounts Section's receivables accountant; What makes it easier for the censorship service to detect any errors.

6.3 Third Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of risk assessment on the development of the internal control system according to the COSO model of Gaza Strip municipalities.

To disclose the impact of risk assessment on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis was used to measure the impact of the independent variable (risk assessment) on the dependent variable (internal control system), as follows:

Table 14. Shows the results of the simple linear regression analysis of the impact of risk assessment on the development of the internal control system of the COSO model in municipalities in the Gaza Strip

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value t | Probability Value (Sig.) | Significance Level When (0.05) |
|-------------------------|-------------------------|----------------|--|---------|--------------------------|--------------------------------|
| Fixed Variable | 1.517 | 0.150 | - | 10.123 | 0.000 | P+ |
| Risk assessment | 0.631 | 0.037 | 0.853 | 16.821 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 282.931 | | Probability Value | | | 0.000 |
| Adjusted Interpretation | | | | | | |
| Coefficient Value | 0.725 | | Probability value of the interpretation factor | | | 0.000 |
| R² | | | | | | |

The above results show the following:

1. The modified interpretation coefficient (R^2) is equal to (0.725) This means that the third dimension (risk assessment) explains 72.5% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables that do not exist in the current study scheme.
2. The calculated (F) test value is 282.931, and the probability value is equal to (0.000) thus concluding that there is a statistically significant relationship between risk assessment and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
3. The risk assessment was found to be influential in the development of the internal control system's COSO model in Gaza plague municipalities.
4. In the conclusion, the two researchers conclude that the third dimension (risk assessment) has a statistically significant effect at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system according to the COSO model of municipalities in the Gaza Strip.
5. Regression equation: "Internal Control System Model COSO = 1.517 + 0.631 (risk assessment)".

The researchers believe that the level of impact of risk assessment on the development of the internal control system according to the COSO model. It supports the use of a structured and structured approach, with clear criteria and foundations for risk assessment and prioritization in each section of the municipality, with the need to continuously and periodically assess risks under the supervision of the Internal Control Unit, and to develop urgent and emergency plans to avoid any sudden and unexpected risks.

6.4 Fourth Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of control and follow-up on the development of the internal control system according to the COSO model in the municipalities of the Gaza Strip. To detect the impact of control and follow-up on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis has been used to measure the effect of the independent variable (monitoring and follow-up) on the dependent variable (internal control system), as shown below:

Table 15. Shows the results of the simple linear regression analysis of the impact of monitoring and follow up on the development of the internal control system of the COSO model in municipalities in the Gaza Strip

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value t | Probability Value (Sig.) | Significance Level When (0.05) |
|---|-------------------------|----------------|------------------------------------|---------|--|--------------------------------|
| Fixed Variable | 1.359 | 0.158 | - | 8.628 | 0.000 | P+ |
| Monitoring and follow up | 0.662 | 0.039 | 0.855 | 16.993 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 288.760 | | | | Probability Value | 0.000 |
| Adjusted Interpretation Coefficient Value | 0.729 | | | | Probability value of the interpretation factor | 0.000 |
| R^2 | | | | | | |

The above results show the following:

1. The modified interpretation factor (R^2) is equal to (0.729) This means that the fourth dimension (monitoring and follow-up) explains 72.9% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables not found in the current study scheme.
2. The calculated(F) test value is 288,760. The probability value is equal to 0.000. Therefore, we conclude that there is a statistically significant relationship between control and follow-up and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.

3. monitoring and follow-up were found to be influential in the development of the internal control system of the COSO model of municipalities in the Gaza Strip.

4. In the conclusion, the two researchers conclude that the fourth dimension (monitoring and follow-up) has a statistically significant effect at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in Gaza's municipalities.

5. Regression equation: "Internal Control System Model COSO = 1.359 + 0.662 (monitoring and Follow-up)".

The researchers consider that the level of impact of monitoring and follow-up on the development of the internal control system according to the COSO model is high; Since the main pillar of the Department of Control's success is continuity and continuity of its control procedures, there is a need for continuous effort by management, control and staff to make municipal activities successful in providing services.

6.5 Fifth Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of information and communication systems for controlling the development of the internal control system according to Gaza municipalities' COSO model.

