University of Wyoming Conservation & Efficiency Revolving Fund (CERF) Charter

Background and Sustainability Goals
The CERF was established in April 2014 with seed capital provided by the UW Physical Plant and as a result of the efforts of the Campus Sustainability Committee (CSC). The CSC serves in an advisory capacity to all campus departments, colleges, and other entities in an effort to advance cost effective environmental sustainability at the university. The CERF was designed to help achieve these goals in a financially prudent manner, along with the advancement of student engagement and learning. As a result, the CERF is additionally supported by a variety of academic stakeholders including the College of Agriculture and Natural Resources, College of Business, Haub School of Environment and Natural Resources, and School of Energy Resources.

Mission & Goals
The mission of the fund is to finance energy, water, waste, and related efficiency and conservation projects on the University of Wyoming campus that demonstrate resource and cost savings with a high return on institutional investment and facilitate student engagement and learning.

More specifically, the CERF will:
• Provide a formal platform for efficiency and conservation to serve as an investment in the university, rather than an expense, ensuring beneficial and profitable projects do not go unfunded due to capital constraints;
• Demonstrate good stewardship of state resources by reducing operating expenses;
• Create a living-laboratory for student engagement, applied research, and curriculum-based learning;
• Improve the built environment;
• Reduce exposure to energy price fluctuations;
• Reduce greenhouse gas emissions per UW’s American College & University Presidents’ Climate Commitment obligations; and
• Provide examples of innovative efficiency measures and processes for implementation throughout the state per the institution’s land grant mission.

Fund Structure and Management
The fund is hosted by Physical Plant, which possesses the technical expertise to implement and track funded projects and also bears the ultimate financial risk for such
projects. Although the fund is hosted in Physical Plant, a multi-stakeholder subset of the Campus Sustainability Committee and other relevant university representatives, the “CERF Subcommittee”, will administer the fund. The CERF Subcommittee is comprised of nine members, including:

- CSC representative
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- Physical Plant representative
- Facilities Planning representative
- Faculty member
- Undergraduate student
- Graduate student
- At-large faculty/academic professional/staff
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Project proposals, both internally developed and externally submitted by students, staff, and faculty, will be evaluated by this subcommittee and prioritized for approval based on a variety of criteria as detailed below. Physical Plant will have final approval of all fund projects once approved by the CERF Subcommittee.

**Loan Disbursement and Repayment**
The CERF will primarily utilize an accounting mechanism (as opposed to a loan mechanism) approach, as the majority of utility and operating expenditures are centrally managed and incurred by Physical Plant. Similarly, savings will be recouped by Physical Plant. In the case of auxiliary units responsible for their own operating expenditures, those units will utilize a loan mechanism approach that exactly mimics the financial repayment structure of the accounting mechanism, as detailed below.

Yearly savings for the CERF will be calculated based on conservative models of energy or other utility savings. Customary measurement and verification techniques appropriate for the scale of the project, such as sub-metering, will be utilized to evaluate and confirm savings assumptions post installation.

Physical Plant (or auxiliary units) will then be responsible for repaying 80% of the project’s annual savings to the CERF each fiscal year until 120% of the total project cost is repaid to the CERF. Ongoing financial savings for each project beyond the 120% of the value will be tracked but not recouped into the fund; ongoing savings will be retained by the Physical Plant or auxiliary unit’s budget. Alternative financing structures may be employed for specific projects with the majority consent of the CERF subcommittee and Physical Plant.
Project Criteria
All projects, both internally developed by the subcommittee and externally developed by the campus community, will be evaluated prior to implementation by the subcommittee. The subcommittee will review projects based on the following criteria:

• Simple payback;
  • Projects should have a simple payback period of less than 10 years, with payback to be determined based on utility escalation rates deemed appropriate by the CERF subcommittee, and conservative estimates of annual savings and ongoing repair costs.
• Return on investment and long-term financial savings;
• Ability to address maintenance concerns and ongoing repair costs;
• Student engagement and education opportunity;
• Overall environmental sustainability impact;
• Demonstration of a clear financing, implementation, publicity, and maintenance plan in the proposal.

The subcommittee will assess all criteria and utilize conservative outcome estimates as measured by both internal metrics and the Billion Dollar Green Challenge’s Green Revolving Investment Tracking System (GRITS).

Examples of Appropriate Projects
All CERF projects must make measureable energy, water, and/or waste efficiency or conservation impacts, including projects such as but not limited to:

• Energy – Lighting replacements, HVAC enhancements, weatherization and insulation, building controls, on-site renewable energy systems, renewable fuels (e.g. biodiesel) from agricultural or dining waste;
• Water – Low-flow appliances, systems to recover, reduce, or reuse wastewater, irrigation enhancements;
• Waste – Increased composting, waste diversion through additional and/or improved recycling;
• Other campus sustainability projects that do not clearly fit into one of these categories, including behavior-based programs that demonstrate clear reductions in resources and costs.

The complete project proposal process is detailed in an additional “CERF Proposal” document, to be updated annually.
**Fund Development**
The CERF was established with an initial allocation of $250,000 from Physical Plant. By joining the Billion Dollar Green Challenge, UW has committed to growing the fund to at least $1,000,000 by April 2020.

The fund will grow over time through a combination of a) donor engagement, b) funding from competitive grants, c) infusions of capital from various sources, and d) savings accrued by implemented projects. Representatives of the CERF Subcommittee and related faculty and staff will coordinate fund development through individual stakeholder development officers as well as direct engagement with the University of Wyoming Foundation.

**Amendments**
This charter may be amended at any time by the unanimous approval of all current CERF subcommittee members. If at any point a donation or other infusion of capital becomes available to address student engagement and education or other specific campus sustainability efforts that do not directly adhere to the above criteria or financial processes, the CERF subcommittee may revise this charter so that the main CERF and such an analogous fund may interface accordingly.