



WASHINGTON STATE

OPPORTUNITY

SCHOLARSHIP

December 19, 2012



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OPPORTUNITY

SCHOLARSHIP

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Washington State Opportunity Scholarship

Board Meeting

December 19, 2012

AGENDA

1. Call to Order and Approve Minutes – Brad Smith
2. December 5th Event at WSU Vancouver-Mack Hogans
3. Fundraising – Brad Smith
4. WSOS Pipeline and College Supports Strategy Proposal –Deborah Wilds
5. Investment Committee- Bob Craves and Joe Gaffney
6. Opportunity Expansion Program – Representative Ross Hunter
7. Legislative Strategy – Susan Pollack and Anne Fennessy
8. Other
 - a. Approved Majors for 2013-2014
 - b. Interagency Agreement
 - c. Statute Changes



Washington State Opportunity Scholarship Board Meeting

October 15, 2012

Minutes

The Board of Directors meeting of the Washington State Opportunity Scholarship (WSOS) was called to order at 2:07 p.m. on October 15, 2012 at Microsoft headquarters in Redmond, Washington.

Board members present: Brad Smith, Terry Gillespie, Kimberly Harris, Mack Hogans, and Jim Sinegal. This constituted a quorum.

Additional attendees: John Bowden, Jane Broom, Sue Byers, Bob Craves, Eric Whitacker, John Hoyt, Leslie Goldstein, Susan Pollack, Rebecca Swartz, Sam Whiting, and Deborah Wilds.

1. Meeting Called to Order

Brad Smith welcomed everyone and introductions were made. Mack Hogans moved the minutes of the July 9, 2012 meeting be approved with the removal of the WSOS Selected Students heading. Kimberly Harris seconded the motion. The motion was unanimously approved.

2. Updates on Olympia and Legislative Meetings

Dave Stoler discussed the *McCleary v. Washington* case. The lawsuit asked the courts to order the State of Washington to fulfill its *paramount* constitutional duty to make *ample* provision for the education of *all* Washington children. The Supreme Court found the State had failed to adequately fund the 'education' requirement of Article IX, section 1. The Supreme Court retained oversight/jurisdiction until all conditions are met.

WSOS held a series of legislative meetings in August. There were two objectives to the meetings: provide an update on WSOS and ask for feedback on the white paper. Legislators liked the white paper and agreed it would be better to increase the scholarship dollar amount, rather than the number of students. Other comments were offered around "wrap around services", discussions on K-12 services and the outlook for education.

3. Scholarship Model

Deborah Wilds led a discussion on the scholarship model. Wilds and Susan Pollack met with board members individually prior to the meeting to explain the new model which will increase in dollar amount over time, awarding scholarships at a higher value. Additionally, students will not have to reapply. The number of scholarships will remain stable at 3,000. The scholarship will scale up over time to level funding, with the long term goal of \$5,000 for five years. The new amount will increase when students are juniors and seniors to \$5,000 until 2016. In 2017, the amount will increase to \$5,000 for all levels. Research shows that the larger dollar amount of \$5,000 will meet the unmet need of current students. This is a conservative approach to obtain the goal of \$5,000 per year for all 3,000 students. John McDowell shared a budget model showing how much money needs to be raised by private donors to sustain the new scholarship model. Hogans moved the new award amounts of \$1,000 for freshmen, \$1,000 for sophomores,

\$5,000 for juniors, \$5,000 for seniors, with an additional \$5,000 for the fifth year if needed, for 3,000 students be approved, including an increase of Cohort 1 amounts to match the new Cohort 2. Jim Sinegal seconded the motion. The motion was unanimously approved.

4. Outreach

Pollack introduced John Hoyt from Pyramid Communications. Pyramid and Cocker Fennessy LLC will be jointly supporting WSOS in outreach. Cocker Fennessy will lead the government relations portion of the outreach, and Pyramid will work on the events and marketing piece. Pyramid is working on five possible events and would like a minimum of one board member to attend each one. The goal of these events is to build the profile of WSOS in order to solidify and grow support with key audiences (donors, legislators, college leadership and media) and build a sense of community within scholarship recipients.

Jerry Grinstein moved the communications budget be approved, and Hogans seconded the motion. The motion was unanimously approved.

5. Fundraising

Smith showed the board a fundraising pyramid demonstrating what needs to be raised by donors/investors to meet the long-term goal of the scholarship if WSOS receives the 50% state matching money. Smith believes making the change to the new scholarship model this year will make it easier to show donors and legislators the impact the scholarship has on the students. The board discussed how the board will raise the additional money.

6. Investment Policy

The Board discussed the importance of having an investment policy in place. This policy will also show investors and donors how donations are being managed. Joe Gaffney suggested a subcommittee of three board members and some outside individuals. The goal is to have a draft for the December 19th board meeting. Smith proposed two or three board members on the subcommittee, along with four others for a total of six or seven.

Respectfully submitted,
Rebecca Swartz

Washington State Opportunity Scholarship Program

Income Statements

Inception July 1, 2011 through December 31, 2012

	Total Projected Eighteen Months July 2011 Inception -- December 2012	Budget Eighteen Months July 2011 Inception -- December 2012	Actual vs Budget July 2011 Inception -- December 2012
	Actual	Budget	Variance
<u>Scholarship Revenue</u>			
Scholarship GAAP Revenue	\$ 55,001,550	\$ 25,000,000	\$ 30,001,550
Scholarship Expense: (Note B)	<u>(22,972,595)</u>	<u>(7,468,804)</u>	<u>\$ (15,503,791)</u>
Total Scholarship Net Revenue	32,028,955	17,531,196	14,497,759
<u>Program Expenses</u>			
Professional Fees	<u>1,205,247</u>	<u>1,205,247</u>	<u>-</u>
Total Program Expense	<u>1,205,247</u>	<u>1,205,247</u>	<u>-</u>
Net Surplus (Deficit)	30,823,708	16,325,949	14,497,759
Investment Income	<u>12,871</u>	<u>47,271</u>	<u>(34,400)</u>
Total Net Surplus	<u>\$ 30,836,579</u>	<u>\$ 16,373,220</u>	<u>\$ 14,463,359</u>

Note B

Scholarship Expense of \$22,972,595 is the accrual of the total amount of scholarships awarded to Cohort #1 students in 2012.

Washington State Opportunity Scholarship Program

Comparative Balance Sheets

Projected as of December 31, 2012 and Actual June 30, 2012

	<u>As of</u>	
	<u>Projected 12/31/2012</u>	<u>6/30/2012</u>
<u>Assets</u>		
Cash	\$ 5,048,509	\$ 5,001,067
Investments	15,923,288	14,666,250
Accounts Receivable	30,000,680	-
Total Assets	\$ 50,972,477	\$ 19,667,317
<u>Liabilities and Net Assets</u>		
<u>Liabilities</u>		
Accounts Payable	\$ 78,965	\$ 394,772
Scholarship Commitments: (Note A)	20,056,933	-
Total Liabilities	20,135,898	394,772
<u>Net Assets</u>		
Temporarily Restricted Net Assets	5,835,804	11,772,545
Permanently Restricted Net Assets	25,000,775	7,500,000
Total Net Assets	30,836,579	19,272,545
Total Liabilities and Net Assets	\$ 50,972,477	\$ 19,667,317

Note A

Scholarship Commitments of \$20,056,933 is the total amount of scholarships awarded to Cohort #1 students of \$22,972,595 less the net amount paid through December 31, 2012 as scholarships of \$2,915,662.

