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Limitations of the Public Facility Operation Status Disclosure System and Future Directions

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The Ministry of the Interior and Safety operates the nationwide Local Government Public Facility Operation Status Disclosure System to prevent budget waste in certain public facilities and to strengthen efficient and transparent facility management. The system discloses the operational status of public libraries, gymnasiums, and other facilities frequently used by residents. It is the only nationwide system that provides data on the operation and management of public facilities after they are built. However, errors and omissions in disclosed data, along with insufficient management by local governments, have significantly undermined the credibility of the system. This study identifies issues in the data provided through the disclosure system, analyzes actual management practices based on field surveys of local governments, and proposes directions for system improvement based on urgency and importance.

● Background of the System

Public facilities established and operated by local governments have become essential living infrastructure that supports the daily convenience and quality of life of residents. A wide range of facilities such as libraries, cultural centers, sports centers, and welfare centers contribute to revitalizing local communities and strengthening community cohesion. Their significance has continued to grow.

However, several cases of budget waste have raised concerns about whether public facilities are being operated and managed efficiently and transparently. In response, the Ministry of the Interior and Safety introduced the Local Government Public Facility Operation Status Disclosure System in 2015. As the only system that publicly discloses operational status nationwide once facilities are built, it plays an important role in ensuring the public's right to information and promoting sound and efficient facility management.

● Disclosure Targets and Disclosure Items

Disclosure targets are determined based on construction cost and facility type. Facilities owned by metropolitan governments with construction costs of at least KRW 30 billion (KRW 20 billion before 2020) and facilities owned by basic local governments with construction costs of at least KRW 20 billion (KRW 10 billion before 2020) are included. Facilities related to resident convenience and safety, including cultural, sports, and welfare facilities, fall under the disclosure requirement.

Public Facility Types Subject to Disclosure

Category	Target Public Facilities
Cultural Facilities	Public libraries, museums, art museums, cultural and arts centers, youth training centers
Sports Facilities	Public stadiums, gymnasiums, public sports facilities (athletics tracks, baseball fields, soccer fields, swimming pools)
Welfare Facilities	Comprehensive community welfare centers
Other Facilities	Other public facilities related to resident convenience and safety

Disclosure items for public facility operation are announced annually in the Local Government Fiscal Disclosure Manual, and specific requirements vary by

year. According to the 2023 manual, the 2022 operation status of public facilities is divided into “Facility Information” and “Operation Information.” Facility Information includes the local government, facility type, facility category, facility name, completion date, building area, and land area. Operation Information covers the operation method, management staffing, annual number of users, changes in asset value, operating expenses, operating revenue, and net profit.

Form for Local Governments’ Public Facility Operation Status

▶ Status of Public Facilities

(Unit: KRW 1 million)

Local government	Facility type	Facility category	Facility name	Date of completion	Building area (m ²)	Land area (m ²)

※ Facility type: Culture · Sports · Welfare · Other facilities
 ※ Facility category: Cultural facilities (libraries, museums, art museums, etc.), sports facilities (gymnasiums, swimming pools, soccer fields, etc.), welfare facilities (community welfare centers), other facilities (community centers, science centers, ecological centers, etc.)

▶ Operational Status of Public Facilities

(Unit: KRW 1 million)

Facility name	Operation method	Management personnel	Annual number of users	Changes in asset value					Operating cost (A)	Operating revenue (B)	Net profit (C=B-A)
				Construction cost	Depreciation expense	Accumulated depreciation	Book value	Useful life			

※ Operation method: Direct operation, outsourced operation
 ※ Construction cost includes land acquisition (or expropriation) costs and remodeling expenses.
 ※ Net profit (annual): Operating revenue – Operating cost

Source: Ministry of the Interior and Safety (2023b, p. 91)

● Diagnosis of Issues in the Disclosed Data

A time-series dataset covering nine years of public facility operation data from 2014 to 2022 was constructed to identify patterns of data errors. The analysis revealed missing entries, incorrect values, and omissions of public facilities in certain local governments. Key issues identified from the most recent three years (2020 to 2022) are summarized below.

- Missing Data

Many facilities report “null” or “0” for several operation status items, with management staffing being one of the most common examples. Although every public facility is expected to have at least one manager, numerous facilities show no value or zero staff in the time-series data. Some facilities are missing from the dataset entirely.

