



State of Israel  
State Comptroller and Ombudsman  
Audit Reports on Municipalities 2020

# **Activities of Local Authorities through Cultural, Youth and Sports Community Centers**

Abstract



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### Background

Community centers are the executive arm of local authorities regarding culture, entertainment and informal and within them most of the authority's activities occur. The main concept behind their establishment and operation is giving communities the opportunity to participate in the activities of these centers, with an emphasis on involving community representatives in their management.

In addition to the local authorities, community centers are managed also by two main entities: The Israel Association of Community Centers Ltd. (IACC) and subsidiaries of the Jewish Agency for Israel and its contribution campaigns, United Israel Appeal and the Jewish Federations of Canada (jointly, the Jewish Agency).

### Key figures

**200**

community centers in 161 local authorities that provide services to 1,500,000 people

**NIS<sup>1</sup> 84 million**

The turnover of the six community centers audited in 2018

**2.5 times higher**

The scope of operations of a community center in a local authority in a high socioeconomic cluster, compared to a community center in a lower cluster that serves a similar population size

**NIS 43 million**

Total income of the six community centers audited, from the payments made by participants in 2018

**NIS 24 million**

The amount transferred by local authorities to the six community centers audited in 2018

**NIS 9 million**

The share of government ministries in the budget of the six community centers audited in 2018

1 As of December 31, 2019 1 US dollar = 3.45 NIS.

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## Audit actions









The State Comptroller's Office examined the activities of local authorities through their community centers from June to September 2019. Inter alia, the following subjects were audited: regulation and activities, transfer of funds, access of the community to activities, and safety.

Six local authorities and their community centers were audited. The authorities selected are primarily those in the economic and geographical periphery of the country. Supplementary examinations were conducted at the Ministry of Interior, the Senior Division for Municipal Association; the Ministry of Justice, the Registrar of Associations; and IACC.


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## Key findings



-  **Regulation of the activities of the Jewish Agency's community centers** – The Ministry of Interior failed to plan the activities of the local authorities through community centers owned by the Jewish Agency, does not treat them as municipal companies, and does not monitor and supervise them.
-  **Regulation of the activities of the Ministry of Interior vis a vis the IACC** – No procedures have been established to plan the activities of the Ministry of Interior vis a vis IACC. For example, there is no set procedure for the IACC to notify the Ministry when it starts or ceases working with a community center.
-  **Ensuring the personal safety of children and youth** – The community centers of Or Akiva, Kiriat Malachi, Gedera and Yavniel did not request employees who lead workshops at the centers and who are employed through private companies to submit preliminary certificate that they have no prior sex offenses.
-  **Access to center activities** – The centers in Nof Galil, Kiriat Malachi and Yavniel did not formulate criteria for discounts to aid weaker populations. The Or Akiva and Kiriat Malachi centers do not have a website. Although the centers in Nof Hagalil and Yavniel do have a website, they do not provide online services.
-  **Appointment of members of management** – The local authorities of Or Akiva, Gedera and Yavniel appointed their representatives to the community centers' management without obtaining the required approval of the Ministry of Interior's Appointments Committee. The composition of representatives did not comply with the requirements of the regulations.
-  **Contractual agreements between the local authorities and the community centers in their jurisdiction** – The municipalities of Or Akiva and Nof Hagalil did not

sign contractual agreements with the community centers to set their operations. The Yavniel Local Council formulated partial agreements only. The Gedera Local Council did not enforce some of the provisions of the contract signed with the community center. The Kiriat Malachi Municipality signed a contractual agreement with the community center in a tender-exempted process as a 'single vendor', which isn't in accordance with the law.

-  **Budgeting by local authorities** - The local authorities audited, transferred funds to the community centers in their jurisdiction, inter alia, in the form of money equivalents and by transferring money through salaries, which is not in compliance with the Ministry of Interior's circular on the subject. The Kfar Tavor Local Council entered into an agreement with the CEO's community centers in its jurisdiction to carry out activities that do not comply with their objectives and without conducting a tender. The Kiriat Malachi Municipality made purchases through the community centers in its jurisdiction with no tender process.



All six community centers put emphasis on cultural, educational and athletic activities in the community they serve. They conduct a variety of activities for all age groups, and thus attain their purposes.



In all six community centers, the majority of the budget is used for activities of the centers. They expend according to the maximum percentage allowed for management and administrative expenses out of the operating turnover, as stipulated in the procedure for supporting state institutions.





The Gedera and Kfar Tavor community centers operated a proper mechanism for receiving feedback from participants in their activities. This enables them to make decisions on how to improve the services and adapt them to the needs.

All local authorities and community centers audited carry insurance for their operation and activities.

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## Key recommendations

-  Local authorities must set regulations for contractual agreements with the community centers in their jurisdiction, appoint their representatives to the centers' management according to the regulations, and ensure that funds are transferred according to the provisions of the law.
-  Local authorities and the community centers in their jurisdiction must ensure the services provided by the centers are accessible by all levels of society, including the weaker populations. Information about all activities must be available to all residents, via innovative technological means. It is recommended that all community centers study the ways to receive feedback from those participating in their activities.

-  It is recommended that the Ministry of Interior regulate the activities of local authorities through Jewish Agency community centers, in the same way that it regulates the activities of local authorities through community centers in cooperation with IACC.
-  It is recommended that the Ministry of Interior evaluates ways to formulate procedures for electing and appointing public representatives on behalf of the community, as well as their work as members of the centers' management.
-  In light of the findings about the manner in which funds are transferred from the local authorities to the community centers, it is recommended that the Ministry of Interior evaluates the need to update the existing procedures. This refers in particular to activities and community centers that do not comply with the conditions stipulated in the exemption regulations, and act to ensure that these arrangements manifest the uniqueness of the companies that work in cooperation with a government agency.
-  It is recommended that the Ministry of Interior regulate the activities vis-a-vis IACC through work procedures, including a procedure for updating the ministry in cases in which IACC starts or ceases managing a specific community center.

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## Summary

Community centers play an important role in the social fiber of the community where they operate. The community's involvement in their activities and management helps invest the funds of the local authority and the state effectively and efficiently, according to the needs and characteristics of the service recipients. It is recommended that the Ministry of Education, in cooperation with IACC (for which it is responsible), with the assistance of the Ministry of Interior, continue to expand the manner of operation of community centers with IACC to additional local authorities. Emphasis should remain on authorities located in the social-economic-geographical periphery.



### 2018 Funding sources for the audited community centers' activities (in thousands of NIS)