Washington State Opportunity Scholarship Program

Contribution Revenue

Scholarship vs Endowment

Inception July 1, 2011 through December 31, 2012

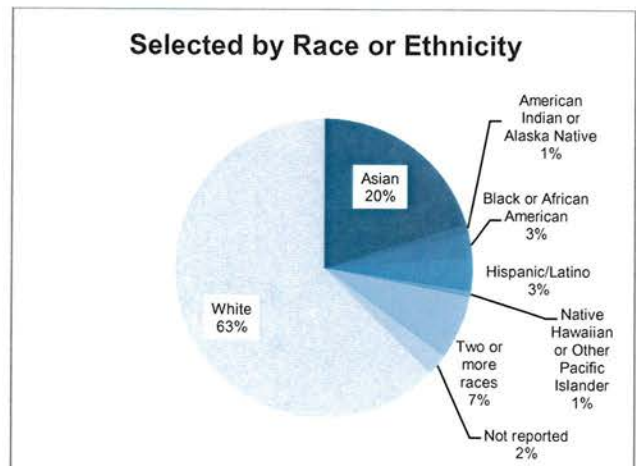
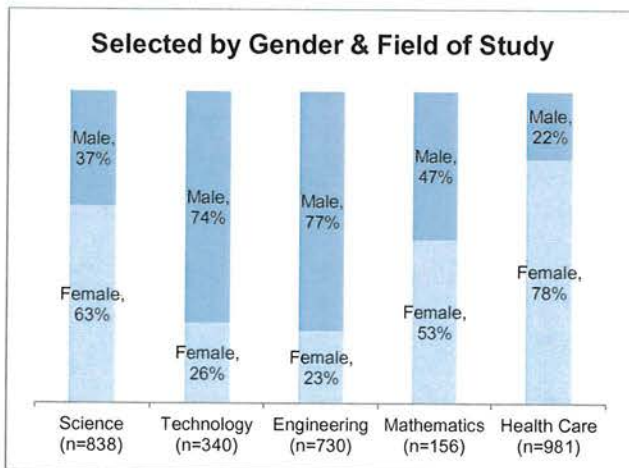
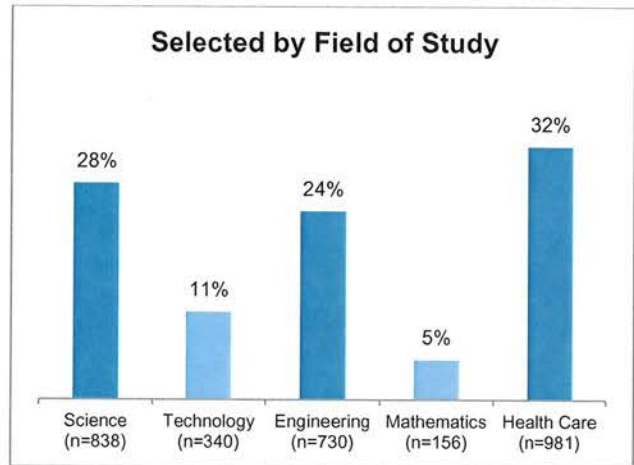
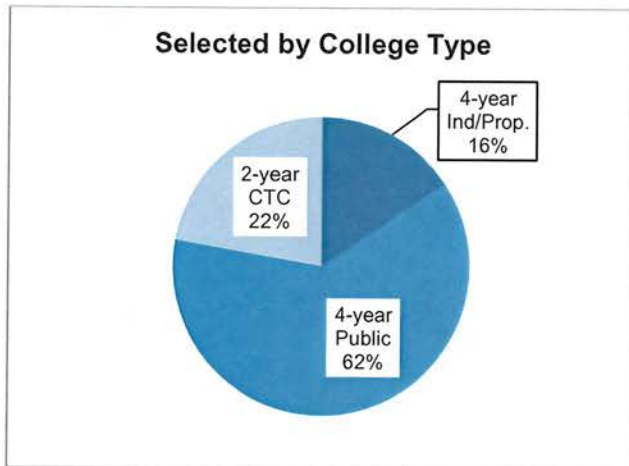
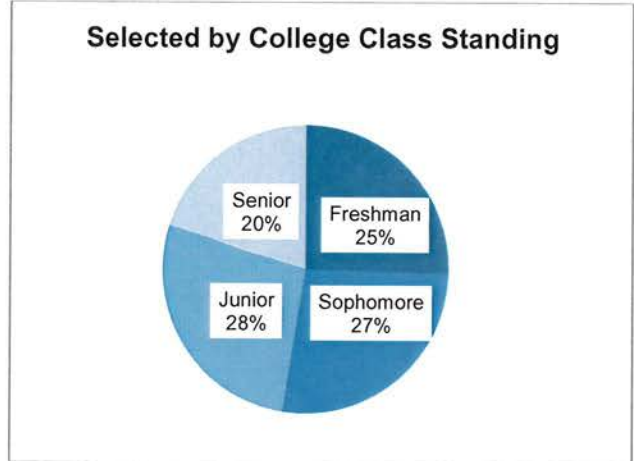
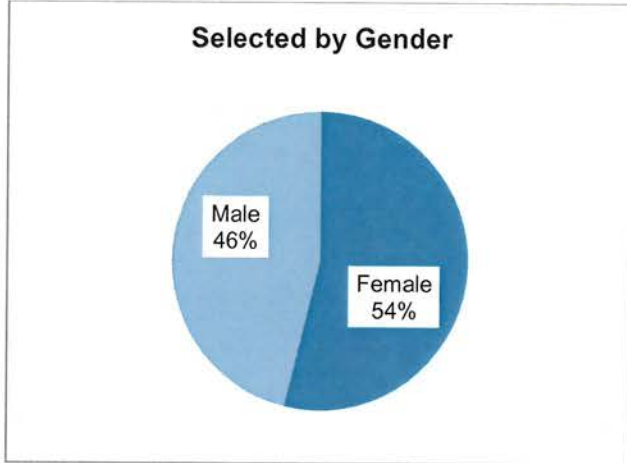
	<u>Year</u>	<u>Scholarship Fund</u>	<u>Endowment Fund</u>	<u>Total</u>
<u>Private Revenue: Cash Received</u>				
Microsoft	2011	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000
Boeing	2011	2,500,000	2,500,000	5,000,000
Other	2011	-	-	-
Total Private 2011 Revenue		5,000,000	5,000,000	10,000,000
Microsoft	2012	2,500,000	2,500,000	5,000,000
Boeing	2012	2,500,000	2,500,000	5,000,000
Other	2012	435	435	870
Total Private 2012 Revenue		5,000,435	5,000,435	10,000,870
<u>Private Revenue: Pledges Receivable O/S</u>				
Microsoft Remaining Pledge	2012	7,500,000	7,500,000	15,000,000
Boeing Remaining Pledge	2012	7,500,000	7,500,000	15,000,000
Other Remaining Pledge	2012	340	340	680
Total Private 2012 Pledge Revenue O/S		15,000,340	15,000,340	30,000,680
Total Cumulative Private Revenue	12-31-2012	25,000,775	25,000,775	50,001,550
<u>Public Revenue: Cash Received</u>				
State of Washington	2011	-	-	-
State of Washington (initial \$5,000,000)	2012	5,000,000	-	5,000,000
Total Cumulative Public Revenue	12-31-2012	5,000,000	-	5,000,000
Total Recorded Revenue	12-31-2012	\$ 30,000,775	\$ 25,000,775	\$ 55,001,550
Total Contingent State Matching Fund Revenue Not Yet Recorded (Note C)	12-31-2012	\$ 20,000,775	\$ 25,000,775	\$ 45,001,550
Total Private and Public Recorded plus Contingent State Matching Fund Revenue Not Yet Recorded	12-31-2012	\$ 50,001,550	\$ 50,001,550	\$ 100,003,100

Note C

"Total Contingent State Matching Revenue Not Yet Recorded" will be recorded when certain State of Washington tax revenues exceed by ten percent the amounts collected from these taxes for the fiscal year ended June 30, 2008.

Final Selects as of September 24, 2012

Submitted Applications: 5,690
 Final Selects: 3,045



The Seattle Times

Winner of a 2012 Pulitzer Prize

Local News

Value of public-private scholarships to increase to \$5,000 from \$1,000

Next school year, nearly 1,900 Washington students will get \$5,000 scholarships to pursue degrees in science, technology, engineering, math and health care.

By [Katherine Long](#)

Seattle Times higher education reporter

One of the easiest scholarships for Washington students to win has become a lot more lucrative, as well.

Starting next school year, nearly 1,900 juniors, seniors and fifth-year students who receive the renewable Washington Opportunity Scholarship will get a check for \$5,000 — five times the amount the scholarship is worth this school year.

"It was unexpected," said Nemer Tello, a junior studying neuroscience at Washington State University, who learned yesterday that he was going to get a bigger check next year. "I won't have to be so stressed about having to pay rent and buy food."

The scholarship is for Washington residents studying at in-state institutions who are majoring in science, technology, engineering, math — often called STEM — and health-care fields, and who meet an income threshold that's considered low- to middle-income — up to \$102,200 for a family of four. Its aim is to encourage more students to go into those high-paying, high-demand fields.

It may be especially important to middle-income families, who often don't qualify for financial-aid programs and must rely instead on loans, especially as tuition has risen so dramatically.

Freshmen and sophomore scholarship winners will receive the smaller \$1,000 award. Because it's renewable, and can be used for up to five years of college, the value of the scholarship could be as much as \$17,000 for a student who receives the award as a freshman and takes a fifth year to graduate.

"It's terrific," said state Rep. Ross Hunter, D-Medina, of the award expansion. "The IQ of kids isn't determined by their family income — if they can imagine they can go to college, they've got more motivation."

It's also one of the easiest scholarships to get, with no essay requirement. Students must have a 2.75 grade-point average and fill out the Federal Application for Free Student Aid.

The scholarship was designed to be available to a broad range of students because "looking for scholarships today is a bit like engaging in a scavenger hunt," said Brad Smith, executive vice president and general counsel for Microsoft. Smith is a member of the Opportunity Scholarship Board, which oversees the program.

Most of the scholarship money comes from Microsoft and Boeing, which together have contributed \$50 million. The state has contributed \$5 million.

Smith said the board decided to boost the scholarship size so that the money would have greater impact. "This is a number that will not only help current students pay for college, but inspire future students to focus on STEM," he said.

Some research shows that students are at greatest risk of dropping out midway through college, after several years of tuition and living expenses take a toll on savings or require more loans.

Tello, the WSU neuroscience student, said that's what happened to his older sister, who dropped out of Central Washington University after two years and debts totaling \$20,000. Tello, who has a \$4,500 loan and also works 60 hours a month, hopes the extra scholarship money will help him avoid taking on more debt. He would be the first in his family to complete a four-year degree.

Sam Lim, a University of Washington graduate and the founder of Scholarship Junkies, a nonprofit that helps students apply for scholarships, called the increase phenomenal, saying he could not think of another Washington scholarship program with such a broad reach.