Cases of Missing Management Personnel Data

Local government	Facility name	Operation method	Building area (m ²)	Management personnel (persons)		
				2020	2021	2022
Gangwon ○○-gun	○○ Indoor Gymnasium	Direct	5,478	0	-	0
Gyeonggi △△-si	△△ Public Sports Center	Outsourced	6,537	22	-	(Data missing)
Seoul □□-gu	□□□□ History Museum	Outsourced	24,526	0	-	19
◇◇-si	◇◇◇◇ Community Center	Direct	7,895	0	-	0

- Changes to Fixed Data

Items such as facility type, category, name, and completion date are expected to remain stable because they rarely change. Nevertheless, changes in these fixed data items were identified in some facilities, particularly in the completion date field.

Cases of Changes in Construction Completion Dates

Local government	Facility name	Building area (m ²)	Construction completion date		
			2020	2021	2022
Gyeonggi ○○-si	○○ City Information Science Library	10,027	2002.05.16.	2020.05.16.	2002.05.16.
Gyeongnam △△-gun	△△ County Culture and Arts Center	5,580	2011.11.25.	2011.11.25.	2011.09.23.
□□-si	□□ Municipal Science Center	12,376	2016.06.30.	2016.06.19.	2016.06.19.
◇◇-si	◇◇ Museum	3,591	2011.02.01.	2011.01.31.	2011.01.31.

- Data Errors and Suspected Misentries

Building area and land area may change due to expansion, remodeling, or demolition. However, several facilities showed substantial data inconsistencies unrelated to such activities. Examples include reversed values between building area and land area, building areas reduced to one third of the previous year's value, and land areas increasing more than thirteen-fold.

Cases of Errors in Building Area and Land Area

Local government	Facility name	Fiscal year	Construction completion date	Building area (m ²)	Land area (m ²)
Seoul ○○-gu	○○ District Sports Stadium	2020	2000.07.22.	172	12,000
		2021	Disclosure omitted by local government		
		2022	2000.07.11.	441	33,027
□□□□-gun	□□□□□ Library	2020	2015.07.30	7,816	4,546
		2021	2015.07.30	7,816	4,546
		2022	2015.10.08.	2,820	62,668
◇◇◇-si	◇◇◇◇◇ Community Center	2020	2014.02.10	5,041	11,158
		2021	2014.02.10	5,041	11,158
		2022	2014.02.10	11,890	9,569

Construction cost should reflect all expenses incurred in building the facility, including books, artworks, and shelving. The value may increase due to remodeling or expansion but should not decrease. Nonetheless, several facilities reported construction costs that had decreased compared to the previous year, which indicates clear errors.

Cases of Errors in Construction Costs

Local government	Facility name	Fiscal year	Operation method	Building area (m ²)	Construction cost (KRW1million)
○○-si	○○ Safety Experience Center	2020	Direct	8,020	41,452
		2021	Direct	8,020	41,452
		2022	Direct	8,020	39,229
□□-si	□□ Soccer-Only Stadium	2020	Outsourced	25,263	214,830
		2021	Outsourced	25,263	214,830
		2022	Outsourced	25,263	173,080
◇◇◇◇-gun	◇◇◇◇◇ Library	2020	Direct	7,816	22,290
		2021	Direct	7,816	22,290
		2022	Direct	2,820	20,300

- Uncalculated Data and Formula Errors

Many facilities appear to disclose estimated annual user numbers rather than actual counts. These figures suggest the use of rough approximations rather than accurate totals, resulting in persistent inaccuracies.

Example of Annual User Count Miscalculation

Local government	Facility name	Construction completion date	Annual user count		
			2020	2021	2022
○○-si	○○○ ○○ Community Center	2017.10.10.	10,000	5,000	10,000
□□-si	□□□ □□ Community Center	2018.03.23.	200,000	45,000	42,000
△△-si	△△ Welfare Center	2016.07.29.	180,000	15,000	5,000
Gyeongnam ◇◇-si	◇◇ Business Center		40,000	40,000	100,000

The “changes in asset value”¹⁾ item also contains many errors, primarily due to missing depreciation calculations. Public facilities depreciate according to their useful life, and book value equals construction cost minus accumulated depreciation. However, numerous facilities report zero depreciation or incorrect book values, resulting in incomplete and inaccurate information.