To disclose the impact of information and communication systems on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis has been used to measure the impact of the independent variable (information and communication systems) on the dependent variable (internal control system), as shown below:

Table 16. shows the results of the simple linear regression analysis of the impact of information and communication systems on the control of the development of the internal control system of the COSO model in municipalities in the Gaza Strip

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value t | Probability Value (Sig.) | Significance Level When (0.05) |
|-------------------------------|-------------------------|----------------|--|---------|--------------------------|--------------------------------|
| Fixed Variable | 1.257 | 0.172 | - | 7.294 | 0.000 | P+ |
| Information and communication | 0.692 | 0.043 | 0.843 | 16.106 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 259.390 | | Probability Value | | | 0.000 |
| Adjusted Interpretation | | | | | | |
| Coefficient Value | 0.707 | | Probability value of the interpretation factor | | | 0.000 |
| R² | | | | | | |

The above conclusion shows the following:

1. The modified interpretation coefficient (**R²**) is equal to (0.707) This means that the fifth dimension (Information and communication) explains 70.0% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables that do not exist in the current study scheme.

2. The calculated (F) test value is 259.390. The probability value is equal to (0.000) Therefore, we conclude that there is a statistically significant relationship between cultural awareness and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.

3. Information and communication was found to be influential in the development of the internal control system of the COSO model in Gaza's municipalities.

4. In the conclusion, the researchers conclude that the fifth dimension (Information and communication) has a statistically significant impact at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in Gaza strip municipalities.

5. Regression equation: "Internal Control System Model COSO = 1.257 + 0.692 (Information and communication)".

The researchers consider that the level of impact of information and communication on the development of the internal control system according to the COSO model is high; This is due to the awareness of municipalities of the importance of communication with the internal and external environment of the Committee. The diversity of means of communication and communication, both in terms of enhancing the internal communication between senior management and staff, is essential. Or within the external environment of activating electronic media, and having a dedicated email to receive citizens' complaints and suggestions.

6.6 Sixth Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of cultural awareness for controlling the development of the internal control system according to Gaza municipalities' COSO model.

To disclose the impact of cultural awareness on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis has been used to measure the impact of the independent variable (Cultural Awareness) on the dependent variable (internal control system), as shown below:

Table 17. shows the results of the simple linear regression analysis of the impact of cultural awareness on the control of the development of the internal control system of the COSO model in municipalities in the Gaza Strip

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value <i>t</i> | Probability Value (Sig.) | Significance Level When (0.05) |
|-------------------------|-------------------------|----------------|------------------------------------|--|--------------------------|--------------------------------|
| Fixed Variable | 1.556 | 0.271 | - | 5.750 | 0.000 | P+ |
| Cultural Awareness | 0.615 | 0.039 | 0.664 | 9.133 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 83.405 | | | Probability Value | | 0.000 |
| Adjusted Interpretation | | | | | | |
| Coefficient Value | 0.440 | | | Probability value of the interpretation factor | | 0.000 |
| R^2 | | | | | | |

The above conclusion shows the following:

1. The modified interpretation coefficient (R^2) is equal to (0.440) This means that the sixth dimension (cultural awareness) explains 40.0% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables that do not exist in the current study scheme.
2. The calculated (F) test value is 83.405. The probability value is equal to (0.000) Therefore, we conclude that there is a statistically significant relationship between cultural awareness and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
3. Cultural awareness was found to be influential in the development of the internal control system of the COSO model in Gaza's municipalities.
4. In the conclusion, the researchers conclude that the sixth dimension (cultural awareness) has a statistically significant impact at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in Gaza strip municipalities.
5. Regression equation: "Internal Control System Model COSO = 1.556 + 0.615 (Cultural Awareness)".

The researchers consider that the level of impact of cultural awareness on the development of the internal control system according to the COSO model is high; This opens the way for the municipality to form a monitoring awareness committee to achieve full cooperation between employees and municipal employees with the internal control department, spread a culture of commitment within the working environment within their responsibilities, as well as provide incentives for the continuous development of employees' performance.

6.7 Seventh Hypothesis

There is a statistically significant impact at the indicative level ($\alpha \leq 0.05$) of the trend towards the fundraising in the development of the internal control system according to the COSO model in the municipalities of the Gaza Strip.

