

## USenate Feedback July 2017

### MIRA and transparency

**Comment:** One of the foundations of incentive based budgeting is transparency. The flow of income to expenditures being seen by everyone enhances efficiency and drives creativity in fiscal policy and procedures. As far as I can see our MIRA model does not have transparency. It does not appear to be in the planning for the transition to MIRA. Will there be open transparent data in the future? If it appears there will not be would the committee recommend such open records on financing?

**Response (SBC):** The SBC has been working with the MIRA implementation team in the Office of the Vice President for Finance and Operations on the very question posed by the commenter. From our perspective, we believe that MIRA is already much more transparent than the former incremental budget model. Even so there is much more work to be done so that the MIRA process becomes more readily accessible to all stakeholders including the average faculty, staff and student. This includes providing meaningful numbers.

If you have not yet visited the MIRA web page (<http://und.edu/mira/>), you are encouraged to go there and explore. Particularly helpful are the Budget 101 and Budget 102 presentations which give a good general overview of the process. Budget 104, scheduled for release this fall, will drill down into the nuts and bolts of how MIRA budgets are calculated. A MIRA dashboard is up and running and available to budget officers across campus. This summer representatives from the more than 60 campus Support Units are being trained in how to navigate MIRA.

Odella Fuqua, Director of Resource Planning and Allocation, is spearheading the MIRA implementation. Watch and listen to her video as she explains the MIRA philosophy on the MIRA main page (<http://und.edu/mira/>). She also offers the following response to the commenter's question about transparency:

**Response (Fuqua):** Yes, one of the foundations of incentive based budgeting is transparency. Providing a more "fully-costed" picture of revenue generating units leads to many strategic and enlightening discussions between units, administrators, and the campus as a whole. The first step is making sure the picture is accurate. Data validation and methodology validation have been the focus of this first phase of MIRA implementation. Numerous meetings have been held with individual units to make sure that data is flowing accurately using the restatement of historical actuals as a basis. Although helpful to look at actual reinstatements, there are concerns in evaluating numbers without context in a historical perspective. Therefore providing that information campus wide without in depth discussion is not beneficial. In other words, we don't want to focus on a past that did not happen and we can't impact.

As we switch our focus to planning and forecasting the future, there has also been a learning curve involved. Now we are no longer working with actual numbers but with estimates and how confident units are with their ability to produce projections in areas of revenue and expenditures. This has taken more time than anticipated and once again required working with each individual unit. We are committed to providing information but are concerned that estimates will be taken by some as unchangeable. During the early stage of implementation and while predictive tools are still being refined, estimates will be fluid and adjustments will need to

be made as better information is made available. We are diligently working to reconcile the annual budget submissions with the planned MIRA model statements entered by each individual Primary Unit. Once those reconciliations are complete, it is our intention to produce a "budget book" that will not only outline how finances were allocated for FY18 but leadership's directions as we start our planning for FY19. Once FY17 actuals are validated, those numbers will also be made available.

### **Hyslop swimming pool**

**Comment:** Swimming has been proven to be an immensely beneficial activity for a variety of reasons. Swimming provides a near-weightless aerobic workout builds muscle helps relieve stress and control blood sugar and can even help people lower blood pressure. Last fall the benefit of Hyslop pool was silently taken away from the students staff & faculty of UND. Now everyone must pay \$30 for only 10 swim sessions. Talk about price gouging! It's absurd! According to my sources the University only saves \$5000 a YEAR by doing this. UND still has to pay the same amount for the lifeguards electricity water filtration and pool chemicals regardless of how many people swim. If all these costs happen whether or not it gets used why can't we still swim there for free? In the very least make it part of the Wellness Center privileges so it's included in our membership and doesn't cost us extra. Thank you for your consideration!

**Response (SBC):** Following inquiries from faculty members about Hyslop Pool fees in October 2016, a member of the University Senate Executive Committee spoke with staff from Athletics and Finance in October and in December 2016. During the December meeting, plans were made to meet next with a representative from the Wellness Center to discuss possible solutions. Following this, budget issues rose to the fore and no subsequent actions were taken.

In response to the current comment, the SBC solicited comments from Erik Martinson, Assistant Athletics Director, Operations, and Cassie Gerhardt, Associate Dean of Students, representing the Wellness Center perspective. The comments below are from Mr. Martinson and are corroborated by Dr. Gerhardt.

**Response (Martinson; Athletics):** The fee that was instituted in Fall 2016 for use of the Hyslop pool covers the direct cost of the lifeguards, attendants and chemicals used during open swimming. These costs are variable costs based directly on pool usage. This was the best alternative to keep the pool accessible to those interested in open swimming.

Historically, the Wellness Center and the Work Well Program contributed funds to cover this cost for students and staff. This funding was eliminated as a result of strategic budget reductions for both of these groups.

The Wellness Center determines what services are offered with their membership and must weigh the costs and usage of all services along with membership fees to determine the right balance. At this time, it has been determined that access to the pool is not a funding priority.

The pool's anticipated revenue from open swim is approximately \$5,000 from fall 2016 to current, however expenses to host open swim are projected to exceed that value.