It's especially helpful for students who don't quite qualify for financial aid, he said. "We're seeing that middle-income students and families have really gotten the squeeze as tuition has gone up."

Legislation passed in 2011 created the public-private Opportunity Scholarship, and Smith and others set a goal of raising \$1 billion by the end of the decade for a scholarship endowment. Under the terms of the program, the state will begin matching private donations after state revenue collections reach a certain threshold, or in 2014, whichever is later.

Smith hinted that the Opportunity Scholarship Board would raise more private money soon, but did not offer specifics.

"What that board needs to do now is shake down people for money," said Hunter, adding, "There's a reason the business community is in on this — the high-tech community needs these graduates."

Washington Opportunity Scholarship

Who qualifies: Students must be residents of Washington, have at least a 2.75 grade-point average, be majoring or planning to major in science, technology, engineering, math or health care, have family income no more than 125 percent of the median family income and fill out the Federal Application for Free Student Aid.

To apply: The application for new awards will be available on Jan. 7, and the deadline is Feb. 18. Students who currently receive the scholarship must renew by July 15. For more information: www.waopportunityscholarship.org

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Editorial: Opportunity Scholarship increase invests in students

A year after Washington teamed up with Microsoft and Boeing to launch the Opportunity Scholarship Program, a plan to increase awards from \$1,000 to \$5,000 is a smart, deeper investment.

Seattle Times Editorial



SOME low- and middle-income students struggling to afford college got a boost last year when the Washington Legislature teamed up with Microsoft and Boeing to create the Washington state Opportunity Scholarship.

The impact was immediate. More than 3,000 students enrolling in high-demand programs such as health care and technology at Washington public universities and colleges received awards of \$1,000.

That amount is being substantially increased, to \$5,000 per award for juniors and seniors. It is a welcome sign of the scholarship program's intent to invest in students. The goal is not only to help students get to college, but also help them stay and earn a college degree. The scholarships are renewable, offering students significant and sustained support throughout their college experience.

This joint public and private effort is a creative model that ought to attract other companies. While Boeing and Microsoft have contributed \$25 million each toward the endowment, the goal is to raise \$1 billion by the end of the decade.

Just as paying for school has many pieces, keeping students in college until they earn a degree requires concerted efforts. The U.S. has the highest college dropout rate in the industrialized world, underscoring the magnitude of the problem.

A Harvard study found that just 56 percent of college students complete four-year degrees within six years. Only 29 percent of those starting two-year degrees finished them within three years, according to the 2011 study, called "Pathways to Prosperity."

These findings are backed by statistics collected by the Organization for Economic Cooperation and Development. The OECD warns that only about one in five young adults in the U.S. reaches a higher level of education than their parents — that's among the lowest rates of upward mobility in the developed world.

The solution lies in understanding why students don't complete college. Not being able to pay for college is the biggest challenge, which points to the value of financial-aid efforts such as the opportunity scholarship program.

The burden of student-loan debt is a related barrier. Students worried about racking up too much debt may be tempted to leave and work. A recent New York Times article alluded to a trend among college students dropping out to become the next Bill Gates or Steve Jobs, both of whom left school before completing a degree.

The reality is two-thirds of future jobs will require some college or career preparation. Students smart enough to believe they can leave college to launch the next Twitter are also smart enough to know they'll need more education eventually.

Local college students happy about increase in opportunity scholarships

Awards go from \$1,000 to \$5,000



Photo by [Zachary Kaufman](#)

Washington State Opportunity Scholarship recipients, from left, Tracy Larson, Benjamin Griffith and Natasha Trachsel learned Wednesday that their annual award will increase fivefold, from \$1,000 to \$5,000, next fall.

By [Susan Parrish](#)
Columbian staff writer

Wednesday, December 5, 2012

For some college students, opportunity grew fivefold Wednesday.

Southwest Washington recipients of the Washington State Opportunity Scholarships gathered at WSU Vancouver on Wednesday to hear the good news that the awards for college juniors and seniors will increase from \$1,000 to \$5,000 for the 2013-2014 school year. That \$4,000 increase is significant in the tight budgets of college students.

It means that Natasha Trachsel, 25, a Vancouver junior majoring in biology, can work just one part-time job instead of multiple jobs. She'll continue working as a scribe in the emergency room at Adventist Medical Center in Portland. But she can give up her second job of teaching computer systems to medical staff at various hospitals.

"I won't have to worry so much about paying the bills," said Trachsel of Vancouver, who plans to apply to medical school in 2014.

That extra \$4,000 means Tracy Larson, 26, a Longview junior studying mechanical engineering at WSU Vancouver, will be able to focus more on her studies instead of cobbling together a living with three part-time jobs.

Four days a week, she spends \$50 to \$60 on gas to commute from Longview to Vancouver. Over two semesters, she spends from \$1,600 to almost \$2,000 on gas to get to school. The extra \$4,000 will pay for all her gas and help toward her other expenses.

Larson, 26, a transfer student from Lower Columbia College, is a single mother who can't work nights and care for her 4-year-old daughter, Zuri. Like most older students, Larson is a head of household and pays for rent, her car and living expenses. She's also a Navy veteran.

"Next year, my G.I. Bill ends," Larson said. "Without scholarships, I couldn't accomplish this."

Larson plans to specialize in hydropower and green technologies.

Benjamin Griffith of Hazel Dell, a senior studying electrical engineering, received a \$1,000 Opportunity Scholarship, which he said paid for his books and traveling expenses this fall. Griffith will graduate before the \$5,000 scholarships are awarded next year.

The \$1,000 Opportunity Scholarship allowed Katie Gonzalez, 35, a computer science student at Clark College, to quit her job to concentrate on her studies and her three children. Her husband, Isaac Gonzalez, is supporting the family. "It's been tough," Gonzalez said, "But the extra \$4,000 will really help when I transfer to WSU Vancouver next fall."

Mack Hogans, a Washington State Opportunity Scholarship board member, made the announcement of the increased awards in a room filled with students, college administrators, legislators, and representatives from Boeing and Microsoft. The two corporations committed a combined \$50 million in a public-private partnership that includes \$5 million from the state. The scholarships are for

Last spring, during its inaugural scholarship round, about 80 WSU Vancouver students -- and almost 3,000 students throughout the state-- received \$1,000 Opportunity Scholarships.

Susan Parrish: 360-735-4515; http://twitter.com/Col_Schools; susan.parrish@columbian.com

WA State Opportunity Scholarship Fundraising Campaign Plan (draft 12/19/12)

Overview

The Washington State Opportunity Scholarship (WSOS) is now benefitting over 3000 low to mid-level income students pursuing STEM and healthcare degrees across Washington State. The scholarship is making a significant difference to students and increasing their likelihood for success. Since its inception in 2011, the WSOS has focused its resources and attention towards building a strong board of directors, designing the scholarship program, awarding its first cohort of students and developing a marketing and communications plan. The initial funding of the program consists of \$50M from Boeing and Microsoft and \$5M from the State of Washington. With these critical components in place, the WSOS now will attend to the fundraising necessary for the program's long-term financial viability.

The Washington State Opportunity Scholarship campaign will aim to raise an additional \$171M in private donations by 2016. The fundraising team has identified the following strategies as keys to meeting that goal.

1. Launch a campaign to inspire and incentivize **employee/alumni -giving** within the community of STEM and health care employees in the state, including Microsoft and Boeing.
2. Seek support for this campaign from philanthropic-oriented **companies** (and their officers) whose future success relies in part on the state's ability to attract and retain STEM talent.
3. Appeal for contributions and matching donations from **high-wealth individuals and their foundations** whose wealth was created directly or enhanced significantly by their affiliation to a STEM industry.
4. Inspire **broad public giving** and volunteerism by connecting individuals directly to students pursuing STEM degrees.
5. Pursue out of state funding via **federal grants and national foundation** grants aimed at improving college completion rates for underrepresented populations pursuing STEM degrees.

In the year ahead, WSOS must prove its value proposition to prospective donors by demonstrating the program's impact on students, colleges and employers.