Cases of Errors in Asset Valuation

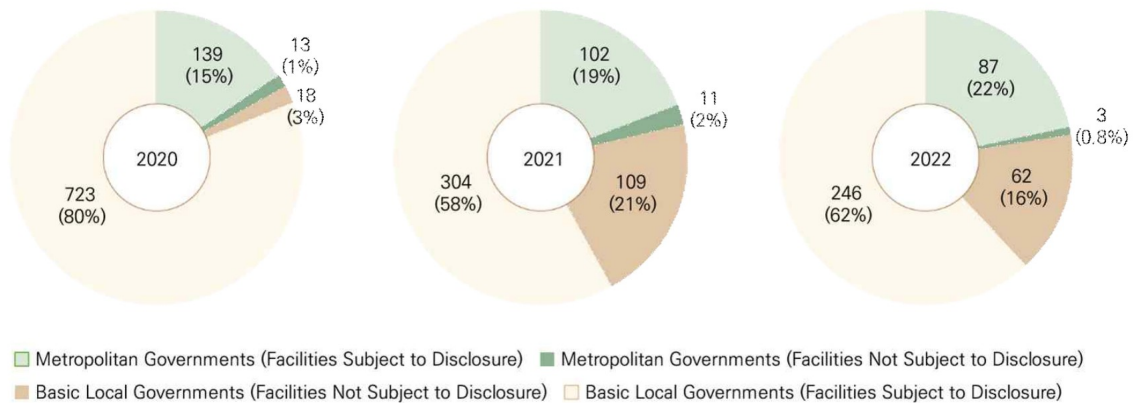
Local government	Facility name	Fiscal Year	Construction Cost (KRW 1,000)	Depreciation	Accumulated depreciation	Book value	Useful life
○○○○-gun	○○ Baseball Stadium	2020	45,000	667	4,557	22,121	40
		2021	45,000	667	5,224	21,454	40
		2022	45,000	169	5,392	21,286	40
△△-si	△△ Concert House	2020	54,880	489	18,263	16,226	40
		2021	54,880	512	18,953	16,601	40
		2022	54,880	448	19,186	15,289	40
Gyeongbuk □□-si	□□ Nature Ecology Museum	2020	15,719	205	2,653	5,869	40
		2021	15,719	205	2,859	5,664	40
		2022	15,719	205	3,064	5,458	40

- Failure to Apply Revised Disclosure Criteria and Insufficient Management by Local Governments

Although the disclosure threshold amounts were revised in 2021, facilities that did not meet the updated criteria continued to be disclosed, while some eligible facilities were omitted. In certain cases, all public facility data for specific local governments were missing. The number of metropolitan governments that consistently disclosed complete public facility data has decreased, and only ten out of seventeen metropolitan governments, or about 60%, published data for three consecutive years. Among basic local governments, the increase in the disclosure threshold in 2021 resulted in many having no facilities subject to disclosure, with only seventy-one basic local governments publishing data for three consecutive years.

Number of Public Facilities Subject to Disclosure of Operation Status

Year	Metropolitan Governments		Basic Local Governments		Total
	Subject	Not Subject	Subject	Not Subject	
2020	139	13	723	18	893
2021	102	11	304	109	526
2022	87	3	246	62	398



● Analysis of Local Government Operation and Management Practices

To identify the causes of problems observed in the disclosed data, in-depth on-site interviews were conducted with 18 officials from four local governments and 15 public facilities where data issues occurred most frequently. Participants included fiscal disclosure officers, departmental staff, and facility managers.

Local Governments Surveyed for Public Facility Operation and Management

Local Government	Facility Name	Fiscal Disclosure Manager	Department Manager	Individual Facility Manager	
				Direct	Outsourced
A City (Metropolitan)	A1 (Sports Facility)	○	○		△ (Management Corporation)
	A2 (Sports Facility)				-
	A3 (Sports Facility)				-
	A4 (Sports Facility)			△	-
B County (Basic)	B1 (Other Facility)	○	○		○ (Private)
	B2 (Cultural Facility)		-		○ (Management Corporation)
	B3 (Cultural Facility)		○		
	B4 (Other Facility)		○		
C City (Basic)	C1 (Sports Facility)	-	○		
	C2 (Other Facility)		△		○ (Promotion Agency)
	C3 (Cultural Facility)		○		
D City (Autonomous City)	D1 (Other Facility)	△	○		○ (Public Agency for Social Service)
	D2 (Other Facility)				
	D3 (Other Facility)			△	
	D4 (Other Facility)			○	

○: In-person, △: phone

- Causes of Missing Data: Lack of Clear Guidelines and Staff Transfers

The Fiscal Disclosure Manual and related guidelines do not provide detailed instructions for reporting management staffing, including the scope of personnel or rules for multi-use facilities. As a result, criteria for reporting management staff differ among local governments and individual staff members. These differences lead to inconsistencies in annual data even within the same facility.

