



The University of Maine Green Loan Fund Program Description

Updated

2016

General Description

The Green Loan Fund is a financial partnership between the University of Maine Foundation and the University of Maine System, by and through the University of Maine. The fund is designed to support faculty-, staff-, and student-led projects that improve the environmental sustainability of campus facilities and operations in creative and cost-effective ways. The fund is also intended to foster collaboration among staff, students, and faculty from disciplines as diverse as business, ecology and environmental science, public policy, and engineering; it seeks to encourage the development of solutions that profit from the unexpected synergies that arise when creative individuals push boundaries and combine a concern for environmental protection with a passion for technological and entrepreneurial innovation. The fund is ultimately rooted in the belief that lasting solutions to environmental problems create both environmental and economic benefits.

Fund Structure

Under the terms of the Green Loan Fund agreement, the Foundation will loan up to \$500,000 (or more, pending a satisfactory review by the Foundation) to the University to maintain a revolving fund for the purposes described above. The fund, along with the terms of all loans and their repayment, is cooperatively managed by the University of Maine Foundation, the Office of the Executive Vice President for Academic Affairs and Provost (VPAA), and the Office of Budget and Business Services (OBBS) at the University of Maine.

Project Proposals

Individuals or groups from the University of Maine community interested in submitting a project proposal are strongly encouraged to find a suitable professional advisor who is willing to work with them throughout the process. The advisor could be a staff member, faculty member, or administrator at the University of Maine, a representative from business or industry, or even a community leader with relevant expertise. The projects most likely to receive funding are those that employ innovative approaches to reduce the energy use and/or environmental impacts associated with campus operations. Although the fund is not intended to support routine campus maintenance, unique projects that focus on cost-effective, creative, and ecologically sound ways of improving maintenance and operations activities are certainly welcome. The following list provides examples of general project types that would be appropriate for the Green Loan Fund.

- *Greenhouse Gas Emissions Reductions and Renewable Energy projects*
- *Energy or Water Conservation*
- *Sewage and storm water output reductions*
- *Pollution reduction and/or prevention (including hazardous materials, liquid and solid waste, and gaseous emissions)*
- *Operational and/or behavioral improvements that reduce environmental impacts*
- *Environmental procurement and purchasing practices*
- *Environmental leadership within the University*
- *Campus educational programs that make members of the University community more aware of the environmental impacts of their daily activities, and which encourage them to participate in conservation programs to reduce these impacts*
- *Collaborative efforts between the University and the surrounding community to address environmental issues of common interest and/or concern*
- *Energy/resource monitoring and measurement programs*

Since this is a revolving fund, all projects must produce measurable cost savings, which will be used to replenish the fund and maintain its viability into the future. Applications must include a formal economic analysis of the project and an easily understandable calculation of its payback period. This payback period generally should not exceed five years, although unusually innovative projects with longer paybacks may be considered. An interest-only grace period of up to 24 months is available upon request and approval. Proposals also should include a plan for verifying and/or measuring the environmental benefits that the project produces, and should describe ways in which the project's successes will be communicated to the university and surrounding communities. Projects that involve collaborations among multiple campus groups and those that can demonstrate matching-funds support from outside sources will receive special attention during the application process. See Appendix A for proposal template.

Application Process

After developing a project idea (in consultation with the UMaine Office of Sustainability), a formal project proposal should be completed. Once completed, this proposal should be submitted to the University of Maine Sustainability Director for preliminary review. If the proposal is complete and describes a suitable project, the Sustainability director will forward it to the Green Loan Fund Project Advisory Committee for formal review. If the members of the committee approve the project, they will send their formal recommendation to the Executive Vice President for Academic Affairs and Provost (EVPAA) and the Chief Business Officer (CBO), who will decide whether or not the University wishes to support the project. Finally, all of these recommendations will be reviewed by the University of Maine Foundation, which will make the final decision to fund or reject the project. The decision to fund the project will be formalized by the signing of a promissory note. The overall process is outlined below.

Interested parties work together to draft a project proposal. A preliminary meeting with the University of Maine Office of Sustainability is encouraged but not required.



Submit formal project proposal to the University of Maine Sustainability Director for preliminary review. Acceptable proposals are forwarded to the Green Loan Fund Project Advisory Committee. Proposals that are incomplete or unacceptable in some way are returned with suggestions for revisions and improvement.



The Green Loan Fund Project Advisory Committee reviews the project proposal. As part of the review process, a formal presentation to the Committee may be necessary. During the decision-making process, the Project Advisory Committee will consider many factors including the current availability of funds, the cost-effectiveness of the proposed project, and the overall level of creativity and originality in the proposal. The Committee will either recommend the project for funding or return the proposal with suggestions for revisions and improvement.



The Project Advisory Committee submits its formal recommendation to the University of Maine EVPAA and CBO, who make the University's final recommendation whether or not to support the project.



The University of Maine Foundation reviews the University's recommendation and makes the final decision to either fund or reject the project.

The Green Loan Fund Project Advisory Committee

The Green Loan Fund Project Advisory Committee (PAC) is the decision-making body formally charged with reviewing project proposals, making funding recommendations, and advising the University on policies and procedures governing the operation of the Fund. The PAC will also oversee the implementation of funded projects by coordinating the efforts of the various parties involved in the process, including the Department of Facilities Management at the University of Maine.

Composition

The composition of the Project Advisory Committee is determined cooperatively by representatives from the Foundation and the University. Changes to the PAC's composition must be mutually agreeable to both the University and the Foundation and may be made on an as-needed basis.

The permanent composition of the Project Advisory Committee is as follows:

- *University of Maine Sustainability Director, Chair*
- *University of Maine Chief Business Officer (or designee)*
- *University of Maine Executive Vice President for Academic Affairs and Provost (or designee)*
- *President/CEO of the University of Maine Foundation (or designee)*
- *University of Maine Executive Director of Facilities Management (or designee)*

Nominations and Appointments

Additional nominees to the Project Advisory Committee shall be forwarded to the Chair for review. Final approval shall be given by the EVPAA, CBO, and President/CEO of the University of Maine Foundation. Committee members shall serve for a period of one year. Members may serve multiple consecutive terms, but each term must be renewed annually. Final approval for membership renewal must be given by the EVPAA, CBO, and President/CEO of the University of Maine Foundation.

Meetings

Meetings will be called by the PAC Chair and will occur as needed.

Annual Report

By September 30th of each year, the PAC Chair shall prepare a report for the Project Advisory Committee that provides a summary for each project currently supported by the Green Loan Fund. Each summary shall describe the ongoing progress of the project in addition to the project's economic performance. Furthermore, the final section of the report shall provide an analysis of the collective economic performance of all the projects described therein.