To reveal the impact of the trend towards the recruitment of funds on the development of the internal control system of the COSO model in the municipalities of the Gaza Strip; Simple linear regression analysis has been used to measure the impact of the independent variable (fundraising) on the dependent variable (internal control system), as follows:

Table 18. Shows the results of a simple linear regression analysis of the impact of the trend towards the fundraising on the development of the internal control system

| Independent variables | Regression coefficients | Standard error | Standard regression factors (Beta) | Value <i>t</i> | Probability Value (Sig.) | Significance Level When (0.05) |
|-------------------------|-------------------------|----------------|------------------------------------|--|--------------------------|--------------------------------|
| Fixed Variable | 1.594 | 0.214 | - | 7.450 | 0.000 | P+ |
| fundraising | 0.583 | 0.051 | 0.742 | 11.392 | 0.000 | P+ |
| Variance analysis ANOVA | | | | | | |
| Test value F | 129.779 | | | Probability Value | | 0.000 |
| Adjusted Interpretation | | | | | | |
| Coefficient Value | 0.550 | | | Probability value of the interpretation factor | | 0.000 |
| R² | | | | | | |

The above conclusion shows the following:

1. The modified interpretation factor (**R²**) is equal to (0.550) This means that the seventh dimension (fundraising) explains 55.0% of changes in the development of the internal control system of the COSO model in municipalities in the Gaza Strip. The remainder is due to the contribution of other variables that do not exist in the current study scheme.
2. The calculated (F) test value is (129.779), and the probability value is equal to (0.000), thus concluding that there is a statistically significant relationship between the fundraising and the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
3. The trend towards the recruitment of funds was found to be influential in the development of the internal control system of the COSO model of municipalities in the Gaza Strip.
4. In the conclusion, the two researchers conclude that the seventh dimension (fundraising) has a statistically significant impact at an indicative level ($\alpha \leq 0.05$) in the development of the internal control system of the COSO model in municipalities in the Gaza Strip.
5. Regression equation: "Internal control system Model COSO = 1.594 + 0.583 (fundraising)".

The researchers consider that the level of impact of the fundraising on the development of the internal control system under the COSO model is high, owing to the municipality's interest in maintaining its relationship with financiers and donors; To finance its development and development projects in accordance with detailed donor plans for projects to be implemented; In order to perform its duties and services as much as possible to meet the needs and requirements of the public.

7. Conclusion

1. The development of internal control in Gaza's municipalities is of paramount importance to address its shortcomings and weaknesses.
2. The control environment positively affects the development of internal control according to the COSO model in the municipalities of the southern governorates.
3. There is a positive impact of control activities on the development of internal control according to the COSO model on municipalities of the southern governorates.

4. Internal control according to the COSO model is positively affected when risk assessment in the municipalities of the Gaza Strip.
5. The conclusion of monitoring and follow up are reflected positively on internal control in the municipalities of the southern province according to the COSSO model.
6. Information and communication systems positively affect the internal control system according to the COSSO model in the municipalities of the southern governorates.
7. Culture awareness positively affects the development of internal control systems in Gaza's municipalities according to the COSO model.
8. There is a positive impact of fundraising on improving internal control according to the COSO model in the municipalities of the southern governorates.

8. Recommendations

1. The need for municipalities to increase attention to internal control and develop their concepts, tools and means.
2. Work to improve the general environment governing the control work in municipalities and improve the control environment in order to activate the performance of internal control.
3. The need for responsible bodies, including municipalities, to focus on control activities to increase the role of control work.
4. Urge municipalities to undertake a risk assessment to enable them to contribute to improving the efficiency and effectiveness of internal control.
5. The control unit should be committed to the continuity of monitoring and follow up procedures to contribute to the conduct of activities, detect deviations and take corrective action in a timely manner.
6. Keeping up with information technology systems to contribute to supporting internal control activities in the municipal sector.
7. Activate a culture awareness and guidance committee within municipalities to raise awareness of the monitoring role.
8. Establishment of a specialized fundraising service to oversee donor project funding and strengthen relations with local and international donors.
9. Design of a flexible internal control system; Because municipalities operate under changing and emergency factors and circumstances, the internal control system must adapt to these variables.
10. The presence of members of the municipal council with financial and administrative expertise to oversee the reports and recommendations of the control unit.
11. Attention to the human component of workers and managers from sound employment policies, hence good training and creating a culture of work.

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