



for the Improvement of Mine Safety and Health, Inc.

Alpha Foundation  
for the Improvement of Mine Safety and  
Health, Inc.- Moving Forward

Dr. Michael Karmis,  
Foundation President

*PCMIA/PCA Meeting, Greensburg, PA, June 20<sup>th</sup>, 2013*

# Brief History

- ▣ **December 2011:** The United States Attorney's Office for the Southern District of West Virginia, the United States Department of Justice and Alpha Natural Resources, Inc. ("Alpha") enter into a Non Prosecution Agreement
  - *Alpha agrees to establish a trust within 120 days from the date of the execution of this Agreement to fund projects designed to improve mine health and safety.*
  - *During the two-year period commencing on the date of this Agreement, Alpha will pay a total of \$48,000,000 into the trust, and those monies will be used solely to fund research and development projects by qualified academic institutions, not-for-profit entities, or individuals associated with either of those types of entities*
  - *The trust will be administered by three highly qualified individuals with academic and/or professional backgrounds in mine health and safety.*

# Alpha Foundation for the Improvement of Mine Safety and Health, Inc.

- ▣ **April 2012:** Foundation documents completed, e.g., Certificate of Incorporation, By-Laws, Resolution to Approve Directors, Conflict Policy
- ▣ **May 2012:**
  - Foundation Applies to the IRS for Tax-Exempt Status recognition, as described in Section 501(c)(3) of the Code
    - ▣ Approved by the IRS on December 18, 2012
  - Meeting of Directors: Foundation will expend interest and principal, aiming at an 8-year horizon

# Foundation Board and Staff

## ▣ **Foundation Board Directors**

- Michael Karmis, President
- David Wegman, Vice President, Treasurer
- Keith Heasley, Vice President, Secretary

## ▣ **Foundation Executive Director**

- David Belden

## ▣ **Foundation Technical Director**

- Thomas Barczak

# Foundation Progress-The First Year

- ▣ Selected Glenmede as the Financial Advisors and approved an investment plan based on the funding schedule agreed with ANR (fully funding the Foundation to the amount of \$48,000,000 by 12/2013)
- ▣ Glenmede will also provide some management support services (e.g., tax, etc), as needed
- ▣ Approved its first annual budget and financial reporting procedures and practices
- ▣ Selected the external audit firm of Shapiro & Duffalo LLC, NY, as Financial Auditor and completed its first audit
- ▣ Engaged Davidoff Hatcher & Citron, LLP, NY, as independent outside Legal Council
- ▣ Identified and selected insurance options
- ▣ Developed a step-by-step management and control of the concept paper review process
- ▣ Established a website
  - <http://www.alpha-foundation.org/>

# Guiding Principles of the Foundation

- ▣ **Mission:** *“To improve mine health and safety through funding research and development projects by qualified academic institutions and other not-for-profit organizations.”*
- ▣ **Vision:** *“To enable miners in the future to be free of work-related injury or disease by the implementation of the results of the projects funded by the Foundation and undertaken by the best researchers from any discipline that can contribute.”*

# The First Solicitation

- ▣ Prior to announcing the first solicitation, the Foundation, devoted a significant effort to developing research priorities, engaging the scientific research community, and encouraging a continuing dialogue with all stakeholders
- ▣ This discussion was formally opened with the research meeting in Charleston, West Virginia, October 2012, and continued with comments, suggestions and ideas submitted to the Foundation.

# Research Meeting, Charleston, West Virginia, October 10-11, 2012

- ▣ Introduced the Foundation to the public
- ▣ Engaged the broad research community and key stakeholders in developing priorities and issues in mine safety and health research
- ▣ Discussed how to complement existing research efforts and to grow new initiatives
- ▣ Addressed major research barriers and gaps
- ▣ Solicited ideas for attracting participation from outstanding researchers and organizations

*More than 140 attendees, representing 65  
organizations and entities*

# The First Call for Proposals

- ▣ Released on January 18, 2013
- ▣ Concept Papers (CP) were requested in four broad areas
  - Safety
  - Health
  - Safety and Health Management
  - Training
- ▣ Concept papers were due March 15, 2013
- ▣ Approximately \$10 million was committed to this first solicitation and it is expected that up to 15 qualified multi-year projects will be awarded

# Review Process and Schedule

- ▣ The Foundation was extremely pleased with the response - 160 CP were submitted, addressing all major focus areas
- ▣ The project selection cycle begun with the review of the concept papers; independent review teams, using 80 outside reviewers, to provide recommendations to the Directors
- ▣ Upon completion of this review cycle, applicants of selected CP will be invited to submit Full Proposals (FP), including detailed technical approach and budget
- ▣ The FP will be evaluated through a similar review process, using outside experts, and the Foundation is anticipating that final project selection will be announced before October 1, 2013
- ▣ The Foundation greatly appreciates the effort and dedication of all the reviewers in assisting the Directors to select the most promising projects for funding

# Short-Term Innovative Research Projects

- ▣ This category encourages new, exploratory and developmental research studies, by providing support for the early and conceptual stages of project development
- ▣ These studies may involve considerable risk but may lead to a breakthrough in a particular area, or to the development of novel techniques, agents, methodologies, models, or pilot and feasibility studies
- ▣ A detailed solicitation for this category of projects is expected to be announced in fall 2013, with the goal of selecting projects for funding in 2014

# The Foundation Website ([www.alpha-foundation.org](http://www.alpha-foundation.org)) and Outreach

- ▣ The website is the main medium of communication with the broader stakeholder community
- ▣ The Directors are active in outreach activities and have participated in discussions at a number of regional and national meetings, to inform the community and the general public on the mission, goals and progress of the Foundation
- ▣ Finally, the Directors are looking forward to announcing the successful projects of the first funding solicitation and to communicating with the safety and health community on future solicitations

*The Foundation and its Directors are looking forward to working with the safety and health research community and all stakeholders to advance projects that can fulfill the Foundation's vision of eliminating work-related injury and disease for the nation's miners.*