

## **Are there factors that affect the percentage of expenditure audited under the SAIs mandate?**

### **Abstract**

The aim of the paper is to analyze possible factors that could influence the percentage of expenditure under the SAI mandate, that has been audited. Using the regression model, the analysis should answer the question of whether there is any possible relationship between the above-mentioned dependent variable and the chosen independent variables (eg number of types of audits, CPI index or GDP). The tested hypothesis is that a link will be found between the proposed dependent variable and the selected characteristics of the country or SAI. Data are based on the Open Budget Survey, Transparency International Report and the World Bank. The analytical method is multiple regression using cross-sectional data focused on OECD countries. I believe there is a relationship between the percentage of expenditures under the SAI mandate, that has been audited and the Corruption Perceptions Index (CPI). With a few exceptions, SAIs audit the public sector, and corruption in the public sector could have an impact on what percentage of the expenditures was audited by the SAIs. Although the SAIs should be independent institutions, especially in less developed countries, these organizations may be prone to this kind of "failure" (a more corrupt environment limiting the scope of audits).