TABLE 1: WSOS 10 Year Financial Model

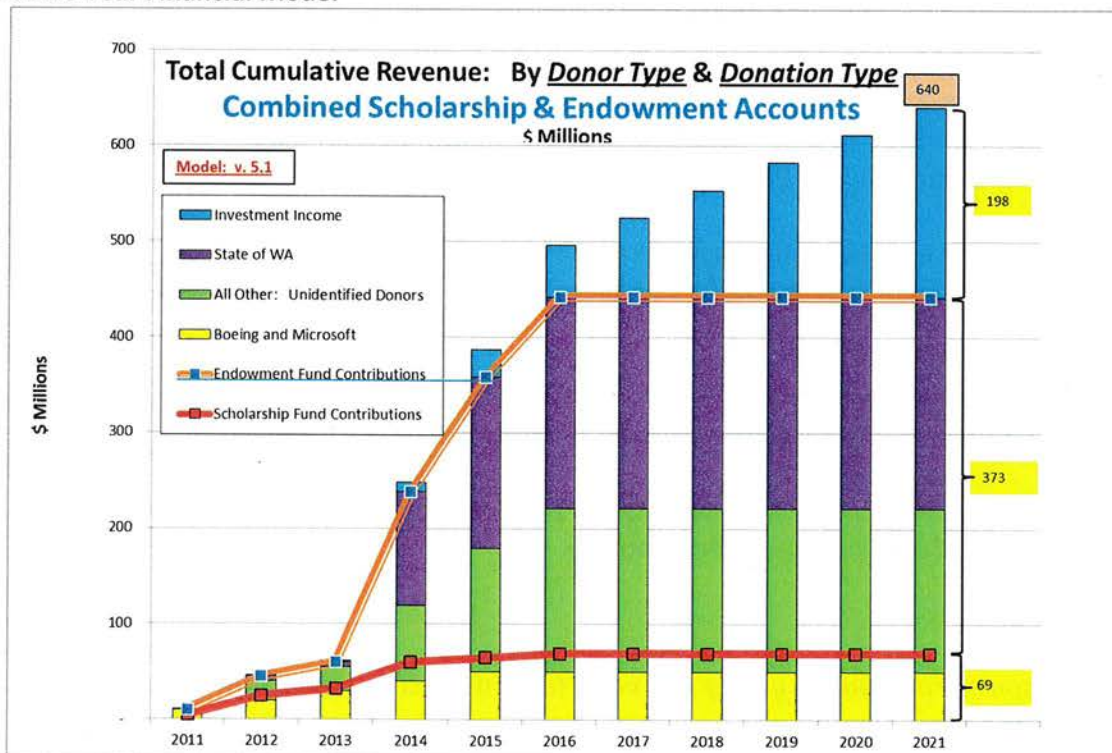


TABLE 2: WSOS Private Fundraising Need - Unidentified By Year

	2012-2013	2014	2015	2016	TOTAL
Total Need (Scholarship Fund + Endowment)	\$25M	\$54M	\$50M	\$42M	\$171M
Scholarship Fund	\$12.5M	\$2.2M	\$2M	\$2M	\$19M
Endowment	\$12.5M	\$52M	\$48M	\$40M	\$152M

TABLE 3: WSOS Private Fundraising – Sample Gift Pyramid

Amount	Prospects	Gifts	Total	Primary Strategies to Apply
\$25 million	4	2	\$50M	1
\$10 million	10	5	\$50M	1,2,5
\$5 million	10	6	\$30M	1,2,5
\$1 million	40	20	\$20M	1,2
\$500,000	60	30	\$15M	1,2
< \$500,00			\$6M	3,4
			\$171M	

What follows is an initial 2013 plan for each of the five core strategies that we see as central to a successful WSOS Fundraising Campaign.

Strategy One: *Launch a campaign to inspire and incentivize employee/alumni -giving within the community of STEM and healthcare employees, including Microsoft and Boeing*

2013 Key activities: A special campaign that will appeal to individuals who work in the STEM and healthcare fields, focusing on the opportunity to help the next generation of Washingtonians pursue careers in these fields. The campaign ideally will involve the Governor and local leaders in these fields to promote the campaign, and will highlight the opportunity for donor funds to be matched by other donors and then by the State.

2013 Results: TBD

Strategy Two: *Appeal to high-wealth individuals whose wealth was created directly or enhanced significantly by their affiliation to a STEM industry, encouraging them in part to help stimulate additional donations by offering to match donations by others.*

2013 Key activities: 6 Direct asks, individuals invited to 1 of the 2 cultivation events

2013 Results: Secure up to \$50M in pledged gifts over time (including asks made to Gates and Ballmer)

Strategy Three: *Target philanthropic-oriented individuals, companies and foundations whose future success relies in part on the state’s ability to attract and retain STEM talent*

2013 Key activities: 6 Direct asks, individuals invited to 1 of the 2 cultivation events

2013 Results: Secure up to \$40M in pledged gifts over time

Strategy Four: *Inspire broad public giving and volunteerism by connecting individuals directly to students pursuing STEM degrees.*

2013 Key activities: Challenges and matches, online campaigns, Microsoft’s Give for Youth

2013 Results: Secure \$250K

Strategy Five: Pursue out of state funding via federal grants and foundation grants aimed at improving college completion rates for underrepresented populations pursuing STEM degrees.

2013 Key Activities: 1 cultivation event in DC, submit applications for next round of RTTT

2013 Results: TBD

The WSOS Campaign Team and Approach

Team (due 1/15/13)

The WSOS Board will ultimately need to determine how to staff and resource the fundraising effort. At a high level, two teams are needed: a team to “plan the work” and a team to “work the plan”. In doing so, the board can consider the unique talents and strengths of those already supporting the WSOS – individual board members, CSF, Pyramid Communications, Cocker Fennessy, board deputies, etc. And in some cases the board may need to contract additional support. Below are suggestions for roles and responsibilities:

The **planning team** is responsible for: setting the overall goals, strategy and plan; overseeing the working team; establishing the value proposition; approving the tone and timeline for major asks; and participating in major asks. Ideally this team is led by a WSOS staff director and includes 1-2 board members and their deputies, a senior development consultant and a communications lead. As an example: Susan Pollack, Brad Smith, *TBH – Consultant*, Pyramid Communications, Jane Broom. This team meets quarterly.

The **working team** is responsible for: developing and executing an action plan; creating fundraising collateral and support materials; sequencing and staffing all major asks; delivering breadth “friendraising/fundraising” activities and events; connecting with online fundraising opportunities; creating incentives and challenge programs; identifying and applying for grants; etc. Ideally this team is led by the same WSOS staff director and includes a senior development consultant, development coordinator, board member deputies, communications and public affairs. As an example: Susan Pollack, *TBH – Consultant*, *TBH – Coordinator*, Jane Broom, Sam Whiting, Pyramid Communications, Cocker Fennessy. This team meets monthly and on an as needed basis.

Starting with the Board (due 2/1/13)

Each board member can help meet the fundraising goals – directly and indirectly. Staff will conduct an opportunity mapping exercise with each board member to help identify a collective view of the depth and breadth of personal/professional relationships with potential WSOS supporters. This exercise will help determine just how much capacity the board/staff have for fundraising and how much additional resources will be required. For example:

Relationship level to board member	Action you are willing to take	# of people
Low – This is a person you’ve met or a company you know	send a personal communication regarding WSOS	
Medium – This is a person you associate with periodically, personally or professionally	Invite this person to an event or make a direct introduction between this person and an WSOS “asker”	
High – This is a friend or close business associate	Make a direct ask for WSOS support	

Very high - This is a friend or close business associate	Make a direct ask for WSOS support and enlist them to get more involved by hosting an event, a challenge, etc.	
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Getting Prepared and Getting Started (complete by 3/1/13)

Material/Activity	Owner	Due Date	Next steps
WSOS – “Donate Now” element on WSOS Site	Dave Sharp	1/15/13	Post vision document; post video testimonial; post student testimonials
WSOS – Donate Now pointer on MSFT Give site	Jane Broom	1/22/13	Market to MS employees
WSOS – Case Study for funders (showcases the scholarship program’s math)	Susan Pollack, Pyramid	2/1/13	Post on WSOS site
Schedule remaining 4 on campus events (2 to include funder cultivation events)	Susan Pollack, Pyramid, Co-Fen	2/1/13	Invitations
WSOS Funder Appeal Kit created	Susan Pollack	2/15/13	For use in 1:1 meetings
WSOS on Microsoft’s Give4Youth Portal	Jane Broom		Broad reach consumer appeal
Brainstorm a Back to School Giving Challenge	Susan Pollack		Employee giving campaign season appeal

Next step: Creating a full 2013 Action Plan (due 3/1/13)

Based on the information gathered in the opportunity mapping exercise and insights/recommendations from the planning team, staff will create an action plan for each campaign strategy and based on the fundraising needs.

Support Strategies for WSOS Scholars

While the Washington State Opportunity Scholarship (WSOS) provides a financial incentive to mitigate the costs of pursuing a STEM degree, there are other barriers affecting the number of students who are interested in STEM fields and who enroll, persist and complete STEM degrees. To address these barriers, the WSOS, partnering with College Success Foundation (CSF), will implement approaches that help to create a more diverse pool of qualified and talented students seeking STEM degrees and build an effective statewide integrated system of supports that are cost efficient, scalable, sustainable and data-driven. This two-pronged strategy will create a system of supports that better attract, retain and graduate more students in high demand STEM fields and help to transition them into initial career opportunities within Washington.

Pipeline Strategies in Middle and High School

We will collaborate with STEM partners to expand and strengthen STEM networks to provide targeted support to underrepresented students (students of color, first generation students, females and low-income students) to increase students' confidence, interest and preparation in STEM.

These strategies will allow for more underrepresented students to be involved in programs that motivate students to explore STEM, while making real-world connections with what they learn in the classroom and having real-life STEM role models, thus improving academic achievement and interest in STEM courses. Ultimately, more qualified underrepresented students will apply for and be awarded the WSOS to continue encouraging students to enroll and persist in STEM majors.

Middle and High School Strategies

- **STEM Awareness:** Conduct a STEM awareness campaign and advocate for STEM education effectiveness
- **STEM Experiential Learning:** Enhance authentic STEM-focused learning experiences
- **Transition Support:** Provide transition supports from high school to college

College and Career Supports

Persistence and retention in STEM majors is a concern for all students, especially those who are traditionally underrepresented in STEM fields. We will leverage relationships with colleges, universities and existing STEM-related programs to ensure WSOS Scholars are receiving additional academic and career support when necessary. We will partner with STEM businesses and professionals to provide experiential education opportunities and career guidance.

