

KEHILLAT YEDIDYA – AUDIT COMMITTEE REPORT FOR 2018/2019

Members: Sharon Edri and Deborah Greniman

- (1) We recommend approval of the report of the accountant for the kehillah and the verbal report on the kehillah's activities.

Comments:

- (a) We note with satisfaction the community's continued financial stability, along with the successful fundraising campaign for construction of the patio and the project's completion within the anticipated budget and timeframe. These things point to financial responsibility and to the community's vitality.
- (b) The modest drop in salary expenses reflects the fact that the position of Youth Coordinator has not been filled. An increase in this item is to be expected next year.
- (c) The Audit Committee raised the question of whether it is correct to figure the value of the patio (according to the sum invested in its development) as part of the community's fixed assets, since it was constructed, with the approval of the municipality, on public land. The accountants responded: "In our opinion, it is indeed relevant to capitalize the patio among the fixed assets and to depreciate it over the years of the use of this property, in the same way as is done with the building. It serves you along with the exit from the synagogue building, and this is the correct way to acknowledge the expenditure relating to this asset."
- (2) The community owns tangible assets whose value is in excess of NIS 7,000,000. The value of these assets has even increased over the last year, thanks to the addition of the patio. We believe that the community's intangible assets, as expressed in its spiritual, educational and social activity, are far more valuable than that.
- (3) The community's numerous dedicated volunteers devote many hours to carrying out its activities, and to administration, communal welfare and building maintenance. However, the large scope of the community's activity demands constant widening of the ranks of volunteers, particularly among the community's newer and next-generation members.
- (4) In the last year, an ad-hoc committee has devoted intensive consideration to the community's committee structure, with the goal of helping the committees function more efficiently and facilitating coordination between them and the Management Committee, decreasing the workload of the Management Committee and encouraging the participation of new volunteers. We look upon this initiative with favor and hope that it will yield the desired results.
- (5) The community has existed for several decades and is in a stage of generational transition. Informal modes of operation that worked for a smaller community may now be less efficient and require refreshing. Moreover, the importance of the community's activity and the value of the assets described above. point to the need for mechanisms to ensure the preservation of the community's values in the course of managing these assets.
- (6) The completion of the patio project, the ongoing important activity of the Tzedaka Committee, the strengthening of the daily Ma'ariv minyan and the renewal of an annual

shabbaton are deserving of special note. The patio contributes not only to the life of the community but also to the neighborhood environment.

- (7) Over a year ago, it was recommended that a handrail be installed to improve the safety of those ascending the raised area at the front of the sanctuary. We hope that project will soon reach the fulfillment stage.
 - (8) In view of the many hours needed for building maintenance and renovation and for supervision of weekday activities, it is hardly to be expected that the synagogue administrator and the volunteers can attend to all this while seeing to the community's ongoing operation. We recommend considering the employment of a building supervisor to carry out these tasks.
 - (9) In view of the large amount of work involved with the administration of the community, we recommend considering expansion of the administrator's position. For this purpose, the position requires formal definition.
 - (10) We especially commend the Management Committee, the Finance Committee and the community's various other committees, which did a tremendous job over the past year of advancing and carrying out the community's activities. In order to improve the responsiveness of the Management Committee to the community's members, a new position was created in the appointment of a member of the Management Committee to be responsible for responding to queries from the members. This was a very good step to take.
- (11) At the same time, we note a few areas that could do with improvement:
- (a) There are still delays with the timely publication of the minutes of Management Committee meetings. The Chairs are aware of this issue, and in the last year there has been some improvement in this regard. This problem could perhaps be solved by appointing a member of the Management Committee as its Secretary, who, along with her/his other duties, will be responsible for making sure that someone is assigned to take minutes at each meeting, and that the protocol is ready for approval at the outset of the following meeting.
 - (b) Preparations for the community's Annual General Meeting need to begin earlier, so that the agenda and the slate of candidates for election to the Management Committee can be published a longer time in advance of the meeting.
 - (c) The Audit Committee observes that several issues have been on the Management Committee's table for somewhat longer than might be expected. In view of the committee's large workload, it is inevitable that dealing with some important issues will be postponed from one meeting to the next because of the need to deal with more timely issues. More efficient collaboration with the various committees and increasing the number of volunteers may help facilitate these processes.