

UNIVERSITY OF WYOMING

Creating Endowment Programs for Excellence in Coal and Natural Gas Progress Report

October 1, 2013

Submitted to the joint Minerals, Business and Economic Development Interim Committee as per Senate Enrolled Act Bill 86, Section 3(g)(iii), 2013 General Session.

I. Progress to Date

The University of Wyoming (UW) College of Engineering and Applied Science (CEAS) has developed an approved action plan detailed below in Section II that now can be implemented with the appointment of new UW leadership: Dr. Robert Sternberg – UW President, Dr. Richard McGinity – Interim Vice President for Academic Affairs and Dr. Khaled Gasem – Associate Vice President for Academic Affairs and Interim Dean of CEAS. Beginning the process after these new appointments is critical for program success. Significant decisions are ahead as UW and CEAS move forward to fulfill the broader vision reflected in the Tier I Engineering Initiative. It is essential that the plans for these Endowment programs dovetail with Tier 1 activities and have broad support across the UW.

This progress report was prepared by a preliminary planning team whose members were David Bagley, Head, Department of Chemical and Petroleum Engineering; Jay Puckett, Associate Dean for Research and Graduate Studies, CEAS; and Chris Spooner, Senior Director of Corporate and Foundation Development, UW Foundation

II. Going Forward

The expected actions required to create the endowment programs for excellence in coal and natural gas are summarized in Table 1. Additional commentary for specific actions is provided below.

Table 1. Summary of Actions and Schedule for Creating Endowment Programs

No.	Action	Schedule
1	Identify UW Project Team	10/1/13 to 11/1/13
2	Identify key stakeholders for the excellence programs	11/1/13 to 12/1/13
3	Develop vision and goals for the excellence programs	12/1/13 to 2/1/14
4	Identify and prioritize activities and resources (total \$) required to achieve goals	12/1/13 to 4/1/14
5	Identify potential collaborators for funding both initial required match and additional funds to achieve overall goals.	4/1/14 to 5/1/14
6	Develop plan for review and preliminary approval (to facilitate fund-raising activities).	5/1/14 to 8/1/14

No.	Action	Schedule
7	Raise the necessary matching funds.	5/1/14 until completed
8	Revise plan for final review and final approval by the UW Board of Trustees, Engineering Task Force and the Governor.	8/1/14 until funds are raised
9	Progress report for the joint minerals, business and economic development interim committee	Due 10/1/14
10	Begin endowment program activities.	After Final Approval

Action 1: The UW project team should include, as a minimum, members from CEAS, the School of Energy Resources (SER), and the UW Foundation. The key action needed is the appointment of a team leader so that appropriate ownership of this effort is developed. Dean Gasem of CEAS will appoint a member of CEAS as the team leader.

Action 2: The endowment programs must be developed with input from key stakeholders. Some of these stakeholders may also serve officially as project team members and should be added at the discretion of the project team leaders. Potential stakeholders who should participate in subsequent actions include:

- Coal producers
- Natural gas producers
- UW School of Energy Resources
- Energy Resource Council
- CEAS's National Advisory Board
- Department Advisory Boards within CEAS
- State legislators
- Other stakeholders as determined by the project team leaders

Action 3: The success of the endowment programs for excellence in coal and natural gas will depend on the development of a clear vision and goals with input from all appropriate stakeholders.

Action 4: The goals identified in Action 3 will likely require more funding than will be provided by the initial investment. Action 4 will identify the full scope of activities and funding required to accomplish all of the goals identified in Action 3.

Action 5: Thoughtful identification of the stakeholders should provide an initial potential collaborator list but other potential collaborators will also be identified.

Action 6: The goal of Action 7 is to have the plan receive preliminary approval so that potential collaborators will know that the State supports the plan that they will be presented. This should enhance the probability of attracting collaborators.

Action 7: The UW Foundation will lead the effort to raise the necessary initial matching funds. The Project Team leader will also participate, as well as other team members as appropriate. The UW Foundation will follow their proven fund-raising strategy of developing strong relationships with potential collaborators, demonstrating the value to be received by

collaborators who participate, and identifying an appropriate participation level for each collaborator.

Action 8: The final plan to be presented to the UW Board of Trustees, Engineering Task Force and the Governor will include a clear description of actions necessary for long-term financial sustainability of the Endowment Programs for Excellence in Coal and Natural Gas. In particular, the corpus of the endowments must grow with time. This will be accomplished through a combination of three activities. First, collaborators who participate in providing initial matching funds as per Action 7 will remain key partners in the programs. As the benefits of the programs are demonstrated, these collaborators will be engaged to provide additional contributions over time. Second, additional collaborators who do not participate in providing initial matching funds will be identified and engaged to provide future contributions. In both cases, this support may be directly to the corpus of the endowments or as research/operating grants for ongoing activities in each program. In the latter case, these funds may offset income from the corpus, which would then be retained to build the endowment.

Third, the Project Team will aggressively pursue external funding to support the activities of the Endowment Programs. This funding will likely be received as research/operating grants for ongoing activities in each program. These funds may also offset income from the corpus, which would then be retained to build the endowment. The specific opportunities for decreasing expenditures of income from the corpus will be identified on an annual basis as a function of the activities to be conducted each year and the expected external funding to be received.

Actions 9-10: Self-explanatory.