By providing support and increased exposure to job opportunities and experiences in STEM fields, we will significantly increase the number of students who earn bachelor's degrees in STEM fields.

College-Level Strategies

- **Environmental Scan:** Assess the needs and interests of WSOS Scholars and identify college-level STEM-focused programs and organizations that exist on campuses
- **Academic Supports:** Connect WSOS Scholars to academic supports and mentorship opportunities through colleges, STEM partners and businesses at the local level
- **Career Exploration:** Connect WSOS Scholars to internship opportunities through colleges, STEM partners and businesses at the local level

Timeline

Pipeline Supports in Middle and High Schools

Year One

- Recruit underrepresented students for the WSOS
- Conduct environmental scan to identify existing pre-college STEM-related programs
- Conduct baseline analysis of student interest in STEM
- Launch STEM awareness campaign
- Build collaborations with STEM-related programs
- Leverage WCAN and other college access programs to integrate STEM themes

Year Two

- Evaluate the impact of first year strategies
- Connect students to STEM-related programs
- Scale up level of supports to include more students and more opportunities

College and Career Supports

Year One

- Conduct environmental scan to identify existing STEM-related programs at the college level
- Assess WSOS Cohort 1 Scholars' support needs and interest
- Ensure WSOS Scholars are receiving necessary academic supports
- Build relationships with STEM-related businesses and programs
- Develop and implement framework for mentorship program
- Develop and implement framework for internship program
- Connect WSOS Cohort 1 and Cohort 2 Scholars to STEM-related businesses and programs

Year Two

- Evaluate the impact of first year strategies
- Scale-up level of supports to include more students and more opportunities

Partnerships

CSF's strategies are focused on working with students, families, business and community partners, colleges, universities and K-12 school districts to establish an integrated system of supports to build interest, engagement and confidence in STEM. Through this work, we will build an effective statewide system of supports for students. Washington STEM will be a critical partner in this work. Washington STEM is a leader focused on advancing excellence, equity and innovation in STEM education. We will work closely with Washington STEM to leverage their regional STEM networks to build relationships throughout the STEM arena, while leveraging our relationships with students, families, and business and community partners to make STEM connections and increase STEM awareness.

CSF will leverage existing relationships with colleges and universities to support WSOS Scholars to increase persistence, retention, and degree obtainment. We will also collaborate with K-12 school districts to ensure underrepresented students are receiving intensive supports to increase the diversity of qualified students interested in STEM fields.

The Washington College Access Network (WCAN) works with 90 school districts across the state through regional college access networks. These networks are comprised of youth-serving organizations, college access providers, K-12 school and district staff and college staff. We will leverage these relationships to expand the involvement and membership of regional STEM networks to include non-STEM-related organizations, while strengthening regional college access networks by including a deliberate STEM theme in their existing programs. Other partners in this work may include STEM businesses and supporting suppliers; STEM programs and organizations such as MESA, the Pacific Northwest National Laboratory, the Institute for Systems Biology, Batelle, NConnect, STEMConnect and EnVision; the Workforce Development Council, Centers of Excellence, Chambers of Commerce, Junior Achievement Councils; and others.

Indicators and Evaluation of Success

All indicators will measure success within targeted populations to increase the number of underrepresented students in each stage of the pipeline. Baseline data for indicators, including but not limited to the number and percentage of students who apply for and/or receive the WSOS and the number of STEM internships available to students, will be collected throughout Year 1. The impact of the first year strategies will be evaluated at the beginning of Year 2 to measure success. It is pertinent that the results of the evaluation are carefully analyzed to determine necessary improvements to better develop the overall work plan and individual strategies and activities to better meet the needs of students and to stay on target to meeting the overall goal.

Budget

January – June 2013
(Six months to the End of Current Contract)

Personnel - 2.0 FTE [six months] (salary & benefits)	\$ 75,000
▪ 1.0 FTE Sr. Program Officer, STEM Outreach	
▪ 1.0 FTE Program Officer, Academic & Mentoring Supports	
Direct Program Support	
Pipeline Strategies	\$ 30,000
STEM Awareness, STEM Experiential Learning, Transition Support (i.e., workshops, career exploration, STEM network workshops/conference,)	
College and Career Support	\$ 30,000
Career Exploration (i.e., workshops, career exploration, Platform development for internship/mentorship management)	
Evaluation	\$ 15,000
Establish benchmarks, Analysis, Environmental Scan (Third Party Support)	
Total Program Personnel and Program Support Budget	<u>\$ 150,000</u>
Indirect (15%)	<u>\$ 22,500</u>
	\$ 172,500

Abstract

In addition to administering the Washington State Opportunity Scholarship program, the College Success Foundation (CSF) is charged with helping identify institutional capacity issues affecting the production of four-year degrees in high-demand fields, specifically healthcare and STEM. As part of the preparation of a plan to mitigate these challenges, CSF engaged economic and workforce consulting firm, TIP Strategies, to conduct a pilot study. The pilot study was designed to explore institutional capacity issues within a single field of study. The study combined an analysis of available data with personal interviews to help define the issues affecting degree production.

Given its importance to a range of industries, computer science was selected as the initial target of this work. TIP Strategies analyzed three years of published data to identify the state's top institutions with regard to the production of four-year degrees in computer science-related fields (CIP Code 11). To help understand issues surrounding transfer from a two-year to a four-year program, three top producers of associate-level awards were also selected for interview. For each of the institutions selected, CSF staff identified a representative in the school's computer science or information technology department who could speak to programmatic concerns, as well as an individual in the institution's data-collection arm that could provide the big-picture view. At least one interview was completed at each of the 13 institutions. Findings from the pilot study will be used to inform the development of methodology for continued study of other STEM and healthcare areas.

Each interviewee was asked how capacity was measured at their institution. Interviewees took a qualitative approach to this question. Virtually all responded with their views on their institution's ability to meet student demand and the barriers to degree production generally. In fact, when pressed, few had any hard data regarding enrollment or admissions to their specific program. With the exception of the state's Tier 1 research institutions, which report turning away as many as three-quarters of qualified applicants in computer science, most respondents indicated their school is currently able to meet student demand. However, respondents across the board expressed concern that growing demand, coupled with budgetary constraints, would soon force them to turn away qualified applicants.

The interviews point to a range of issues affecting degree production. While financial pressures were mentioned by some interviewees, the most common challenge identified was student readiness. In particular, student deficiencies in mathematics were cited as a primary factor affecting degree production. A lack of adequate student support services was also seen as a barrier to success. Some factors, such as the role of faculty, varied according to the type of institution. For research institutions, a tenure and promotion system which emphasizes upper-level research has the unintended consequence of effectively limiting the time faculty spends with undergraduates. Among comprehensive institutions, the lack of funding for faculty positions is a critical barrier to expanding capacity. At the two-year level, the pay-scale system may make it harder to recruit well-qualified teachers. This challenge, coupled with the fact that students often lose significant credit hours when transferring, contributes to the difficulties in moving students to a four-year program. Possible solutions suggested by interviewees include funding programs designed to improve math proficiency in high school students, providing mentoring and advising support to students throughout their college career, and encouraging private-sector "loans" of faculty.

OPPORTUNITY SCHOLARSHIP ENDOWMENT FUND

STATEMENT OF INVESTMENT OBJECTIVES AND POLICY

(November 29, 2012)

A. INTRODUCTION

1. The Opportunity Scholarship Act, RCW 28(b).145 (hereafter referred to as the “Act”) was enacted by the Washington legislature to assist low income and middle income students and invest in high employer demand programs. The Act established the Washington State Opportunity Scholarship Board, hereinafter referred to as the “Board” with members appointed by the Governor to provide oversight and guidance for the Opportunity Scholarship and Opportunity Expansion programs. In accordance with the Act, the Board appointed the College Success Foundation as the Program Administrator. The Act mandates the establishment of the Opportunity Scholarship Endowment Fund (herein referred to as the “OSEF”) to receive contributions as an endowed scholarship fund. The Board is responsible for overseeing the investment of all funds contributed to the OSEF.
2. This Statement of Investment Objectives and Policy (the “Policy”) governs the investment of assets held in the OSEF.
3. Because the OSEF expects to operate in perpetuity, wise stewardship of the funds entrusted to it is essential to the OSEF’s mission.
4. This Policy is set forth in order that the Board, investment managers, donors, and beneficiaries may be made aware of the Policy of the Board with regard to the investment of the Fund’s assets, including the investment objectives, expectations and requirements of the OSEF’s Board with respect to the ongoing management of all OSEF assets.
5. All Investment Managers, shall be provided with a copy of and shall agree to adhere to this Policy as a condition of engagement.

B. INVESTMENT COMMITTEE

The Board shall set all broad policies of the OSEF consistent with the Act and all laws, rules, and regulations and all subsequent amendments thereto. The Board shall appoint the Investment Committee to carry out these policies and monitor asset allocation and investment performance as well as the selection and evaluation of the Funds’ investment managers.