“Entered the number of management personnel as zero for facilities such as ○○ Football Stadium and ○○ Baseball Stadium that have no on-site staff.” A City fiscal disclosure manager (A-1)

“Considered management personnel to mean the number of responsible public officials, and therefore recorded zero for ○○ Welfare Center.” D City welfare center operating agency manager (D-2)

“Difficult to present management personnel separately because one manager oversees two or more facilities collectively.” C City indoor gymnasium manager (C-1)

- Causes of Data Changes: Ambiguous Reporting Criteria and Differences in Understanding

The disclosure guidelines provided by the Ministry of the Interior and Safety do not define or explain the meaning of “completion date.” As a result, staff interpret the concept differently, and the reported completion date varies by year for the same facility.

“The concept of ‘date of establishment’ is inconsistently interpreted as either the completion date or the opening date, depending on the staff member.”

B City ○○ Welcome Center staff (B-6)

“Due to the absence of clear guidance, the date was interpreted as the difference between the completion date and the occupancy approval date.”

A City ○○ Museum operating agency manager (A-4)

- Causes of Suspected Data Errors and Misentries: Inability to Accurately Count or Measure

For many facilities, it is not possible to calculate the annual number of users accurately. Most free-use facilities do not systematically record user numbers. In many cases, the facility environment does not allow accurate counting of total users, leading staff to make rough estimates based on limited partial data.

“Facilities using a reservation system can capture accurate user counts, but only some programs use the system, making it impossible to determine total facility usage.”

B City ○○ Welcome Center staff (B-6)

“User counts can be estimated only for paid-use facilities and spaces rented for events.”

D City ○○ Welfare Center staff (D-2)

- Causes of Non-application of Disclosure Criteria: Staff Transfers and Inadequate Handover

Failure to apply disclosure criteria is largely attributable to frequent staff transfers. Limited capacity of fiscal disclosure reviewers and low awareness of the disclosure system among departmental and facility managers (including contracted operators) also contribute to the problem. Fiscal year-end accounting coincides with common transfer periods, leading to cases where newly assigned staff miss required tasks. Even when departmental staff do not submit necessary data, fiscal disclosure officers often have no way to detect missing information.

“Difficulty identifying omitted facilities due to limits in the fiscal disclosure manager’s understanding of the full list of public facilities.” B County fiscal disclosure manager (B-1)

“Confirmed public facilities with construction costs of KRW 30 billion or more through the public property manager, requested data from each department, and disclosed the operating status after verification.” A City fiscal disclosure manager (A-1)

● Recommendations for Improving the Public Facility Operation Status Disclosure System

Based on the diagnosis of disclosure data issues and the analysis of local government management practices, improvements need to be implemented in stages, taking into account urgency and importance. The primary directions for improvement are ensuring the reliability of disclosed information, providing substantive operational data, and supporting facility activation and operational efficiency.

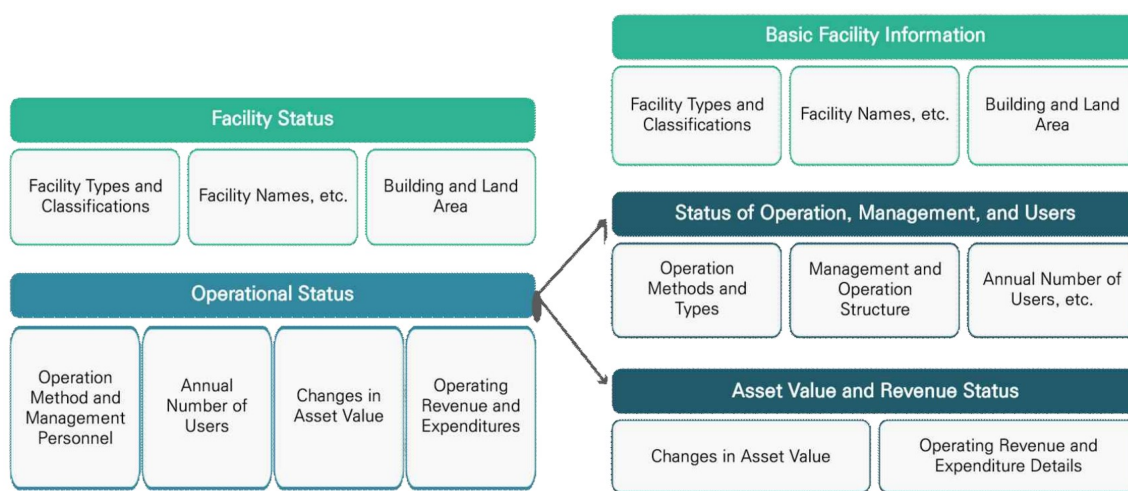
- Ensuring the Reliability of Disclosed Information

Improvements should be made to minimize missing items and errors in the disclosed data, thereby increasing the credibility of the system. Two key actions are required: 1) improvements to the Fiscal Disclosure Manual, and 2) clarification of roles and verification procedures for responsible staff.

