

# Franklin W. Olin College of Engineering Revolving Green Fund Charter

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## Mission

The mission of Olin College's Revolving Green Fund (ORGF or "the Fund") is to provide a continuous source of funding and support for sustainability projects that will reduce Olin's impact on the environment while engaging and educating the community. The ORGF will provide the means for student innovators to better the world, aligning with Olin's core vision. Projects accepted by the Fund will be based on project criteria as well as the Fund growth strategy.

## Goals

1. Provide a continuous source of financing for sustainability projects with higher capital costs and longer paybacks than are currently considered within existing budgets
2. Create a mechanism for reducing Olin's carbon footprint and environmental impact
3. Promote Olin's commitment to sustainability and empower community members to make the same commitment in their personal lives
4. Provide a platform for community engagement with Olin's sustainability initiatives
5. Support innovation by encouraging community members to pursue creative ideas and explore emerging technologies in the sustainability realm
6. Provide educational opportunities for community members (students, faculty, and staff) by working with individuals through project conception, implementation, and tracking
7. Educate the Olin community and visitors to campus about the impact of completed and ongoing projects

## Governance

The ORGF will be managed by a Committee whose goals are 1) to select projects that will appropriately grow the Fund; 2) aid students in the application and implementation process; and 3) promote the Fund to the community, alumni, and donors. The ORGF Committee will be comprised of seven voting members who all commit to avoid bias in judging projects to the best of their ability.

The permanent members will be the Chief Financial Officer, the Director of Facilities, and the Energy Manager.

The elected members will be two faculty members and two Olin students from the Sustainability Steering Committee. The faculty members will serve two year terms and can be re-elected. The students will serve one year terms but can also be re-elected upon a vote.

When selecting new members the three permanent members, and any Committee members not up for election, will vote on nominations from the Sustainability Steering Committee. However the same breakdown of staff, faculty, and students, as stated above, must remain at all times.

In the event that a Committee member resigns, a replacement should be selected as soon as possible following the criteria above.

The Committee will meet four times an academic year within the first two weeks of October, December, February, and April to discuss projects, fund advertising, and/or community engagement. If there is a large influx of projects, additional meetings can be scheduled. These meetings are only open to the Committee members and invited guests.

If the ORGF Committee decides that the charter needs to be revised, the proposed changes will be discussed and voted on. A majority vote will allow the changes to be submitted to executive review by the Provost, Executive Vice President, and the Chief Financial Officer. Upon approval by executive review, changes will be added to the charter and enacted.

## Methods and Financing

Seed funding for the ORGF was provided by Olin College and Aramark Facilities yielding an initial balance of \$40,000. Additional capital could be sourced from donations and potential additional contributions from the College.

Due to the revolving nature of the Fund, project expenses will be replenished with savings determined by engineering analyses or measurement and verification (M&V). The savings from completed projects will be split for the first 12 years of each project as follows:

- Tier 2 Projects - 60% of savings going back to the ORGF and 40% going to the Operating Budget
- Tier 3 Projects – 75% of savings going back to the ORGF and 25% going to the Operating Budget
- In the 13th year of a project all savings will be returned to the Operating Budget

There may be projects that have unique funding needs or payback patterns and for such projects the Committee may propose a different plan for sharing savings to the College's Capital Projects Committee.

In order to grow the Fund, the vision in the first one to five years is to favor projects with a low to mid-range (~\$5,000-\$7,500) capital investment and a short simple payback period (less than 5 years). As the Fund matures the ORGF will look to support projects with larger capital investments (~\$10,000 and above) and longer simple payback periods (greater than or equal to 5 years). If a project meets requirements for a proposal but would negatively affect the Fund health, the ORGF Committee reserves the right to reject or postpone projects until a more appropriate time. As a guideline, any given project should not exceed 50% of the existing value of the Fund and will not decrease the balance of the Fund below \$5,000. It is advised that the Committee consider whether projects are better suited for ORGF funding or the College's Capital Budget. This decision might be guided by "wants" versus "needs." The Committee is welcome to discuss such projects with the College's Capital Projects Committee to reach a mutually agreeable decision.

## Fund Structure

Submitted project proposals must be categorized under one of the following tiers.

*Tier 1:* Projects with a capital cost of \$2,500 or less with no payback period. The purpose of this Tier is to encourage students to get engaged with sustainability efforts regardless of the economics (this would include projects such as drying racks and bikes). The ORGF can accept projects without a payback as long as doing so would not decrease the value of the Fund below \$5,000. It is advised to consider the Green Initiatives Fund (Class of 2007 Gift) and other sources of funding for these projects.

*Tier 2:* Projects with a payback period of less than five years. This Tier is likely to include most lighting projects.

*Tier 3:* Projects with a payback period greater than or equal to five years. This Tier is likely to include more rare and experimental technologies (e.g. composting toilets). Projects with a payback longer than 10 years will only be considered if they provide considerable educational benefit or long-term value to the college, as deemed by the ORGF Committee.

## Project Criteria

- Project **must** reduce environmental impact, such as lowered energy or water usage, reduced waste, or reduced greenhouse gas emissions
- Project must have educational aspects, such as signage, a class presentation, or programming to educate the community at large about the effects of the project
- Project payback must fit and be categorized into one of the tiers outlined above
- Project must align with the ORGF Committee's goals and fund growth vision at the time of application submittal

## Process

A community member will download the ORGF application from Olin's sustainability web page and create a proposal based on either an original project or a project identified by facilities. The community member will be the champion of the chosen project and will work with the appropriate members of the Committee to gather information needed to determine the project capital cost and the payback period. All project proposals should examine potential rebates at the local, state, and federal level as well as through Olin's resource distributor(s) before completing the payback analysis.

A faculty or staff member will act as a sponsor to vet and critique the application until they feel it is ready for review by the ORGF Committee. Once the application is reviewed it should be submitted via email to [olingreenfund@olin.edu](mailto:olingreenfund@olin.edu). On a rolling basis, vetted applications will be brought before the Committee and reviewed based on the project criteria. In the review process the Committee will determine whether the savings returned to the ORGF and the Operating budget will be based on an engineering analysis prior to implementation, or whether the savings will be determined during continuous M&V after project completion. This decision will be based on the magnitude of savings since M&V is generally very costly. Additionally, the Committee will also review the capital cost breakdown, approve all expenses, consider community support, and evaluate alignment with prioritized goals listed above.

Once all of the projects to be considered are reviewed, Committee members will discuss the best options and a majority vote will allow the project to move forward. However, Committee members who are significantly involved in the proposed project, beyond interfacing with contractors or vetting the proposal, should recuse themselves from voting. In the event of multiple projects under consideration where only one can be approved, the project with the highest number of “yes” votes will be selected. If there is a tie vote, the Committee will discuss and come to a conclusion amongst itself.

After the project has been accepted, the community member will be notified and will work with the appropriate Committee members to develop a detailed execution plan. The money allocated to the project should be primarily utilized for materials and contracted labor but can also be used for research, testing, and outreach if approved. Within the execution plan, a safety plan will also be developed for the project implementation stage.

The community member is expected to remain involved in the project until completion or identify a responsible party in their stead. If performance monitoring is required, a similar commitment is expected. The community member or an ORGF Committee member will prepare a short update on the status of the project and its ability to fulfill its original goals at every ORGF Committee meeting until the project no longer needs to be tracked (year 13). If the community member fails to perform any of the project responsibilities it falls to the ORGF Committee to ensure completion of the project.

The overall savings and tracking of all ongoing projects will be the responsibility of the Energy Manager. Once a year a public report will be generated on the projects and the financial status of the Fund.