The Investment Committee and its Chair will be appointed by the Board. It will be composed of no less than seven (7) members, including at least three (3) members of the Board. Remaining committee members shall be selected from individuals in the

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regional business community that evidence some combination of investment, finance, legal, accounting, banking, non-profit governance, and higher education experience. The Chair of the Board and the Chief Executive Officer of the Program Administration shall be *ex-officio* nonvoting members of the Investment Committee, and are not included in the count of seven (7) committee members. Any and all decisions made by the Investment Committee require a majority vote of those members present and a quorum of more than 50% of the committee members, including at least one (1) member of the Board being present and able to vote on any given action. A quorum is 50% of the *non ex-officio* members in attendance.

Terms of service shall begin January 1 of the initial year and will end on December 31 of the concluding year. The term of committee membership is four (4) years, except as provided below to allow for staggered terms.

Whenever necessary to safeguard the continuity of the Investment Committee, members may be appointed to initial terms of less than four (4) years. Committee members shall be eligible to serve two (2) subsequent four (4)-year terms after their initial term. Members whose terms expire may be eligible for reappointment to the Investment Committee after a period of at least two (2) years separation from the Investment Committee.

Direct conflicts of interest with members of the Investment Committee should be avoided. In the event that the committee considers managers, investments, or any business relationship with an organization with which a committee member has any conflict or appearance of conflict, the committee member shall recuse himself or herself from participating in any related portion of the committee's deliberations. Committee members are under no obligation to provide any investment or business opportunity to the Investment Committee.

The Investment Committee may receive assistance in performing these duties from external investment managers; however, the Investment Committee has the ultimate responsibility to hire, retain, or dismiss all investment managers, consultants, custodian banks, and others who may provide services to the OSEF. All of the decisions of the Investment Committee shall be promptly communicated in writing to the Chair of the Board and the Chief Executive Officer of the Program Administration for implementation.

C. FINANCIAL OBJECTIVES

1. To provide permanent funding for endowed scholarship and other programs.
2. To maintain the purchasing power of the OSEF after spending and inflation. The objective of preserving purchasing power emphasizes the need to take a long-term perspective in formulating spending and investment policies.
3. To implement a spending policy that provides a predictable and stable source of income for endowed scholarship programs.

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4. To provide a maximum level of return consistent with prudent risk levels. This objective assumes the construction of a global, equity-oriented, diversified portfolio coupled with active risk management.

D. ENDOWMENT FUND SPENDING POLICY

1. The purpose of the OSEF as a true endowment is to provide a perpetual source of restricted funding for scholarships and other endowed programs. The purpose of the OSEF with respect to quasi-endowments is to provide a perpetual source of operating support for Board's specified activities, including for the operating budget. The OSEF's spending policy allocates total earnings from the portfolio between current spending and reinvestment for future earnings.
2. The spending policy should be designed (1) to preserve the purchasing power of the endowment spending withdrawals, and (2) provide a small increment of endowment growth in excess of inflation.
3. Current, OSEF uses a spending policy (i.e., spending per unit divided by an average of the trailing 12 quarters of net asset values per unit) of 4.0 percent. The Investment Committee will periodically review the policy and, when appropriate, make recommendations to the Board in light of these objectives.

E. INVESTMENT PHILOSOPHY

The investment of the OSEF is based on a set of beliefs and practices:

1. Invest for the long term
 - a. Preserve capital for use by future generations
 - b. Focus on asset allocation as the primary determinant of return
 - c. Avoid short-term speculative activity
 - d. Accept illiquidity if justified by higher alpha
2. Build a well-diversified portfolio
 - a. Limit risk by combining uncorrelated strategies
 - b. Maintain meaningful exposure to major capital markets
 - c. Permit reasonably concentrated positions where conviction is high
3. Take advantage of global market inefficiencies
 - a. Invest primarily with active managers
 - b. Use indexed and enhanced indexed strategies where appropriate

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- c. Prudently allocate certain resources to inefficient or illiquid markets (e.g., venture capital, hedge funds, emerging markets)
- d. Manage portfolio exposures actively in response to changing market conditions

F. INVESTMENT MANAGEMENT STRUCTURE

1. The OSEF assets shall be invested primarily by external investment managers. External investment management firms are selected on the basis of factors including, but not limited to the following:
 - a. Experience of key personnel and succession plan where appropriate
 - b. Consistency in investment approach
 - c. Effectiveness of decision making process
 - d. Assets under management and plans for managing future capacity
 - e. Organizational structure including administration, back office support, risk management and reporting
 - f. Performance record
 - g. Fees
 - h. Firm's ethical and financial viability
2. Equities, (including public and private global equity) real assets, absolute return and bonds will primarily be managed separately. In the interest of diversification, when the size of the equity portion of the portfolio justifies it, portions of it will be placed with managers who have distinct and different investment philosophies. The investment managers have the discretion to manage the assets in their individual portfolios to best achieve the investment objectives and requirements set forth in this policy statement and in their individual investment guidelines.

G. GUIDELINES FOR INVESTMENT OF OSEF ENDOWMENT ASSETS

1. The OSEF includes growth-oriented strategies within the portfolio which are managed in an integrated manner in order to meet the long-term spending objectives of the OSEF and sustain the portfolio in perpetuity.
2. The objective for the OSEF is to outperform, net of commissions and fees, a representative risk-adjusted blend of market indices which reflect the strategic asset allocation of the OSEF. In addition, performance on each sub-category of the OSEF will be monitored against the average return of a universe of active

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managers and/or fund of funds. Performance will be monitored on a regular basis and evaluated over running five (5) and ten (10)-year periods.

3. In recognition of the increasing correlation among asset classes, the OSEF represents a market oriented mix of global developed and emerging markets equity, real estate, commodities, venture capital, private equity and opportunistic investments such as credit securities.
4. The OSEF will be broadly diversified by country, economic sector, industry, number of holdings, number of managers, and other investment characteristics. To achieve its investment objective, the OSEF may contain a mix of actively and passively managed strategies. Direct and derivative investments, commingled funds, private limited partnerships and fund of funds may be used.
5. The real estate portion of the OSEF will be diversified by property type and geography. The OSEF will invest in public and private real estate vehicles both domestically and internationally. Emphasis will be placed on investments in private real estate partnerships employing value-added and opportunistic strategies. Implementation may also include direct investment in real estate. Investments in publicly-traded Real Estate Investment Trusts (“REITS”) will be made primarily to achieve exposure to core real estate.
6. The absolute return strategy will favor investments with a low correlation to broad equity markets. Implementation will be made through direct investments, limited partnerships, or fund-of-funds.
7. The fixed income strategy may contain money market instruments, domestic and foreign government bonds and other high quality investment vehicles with risk/return characteristics consistent with the investment objectives of the OSEF. Grade fixed income securities and derivatives may be used prudently as part of a portfolio if so specified under individual investment manager guidelines.
8. Fixed income managers are expected to employ active management techniques, including maturity, sector and quality considerations. Implementation may also be achieved through passive indices, commingled funds, limited partnerships and fund-of-funds.

H. INVESTMENT MANAGER SELECTION AND PERFORMANCE

1. Manager Selection Criteria

Investment Managers shall be selected by the Investment Committee with appropriate due diligence, including advice and counsel from recommendations from an Investment Consultant if desired. In addition to evaluating a firm’s historical performance record against a variety of appropriate benchmarks, particular emphasis will be placed on a firm’s ethical and financial viability, organizational structure, experience of key personnel, and investment philosophy.

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2. Endowment Performance Evaluation

For purposes of performance measurement, the returns of the OSEF will be measured against a custom benchmark composed of indices that serve as reasonable proxies for the asset classes contained in the policy portfolio. The performance of individual managers within the asset classes may be measured against more specific style or sector indexes as appropriate. The total OSEF is expected to outperform the blended benchmark over periods of five (5) years or more.

Each investment manager will report the following information quarterly: total return net of all commissions and fees, additions and withdrawals from the account, current holdings at cost and market value, and purchases and sales for the quarter. Regular communication concerning investment strategy and outlook is expected. Additionally, managers are required to inform the Investment Committee as soon as practicable of any significant change in firm ownership, acquisitions of other investment managers, material changes to organizational structure, subpoenas received from the SEC or any other regulatory or law enforcement agency or official, notice of any material disciplinary proceedings against the manager instituted by any regulatory agency, departures of key professional personnel, changes of account structure (e.g., number, asset size and account minimums), or changes in the manager's fundamental investment philosophy. The Committee may request that the investment managers be present at periodic meetings to present their portfolios and results.

The Investment Committee will meet once a quarter to review investment results and adherence to investment objectives and guidelines. In advance of these meetings, the Investment Consultant shall provide a written report containing sufficient schedules and narrative to evaluate the performance of the overall OSEF and of the individual managers relative to investment objectives and guidelines.

I. MONITORING OF OBJECTIVES AND RESULTS

1. All objectives and policies are in effect until modified. It is anticipated that changes to the asset allocation targets and ranges will be made infrequently, but as needed, and they will be reviewed by the Investment Committee at least annually.
2. The OSEF portfolios will be monitored on a continual basis for consistency in investment philosophy; return relative to objectives; and investment risk as measured by asset concentrations; exposure to extreme economic conditions; and market volatility. Performance will be reviewed by the Board at least annually. Results will be evaluated over longer time frames including the inception period, running five (5) and ten (10)-year periods, and complete market cycles.