To improve the Fiscal Disclosure Manual, the following actions are necessary: ① revise the category structure, ② supplement or expand disclosure items, and ③ provide clear reporting standards and explanations. Currently, all items are

grouped simply under Facility Information and Operation Information, and the Operation Information category covers too many diverse details, limiting intuitive interpretation. To improve user understanding, Operation Information should be divided into two categories: operation and user information, and asset value and revenue information.

Improvements to the Categories for Public Disclosure of Facility Operation Status



It is also necessary to add or refine disclosure items so that the meaning of each data field is clearly conveyed. Including an “opening date” item would prevent confusion between completion date and opening date and help assess whether adequate preparations were made after construction. Additional explanatory notes and clearer reporting standards are needed to prevent errors arising from insufficient guidance. For example, when a facility name changes, both the new and former names should be recorded, and completion date should not be used interchangeably with opening date.

New and Supplemented Disclosure Items

Item	Current Status	Category	Reason for Disclosure	Data Entry Format
Opening Date	-	Basic Facility Status	To disclose the month and year when the facility actually opened after construction completion, allowing assessment of whether adequate preparation and management occurred following completion	Enter opening month and year

Item	Current Status	Category	Reason for Disclosure	Data Entry Format
Type of Contracted Operator	-	Operation and Management Status	Many public facilities are operated by contracted organizations, yet operator information is not disclosed. Improvement is needed to disclose the operator type	Select from: public corporation, public agency, private company, nonprofit organization, other
Classification of Management Staff	-	Operation and Management Status	Because standards for reporting management staffing are absent, staff should be classified into facility operation personnel and facility management personnel, with detailed reporting criteria	Enter number of on-site operation and management personnel
Operation Type (Paid or Free)	-	Operation and Management Status	Current disclosure does not indicate whether the facility operates on a paid or free basis. Paid/free status and reservation requirements should be disclosed	Select from: free, free with reservation, paid, paid with reservation, both paid and free
User Count	-	Operation and Management Status	As many free facilities do not measure user numbers, an item should be added to indicate whether user counts are calculated	Select from: measured (for facilities that record daily user counts), not measured

Improving the roles and review stages requires establishing ④ clear responsibilities for local government staff, and ⑤ procedures for data verification and review. The current operation manual describes authority and workflow but does not define the roles of local government staff. Responsibilities should therefore be clearly assigned among facility managers, departmental officers, and fiscal disclosure officers. To minimize errors, omissions, and misentries in disclosed items, a step should be added to designate responsible personnel after the disclosure guidelines are distributed to local governments, taking into account the characteristics of each department's duties. In addition, materials should be developed that specify detailed items to be checked when entering data into the Local Finance Management System. This would strengthen the reliability of the disclosed information.

- Providing Substantive and Detailed Operational Information

Considering the purpose of the disclosure system, it is necessary to gradually expand the scope of facilities subject to disclosure and apply differentiated disclosure items that reflect the unique characteristics of each facility type. This

will enable more substantive and meaningful reporting of operational status. Such improvement requires 3) expansion of disclosure criteria and categories and 4) consideration of facility-specific characteristics and aging conditions.

The expansion of disclosure criteria and categories includes ⑥ expanding disclosure criteria, ⑦ broadening facility categories and clarifying reporting rules for multi-use facilities, and ⑧ enhancing data quality through linkage with existing datasets. Since 2021, the threshold construction cost for disclosure has increased by KRW 10 billion for both metropolitan and basic local governments. As a result, the number of disclosing governments and facilities has declined to less than half of previous levels. To uphold the original purpose of the system, which is to prevent budget waste and promote efficient facility management, the threshold should be lowered so that more facilities fall within the scope of disclosure. The classification system for the vaguely defined “other facilities” category must also be clarified. Unlike cultural, sports, and welfare facilities, which follow definitions set by related laws, the “other facilities” category is currently defined simply as “other public facilities for resident convenience and safety.” This ambiguity results in inconsistent inclusion or exclusion of facilities across jurisdictions. Criteria for multi-use facilities should also be clarified by providing representative examples and specific reporting guidelines. In addition, existing data platforms should be integrated to improve data accuracy. Building area, land area, and completion date should be linked to information in the national building ledger, and property-related data should be connected to the public asset registry. These linkages would reduce repeated errors and misentries.

