



Board Meeting | November 1, 2016

Agenda

- I. Meeting Called to Order
- II. Approval of 6/22/16 Board Meeting Minutes
- III. Proposed Expansion of WSOS to Prof/Tech Programs
- IV. WSOS Staff Report
- V. Finance Report
- VI. Executive Session



WSOS EXPANSION:

WA HIGH-DEMAND NEEDS

November 1, 2016

THE QUESTION

Could the impact of WSOS be amplified through expansion to include funding for students to study high demand fields that require lesser than a bachelor's degree?

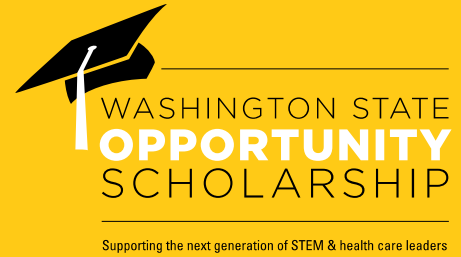
RECENT REPORTS

- **A Skilled and Education Workforce:
2015 Update**
 - Washington Student Achievement Council, State Board for Community & Technical Colleges, Workforce Training & Education Coordinating Board
- **Washington Kids 4 Washington Jobs:
Pathways to Great Jobs in Washington State**
 - Washington Roundtable, Boston Consulting Group, and Partnership for Learning

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MIDDLE-LEVEL SKILLS JOBS



- What Are Middle-Level Skills Jobs?
 - Require more than a high school diploma, less than a bachelor's degree
 - Certification programs, trade programs, associate's degrees, apprenticeship, other work-based training that results in credential

SKILLS GAP

- The Need for Middle-Skill Workers
 - By 2022, **about half** of U.S. job openings are expected to require middle-skill level workers.
 - **Nearly a third** (32%) of job openings 2018-2023 in Washington State will require mid-level educational attainment.

SKILLS GAP

- 2014 Employer Survey revealed:
 - **Nearly three-quarters (73%) of employers anticipated growing need for middle-skill workers.**
 - **More than half (56%) reported that middle-skill openings were difficult to fill.**

SKILLS GAP

“The largest skills gap is seen at the mid-level. There were an estimated 35,713 completers entering the workforce in 2013 with middle-skills education. But an additional 10,019 workers will be needed annually to meet [Washington’s] employer workforce needs.”

- A Skilled & Educated Workforce, p. 10

RECENT REPORTS

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Pathways to Great Jobs in Washington State**
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ENTRY, PATHWAY, CAREER

- **Entry Jobs**
 - “Jobs that build basic employment skills”
- **Pathway Jobs**
 - “Higher skill with potential path to Career Job”
- **Career Jobs**
 - “Higher skill, higher compensation jobs”

ENTRY, PATHWAY, CAREER

- **Entry Jobs**
 - 150,000 openings
- **Pathway Jobs**
 - 330,000 openings
- **Career Jobs**
 - 260,000 openings

ROLE OF WSOS

“GET MORE WASHINGTON STUDENTS IN POST-SECONDARY EDUCATION, with a focus on delivering degrees, certificates, and other credential in fields that will be high demand.”

**- Washington Kids 4 Washington Jobs
presentation, p. 7**

WSOS EXPANSION:

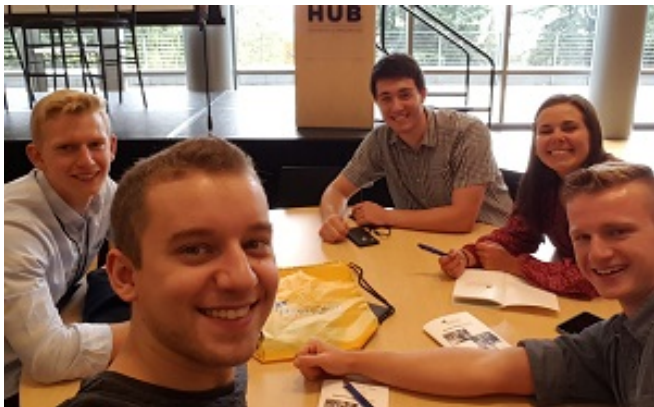
CONVERSATION & EXPERTS FROM THE FIELD | BOARD DISCUSSION

November 1, 2016

STAFF REPORT

November 1, 2016

Program Update



- **New Scholars**
- **Opportunity Launch**
- **OpportunityTalks**
- **Office Hours**
- **Mentorship**
- **Industry Explorations**

Development Update



Supporting the next generation of STEM & health care leaders

OpportunityTalks



Media Update



Coverage Summary:

With help of Opportunity Scholarship, man goes from homeless to UW master's degree program | **Q13 Fox News**, October 25

Genius vs. Grit: Psychologist Angela Duckworth tells Seattle crowd why hard work matters in football, business and life | **Geekwire**, October 25

Geeks Give Back: Meet Jordana Dahmen, stereotype-smashing researcher and biology student | **Geekwire**, October 13

Second annual Geeks Give Back launches to raise \$1M for STEM education in Washington state | **Geekwire**, October 4

Boeing birthday bash gets its own special Alaska plane | **The Seattle Times**, June 30

Social Media

Key social media growth and impressions June 13 - October 26, 2016:

Facebook

- » 2,502 followers June 13, 2016
- » 2,728 followers Oct. 26, 2016 **(+9%)**
- » Total impressions (paid & organic): **179,486**