Opportunity Expansion Program

Summary: Creates the Opportunity Expansion Program to Increase Baccalaureate Degrees in High Demand Fields

- Opportunity Expansion Program moneys will be distributed to institutions of higher education that propose programs designed to increase the number of baccalaureate degrees produced in high employer demand and other programs of study.
- These programs must have a strong emphasis on serving students who received their high school diploma or GED in Washington or are adult Washington residents who are returning to school.
- This program will be funded through voluntary contributions of the existing high tech research and development (R&D) tax credits. The Department of Revenue (DOR) reports the amount contributed to the State Treasurer and the Legislature appropriates the funds.

House Bill 2088 Relevant Sections:

Sec. 7. (1) The opportunity expansion program is established.

(2) The opportunity scholarship board shall select institutions of higher education to receive opportunity expansion awards. In so doing, the opportunity scholarship board must:

(a) Solicit, receive, and evaluate proposals from institutions of higher education that are designed to directly increase the number of baccalaureate degrees produced in high employer demand and other programs of study, and that include annual numerical targets for the number of such degrees, with a strong emphasis on serving students who received their high school diploma or GED in Washington or are adult

Washington residents who are returning to school to gain a baccalaureate degree;

(b) Develop criteria for evaluating proposals and awarding funds to the proposals deemed most likely to increase the number of baccalaureate degrees and degrees produced in high employer demand and other programs of study;

(c) Give priority to proposals that include a partnership between public and private partnership entities that leverage additional private funds;

(d) Give priority to proposals that are innovative, efficient, and cost-effective, given the nature and cost of the particular program of study;

(e) Consult and operate in consultation with existing higher education stakeholders, including but not limited to: Faculty, labor, student organizations, and relevant higher education agencies; and

(f) Determine which proposals to improve and accelerate the production of baccalaureate degrees in high employer demand and other programs of study will receive opportunity expansion awards for the following state fiscal year, notify the state treasurer, and announce the awards.

(3) The state treasurer, at the direction of the opportunity scholarship board, must distribute the funds that have been awarded to the institutions of higher education from the opportunity expansion account.

(4) Institutions of higher education receiving awards under this section may not supplant existing general fund state revenues with opportunity expansion awards.

(5) Annually, the office of financial management shall report to the opportunity scholarship board, the governor, and the relevant committees of the legislature regarding the percentage of Washington households with incomes in the middle-income bracket or higher. For purposes of this section, "middle-income bracket" means household incomes between two hundred and five hundred percent of the 2010 federal poverty level, as determined by the United States department of health and human services for a family of four, adjusted annually for inflation.

(6) Annually, the higher education coordinating board must report to the opportunity scholarship board, the governor, and the relevant committees of the legislature regarding the increase in the number of degrees in high employer demand and other programs of study awarded by institutions of higher education over the average of the preceding ten academic years.

(7) In its comprehensive plan, the workforce training and education coordinating board shall include specific strategies to reach the goal of increasing the percentage of Washington households living in the middle-income bracket or higher, as calculated by the office of financial management and developed by the agency or education institution that will lead the strategy.

Sec. 10. A new section is added to chapter 82.32 RCW to read as follows:

A person eligible for the high technology research and development tax credit under RCW 82.04.4452 may contribute all or any portion of the credit to the opportunity expansion account hereby created in the state treasury. The department must create the forms and processes to allow a person to make such an election easily and quickly by means of checking a box. By May 1, 2012, and by May 1st of every year thereafter, the department must report the amount so contributed and certify the amount to the state treasurer. By July 1, 2012, and by July 1st of every year thereafter, the state treasurer must transfer the amount into the opportunity expansion account. Money in the account may only be appropriated for the purposes specified in section 7 of this act.



STEM and Healthcare High Demand Majors for 2013-2014

The STEM majors on the *2013-2014 STEM and Healthcare High Demand Majors* list came from "I.C.E." which is U.S Immigration and Customs Enforcement, a division of Homeland Security. The I.C.E. list was created to instruct international students which STEM majors they must pursue in order to study in the United States.

Also on this list are Healthcare majors. College Success Foundation reviewed these majors to determine all of the possible four-year healthcare majors offered by colleges and universities.

The STEM and Healthcare majors were sent to the Washington State Workforce Training and Education Coordinating Board for their review of those majors that are considered high demand.

The *2013-2014 STEM and Healthcare High Demand Majors* list are those majors that are considered high demand for the State of Washington.

**STEM and Healthcare High Demand Majors
2013-2014**

Major Category	Major SubCategory	Number of Majors
Agriculture, Agriculture Operations, and Related Sciences		
	1.0900 Animal Sciences	8
	1.1100 Plant Sciences	7
	1.1200 Soil Sciences	4
Biological and Biomedical Sciences		
	26.0200 Biochemistry, Biophysics and Molecular Biology	10
	26.9900 Biological and Biomedical Sciences, Other	1
	26.0100 Biology, General	2
	26.1100 Biomathematics, Bioinformatics, and Computational Biology	5
	26.1200 Biotechnology	1
	26.0300 Botany/Plant Biology	5
	26.0400 Cell/Cellular Biology and Anatomical Sciences	6
	26.1300 Ecology, Evolution, Systematics, and Population Biology	11
	26.0800 Genetics	8
	26.0500 Microbiological Sciences and Immunology	8
	26.1400 Molecular Medicine	1
	26.0906 Neurobiology and Neurophysiology	7
	26.1500 Neurobiology and Neurosciences	5
	26.1000 Pharmacology and Toxicology	8
	26.0900 Physiology, Pathology and Related Sciences	5
	26.0700 Zoology/Animal Biology	6
Communications Technologies/Technicians and Support Services		
	11.0100 Computer and Information Sciences, General	5
	11.0200 Computer Programming	4
	11.0700 Computer Science	1
	11.0800 Computer Software and Media Applications	4
	11.0500 Computer Systems Analysis	1
	11.0900 Computer Systems Networking and Telecommunications	1
Education		
	13.1300 Teacher Education and Professional Development, Specific Subject Areas	7
Engineering Technologies and Engineering-Related Fields		
	15.0100 Architectural Engineering Technologies/Technicians	1
	15.0200 Civil Engineering Technologies/Technicians	1
	15.1200 Computer Engineering Technologies/Technicians	4
	15.1000 Construction Engineering Technologies	1
	15.1300 Drafting/Design Engineering Technologies/Technicians	7
	15.0300 Electrical Engineering Technologies/Technicians	4
	15.0400 Electromechanical Instrumentation and Maintenance Technologies/Technicians	6
	15.9900 Engineering Technologies/Technicians, Other	1
	15.1500 Engineering-Related Fields	4
	15.1100 Engineering-Related Technologies	3
	15.0500 Environmental Control Technologies/Technicians	6
	15.0600 Industrial Production Technologies/Technicians	7
	15.0800 Mechanical Engineering Related Technologies/Technicians	2
	15.0900 Mining and Petroleum Technologies/Technicians	3
	15.1600 Nanotechnology	1
	15.1400 Nuclear Engineering Technologies/Technicians	1
	15.0700 Quality Control and Safety Technologies/Technicians	5

**STEM and Healthcare High Demand Majors
2013-2014**

Major Category	Major SubCategory	Number of Majors
Engineering		
	14.0200 Aerospace, Aeronautical and Astronautical Engineering	1
	14.0300 Agricultural Engineering	1
	14.0400 Architectural Engineering	1
	14.4300 Biochemical Engineering	1
	14.4500 Biological/Biosystems Engineering	1
	14.0500 Biomedical/Medical Engineering	1
	14.0600 Ceramic Sciences and Engineering	1
	14.0700 Chemical Engineering	3
	14.0800 Civil Engineering	6
	14.0900 Computer Engineering	4
	14.3300 Construction Engineering	1
	14.1000 Electrical, Electronics and Communications Engineering	4
	14.4100 Electromechanical Engineering	1
	14.4400 Engineering Chemistry	1
	14.0100 Engineering, General	2
	14.9900 Engineering, Other	1
	14.1400 Environmental/Environmental Health Engineering	1
	14.3400 Forest Engineering	1
	14.3900 Geological/Geophysical Engineering	1
	14.3500 Industrial Engineering	1
	14.3600 Manufacturing Engineering	1
	14.1800 Materials Engineering	1
	14.1900 Mechanical Engineering	1
	14.4200 Mechatronics, Robotics, and Automation Engineering	1
	14.2000 Metallurgical Engineering	1
	14.2100 Mining and Mineral Engineering	1
	14.2200 Naval Architecture and Marine Engineering	1
	14.2300 Nuclear Engineering	1
	14.2400 Ocean Engineering	1
	14.3700 Operations Research	1
	14.4000 Paper Science and Engineering	1
	14.2500 Petroleum Engineering	1
	14.3800 Surveying Engineering	1
	14.2700 Systems Engineering	1
	14.2800 Textile Sciences and Engineering	1
Health Professions and Related Programs		
	51.0900 Allied Health Diagnostic, Intervention, and Treatment Professions	1
	51.0600 Dental Support Services and Allied Professions	1
	51.0000 Health Services/Allied Health/Health Sciences, General	1
	51.2700 Medical Illustration and Informatics	2
	51.2000 Pharmacy, Pharmaceutical Sciences, and Administration	11
	51.3800 Registered Nursing, Nursing Administration, Nursing Research and Clinical Nursing	22
	51.2300 Rehabilitation and Therapeutic Professions	2
	51.2500 Veterinary Biomedical and Clinical Sciences	3
	51.2400 Veterinary Medicine	1
Materials Science		
	14.3100 Materials Science	1
Mathematics and Statistics		
	27.0300 Applied Mathematics	6
	27.0100 Mathematics	6
	27.9900 Mathematics and Statistics, Other	1
	27.0500 Statistics	4