The consideration of facility-specific characteristics and aging conditions requires ⑨ reflecting facility-specific characteristics and ⑩ separating construction costs from costs related to facility improvement. Libraries should disclose the number of borrowed materials relative to book acquisition costs and book loans per annual user. Sports facilities should publish the number of registered members relative to the local population, the number of programs operated, and rental days. As many aging public facilities undergo remodeling or expansion, their construction costs have been recorded as a combined total. This practice generates numerous errors in asset value calculations. Remodeling and expansion costs should therefore be recorded separately. Over time, accumulated data would also support estimating the additional costs associated with facility aging.

- Facility Activation and Operational Efficiency

Public facility information should be easily accessible so that residents can use facilities more conveniently, which supports higher utilization rates. Local governments should also improve the quality of facility management so that residents experience tangible improvements in their daily lives. Two components are essential: 5) expanding public facility information provision and sharing and 6) promoting best practices and encouraging data utilization.

Expanding public facility information provision and sharing requires ⑪ establishing an environment for public facility information sharing and ⑫ improving the disclosure format used in the Local Finance 365 platform. Many local governments currently disclose information only through public notices on their websites or in fiscal disclosure sections. In most cases, the information is provided merely as a text list of items. To enhance usability and promote facility activation, additional information such as location, contact details, and available programs should be provided to improve accessibility. In the longer term, a shared public asset information platform should be created to systematically manage this information. The Local Finance 365 platform currently provides data only by year, which prevents time-series analysis by facility or by local government. The disclosure format and management structure should be improved to allow time-series queries and searches. Visualizing open data would further enhance user understanding.

Lastly, promoting best practices and encouraging data utilization require ⑬ recognizing and publicizing exemplary facilities and ⑭ expanding the use and integration of public facility data. In the early years of the system, awards for exemplary cases were announced to support successful adoption and continuous implementation. However, recent cases of recognition or awards have not been identified. Facilities that reduce operating costs compared to the previous year or significantly increase user numbers should be incentivized and highlighted as best practices to promote increased utilization. A positive cycle should be created in which accumulated data are used to support the development and management of high-quality public facilities. Disclosure should not end at providing operational information. Facilities requiring remodeling or new construction should be prioritized for budget allocation based on data-driven evaluation. In the long term, integration with lifecycle management systems and the National Energy

Integrated Management System should be pursued so that all stages of a facility's lifecycle can be managed in an integrated manner.

Comprehensive Summary of Proposed Improvements to the Public Facility Operation Disclosure System

Category	Key Content	Timing of Implementation		
		Short Term	Medium Term	Long Term
Ensuring Reliability of Disclosed Information	1) Improvement of the Fiscal Disclosure Manual			
	① Revision of category structure	██████████		
	② Addition and refinement of disclosure items	██████████	██████████	
	③ Presentation of preparation guidelines and explanations	██████████		
	2) Establishment of Roles and Review Procedures			
	④ Assignment of roles to local government personnel		██████████	
⑤ Establishment of procedures for data verification and review		██████████		
Providing Substantive Operational Information	3) Expansion of Disclosure Criteria and Facility Types			
	⑥ Expansion of disclosure eligibility criteria		██████████	
	⑦ Expansion of facility types and clearer definitions of complex facilities	██████████	██████████	
	⑧ Integration and advancement of existing datasets	██████████	██████████	
	4) Reflecting Facility Characteristics and Aging			
	⑨ Incorporation of facility-specific characteristics		██████████	
⑩ Separation of construction costs when improving facilities		██████████		
Promoting Facility Utilization and Enhancing Operational Efficiency	5) Expansion of Public Facility Information Sharing			
	⑪ Establishment of an information-sharing environment for public facilities	██████████	██████████	
	⑫ Improvement of disclosure formats on the Local Finance 365 platform	██████████	██████████	
	6) Promotion of Best Practices and Data Utilization			
	⑬ Recognition and promotion of exemplary facilities	██████████		
	⑭ Integration and utilization of public facility-related data		██████████	

1) Changes in asset value consist of the following items: depreciation expense, accumulated depreciation, book value, and useful life.

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