Twitter

- » 1,305 followers June 13, 2016
- » 1,431 followers Oct. 26, 2016 **(+9.7%)**
- » Total impressions (paid & organic): **72,804**



Gary Rubens

@garyrubens · Oct 25

Dr Angela Duckworth talks Grit at the
[#opportunitytalks](#) @OppScholarship
[@angeladuckw](#)
pic.twitter.com/2BL4a8l2Tm



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FINANCE REPORT

Finance/Investment Committee Meeting | Oct 17, 2016

WSOS Balance Sheet

Washington State Opportunity Scholarship
Comparative Balance Sheets
Period Ending August 31, 2016

	Comparison to FYE				Comparison to Same Period LFY		
	06/30/2016	% Change	08/31/2016	Notes	08/31/2015	% Change	08/31/2016
<u>Assets</u>							
Cash	2,243,707	455%	12,453,324	1	12,367,800	1%	12,453,324
Investments	85,316,061	-14%	72,981,652	2	53,201,998	37%	72,981,652
Pledges and Grants Receivable	25,428,522	1%	25,734,643		22,620,095	14%	25,734,643
Prepaid Expenses	48,175	-47%	25,650		14,784	0%	25,650
Total Assets	113,036,465	-2%	111,195,269		88,204,678	26%	111,195,269
<u>Liabilities and Net Assets</u>							
Accounts Payable	228,962	47%	335,745	3	110,725	203%	335,745
Payroll Related Liabilities	131,958	29%	169,832		141,798	20%	169,832
Scholarship Commitments	36,937,798	-10%	33,298,448		30,643,979	9%	33,298,448
Total Liabilities	37,298,718	-9%	33,804,025		30,896,502	9%	33,804,025
<u>Net Assets</u>							
Temporarily Restricted Net Assets	51,700,427	2%	52,587,066		36,203,667	45%	52,587,066
Permanently Restricted Net Assets	24,037,319	3%	24,804,179		21,104,509	18%	24,804,179
Total Net Assets	75,737,746	2%	77,391,245		57,308,176	35%	77,391,245
Total Liabilities and Net Assets	113,036,465	-2%	111,195,269		88,204,678	26%	111,195,269

WSOS Balance Sheet

Notes to the Financials

1. Increase in Cash reflects a \$14M infusion of cash from WSIB to fund scholarships and operating expenses for FY 2017.
2. \$14M drawdown from WSIB. See note 1 above.
3. Operating expenses paid by CSF and billed back to WSOS.

WSOS Income Statement

Washington State Opportunity Scholarship

Income Statements

Income Statement for the Ten (2) Months Ending August 31, 2016

	Two Months Ended August 31, 2016				June 30, 2017
	Actual	Budget	Variance Fav (Unfav)	Notes	Annual Budget
<u>Revenue</u>					
Private	388,753	500,000	(111,247)		11,000,000
Public	-	-	-		21,000,000
Investment Income	1,662,897	-	1,662,897	1	-
Total Revenue	2,051,650	500,000	1,551,650		32,000,000
<u>Expense</u>					
Salaries and Benefits	149,064	202,928	53,864	2	1,022,994
Program Other Direct	171,249	107,849	(63,399)	3	514,095
Allocated Indirect Overhead	14,974	36,865	21,891	4	221,190
Professional Fees - CSF Admin Support	63,317	63,317	-		379,902
Professional Fees - Contractors	7,486	8,000	514		48,000
Total Expense	406,090	418,959	12,870		2,186,180
Net Income (Loss)	1,645,560	81,041	1,564,520		29,813,820
<u>Scholarships</u>					
Scholarship Expenses	3,606,947	3,670,702	63,756		12,235,674

WSOS Income Statement

Notes to the Financials

1. Unrealized gains from investment held at WSIB. We don't budget or estimate gains and losses from investments.
2. Salary expense of \$40k represents timing, the remaining amount represents an unfilled position.
3. Honorarium and travel expenses of \$28k not captured in the budget.
4. Promotional expenses for Opportunity Talks and other program related expenses budgeted to an indirect expense account but charges recorded to direct expense accounts. Reclassification will correct variance.

WSOS Cash Flow

Washington State Opportunity Scholarship

Cash Flow Summary

Inception-To-Date

August 31, 2016

Inception - August 31, 2016			
	Scholarship	Endowment	Total
<u>CASH FLOW</u>			
Cash Inflow:			
Boeing	12,500,000	12,500,000	25,000,000
Microsoft	27,500,000	-	27,500,000
Other Private	15,672,808	1,015,578	16,688,386
State	40,354,000	10,000,000	50,354,000
Investment Income	2,195,505	949,773	3,145,278
Total Cash Inflows	98,222,313	24,465,351	122,687,664
Cash Outflow:			
Scholarships	(30,289,882)	-	(30,289,882)
Program Expenses	(6,990,730)	(29,119)	(7,019,849)
Total Cash Outflows	(37,280,613)	(29,119)	(37,309,732)
Net Cash Flow Inception-To-Date & Balance of Cash & Investments August 31, 2016	60,941,701	24,436,232	85,377,932
WSOS US Bank Account	12,453,324	-	12,453,324
Oppenheimer Account	10,728	632	11,360
Balance per WSIB August 31, 2016	48,477,649	24,435,599	72,913,248

EXECUTIVE SESSION

November 1, 2016