**STEM and Healthcare High Demand Majors
2013-2014**

Major Category	Major SubCategory	Number of Majors
Multi/Interdisciplinary Studies		
	30.0100 Biological and Physical Sciences	1
	30.3000 Computational Science	1
	30.2700 Human Biology	1
	30.3100 Human Computer Interaction	1
	30.3200 Marine Sciences	1
	30.0800 Mathematics and Computer Science	1
	30.1800 Natural Sciences	1
Natural Resources and Conservation		
	3.0500 Forestry	3
	3.0100 Natural Resources Conservation and Research	4
	3.0200 Natural Resources Management and Policy	1
	3.0600 Wildlife and Wildlands Science and Management	1
Physical Sciences		
	40.0200 Astronomy and Astrophysics	4
	40.0400 Atmospheric Sciences and Meteorology	5
	40.0500 Chemistry	11
	40.0600 Geological and Earth Sciences/Geosciences	8
	40.1000 Materials Sciences	3
	40.0100 Physical Sciences	1
	40.9900 Physical Sciences, Other	1
	40.0800 Physics	10
Science Technologies/Technicians		
	41.0100 Biology Technician/Biotechnology Laboratory Technician	1
	41.0200 Nuclear and Industrial Radiologic Technologies/Technicians	3
	41.0300 Physical Science Technologies/Technicians	3
	41.9900 Science Technologies/Technicians, Other	1
Total Number of High Demand Majors		366

Washington State Opportunity Scholarship (WSOS) Legislative Communications Strategy Outline

WSOS MISSION	"To ensure that the doors of higher education and the resulting job opportunities in high-demand fields are open to Washington students based on their abilities, interests, commitment and hard work regardless of family income"
LOBBYING STRATEGY	<ul style="list-style-type: none"> • Reinforce WSOS as an investment helping low and middle income students meet their full potential with STEM and healthcare education, as well as strengthening Washington's workforce and economy • Keep legislators aware of WSOS. Provide update of first year • Push for simple/administrative legislative changes (independent public entity, adding members to board without increasing quorum requirement, changing policy on investing money) • Consider funding ask for 2013 or lay groundwork for 2014 request
COMMUNICATIONS STRATEGY	<ul style="list-style-type: none"> • Put a face on the program. Connect legislators to students and families in their districts whose lives are improved by WSOS • Focus audiences on students being served • Emphasize link between access to higher education and good jobs • Highlight the importance of scholarships to raise private and public funding • Have key legislators feel good about the work of WSOS and CSF
AUDIENCES	<ul style="list-style-type: none"> • New governor • Legislative leadership/staff • Education and education funding committees/staff • New legislators • Legislators in districts with scholarship recipients
MESSENGERS	<ul style="list-style-type: none"> • WSOS board members • Lobbyists and CSF staff via briefings • Students via events, video and other materials • Education leaders (college and university leaders and staff)
TACTICS	<ul style="list-style-type: none"> • Hold event in Vancouver to connect WSOS board with students and education leaders • Check in with Higher Ed Committee and legislative leadership late Nov. / early Dec. • Participate in new member briefings (January 2013) • Coordinate 1-2 day Olympia outreach in February 2013 <ul style="list-style-type: none"> ○ Meet with Governor, Speaker, Majority leader ○ Hold a lunch event with Higher Ed Committee members and students/families) ○ Hold campus/media event in Olympia (similar to event in Vancouver) • Provide testimony from Board members to report WSOS progress before committees • Bill signing events? • Accomplishments summaries for e-news
TIMING	<ul style="list-style-type: none"> • Have legislative language developed by Session • Brief new legislators, Governor, staff, caucus in January 2013) • Hold Olympia event in February 2013 • Session (Jan 14-April 28)
MATERIALS	<ul style="list-style-type: none"> • Coordinate with Pyramid to design and update/progress report, video fact sheet, map, PowerPoint/flipbook, e-newsletter, video, etc.

INTERAGENCY AGREEMENT
BETWEEN
THE STATE OF WASHINGTON
OFFICE OF THE ATTORNEY GENERAL
AND
COLLEGE SUCCESS FOUNDATION

THIS AGREEMENT is made and entered into by and between the Office of the Attorney General, hereinafter referred to as "AGO", and the College Success Foundation (CSF) on behalf of, and in its capacity as program administrator for, the Washington State Opportunity Scholarship Board (OSB).

IT IS THE PURPOSE OF THIS AGREEMENT to provide reimbursement to the AGO for expenses it incurs in providing legal services to the OSB, both directly and through its contracted program administrator, CSF.

THEREFORE, IT IS MUTUALLY AGREED THAT:

STATEMENT OF WORK

The AGO shall furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the performance of the work set forth in this agreement.

PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this agreement shall commence October 1, 2012 and end on June 30, 2013, unless terminated sooner as provided herein.

PAYMENT

Compensation for the work provided in accordance with this agreement has been established under the terms of RCW 39.34.130. The costs will be billed at the appropriate AGO legal services billing rate for the staff performing the functions under this agreement. The parties have determined that the cost of accomplishing the work herein will not exceed five thousand two hundred forty dollars \$5,240.00. Costs are based on 0.033 full-time equivalence worth of Attorney FTE. Payment for satisfactory performance of the work shall not exceed this amount unless the parties mutually agree to a higher amount prior to the commencement of any work which will cause the maximum payment to be exceeded. The costs include billable Attorney services of up to \$5,240.00. Paralegal services, travel costs, expert witness and other litigation costs are not included in this agreement.

BILLING PROCEDURE

The AGO shall submit Legal Services invoices to CSF. Payment to the AGO for approved and completed work, will be made by warrant or account transfer by CSF within 30 days of receipt of the invoice. Upon expiration of the Agreement, any claim for payment not already made, shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

RECORDS MAINTENANCE

The parties to this Agreement shall each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the service(s) described herein. These records shall be subject to inspection, review or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

Records and other documents, in any medium, furnished by one party to this agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third parties without first giving notice to the furnishing party and giving it a reasonable opportunity to respond. Each party will utilize reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

AGREEMENT ALTERATIONS AND AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

TERMINATION

Either party may terminate this Agreement upon 30 days' prior written notification to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within 15 working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, agreement terms and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

- a. Applicable state and federal statutes and rules;
- b. Statement of work; and
- c. Any other provisions of the agreement, including materials incorporated by reference.

ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this agreement, and to this end the provisions of this Agreement are declared to be severable.

ALL WRITINGS CONTAINED HEREIN

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

CONTRACT MANAGEMENT

The program manager for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement, unless indicated otherwise.

AGO contact is: David Stolier, Division Chief
Address: PO Box 40100. Olympia, WA 98504-0100
Phone: 360.586.0279.

College Success Foundation contact is: Robert E. Craves, Chairman and CEO
Address: 1605 NW Sammamish Road, Suite 200
Issaquah, WA 98027-5388
Phone: 425-416-2003

IN WITNESS WHEREOF, the parties have executed this Agreement.

State of Washington
Office of the Attorney General

College Success Foundation

Brian Moran
Chief Deputy Attorney General

By: _____
Robert E. Craves
Chairman and CEO

Date: _____

Date: _____

Agreement Approved per RCW 43.10.190.

State of Washington
Office of Financial Management

Stan Marshburn, Director

Date: _____



Washington State Opportunity Scholarship
Legislative Report

November 27, 2012

Submitted by the College Success Foundation

Washington State Opportunity Scholarship Program Administrator



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Washington State Opportunity Scholarship
College Success Foundation Legislative Report

November 27, 2012

Introduction

The Washington State Opportunity Scholarship (WSOS) is designed to help low- and middle-income Washington State residents earn bachelor's degrees in Science, Technology, Engineering, Math and Health Care. Over 3,000 high school seniors through college seniors attending Washington State colleges and universities were selected to receive \$1,000 renewable scholarships beginning in the 2012-13 academic year. Eligible applicants must be Washington State residents, who have or will earn their high school diplomas from a Washington State high school and intend to pursue a bachelor's degree in the Science, Technology, Engineering, Math or Health Care fields from a Washington State college or university. Additionally, eligible applicants must file the Free Application for Student Financial Aid (FAFSA) and demonstrate that their family income is equal to or less than 125% of the Washington State median income, controlling for family size.¹

The College Success Foundation (CSF) was named as the Program Administrator of the WSOS. In this capacity, CSF managed the development of the application design and selection process for the first cohort of students. This involved collaboration with financial aid professionals at colleges and universities, and storage of student data in CSF's in-house data system. CSF oversaw communications to WSOS applicants and managed the scholarship awarding and disbursement process through an electronic database. CSF also provided general support to the WSOS Board. This includes engagement with the Washington Student Achievement Council, higher education institutions in the state and the Joint Legislative Audit and Review Commission who will be completing an evaluation of the program in 2018. CSF also developed and implemented a cohesive marketing and communications strategy for the WSOS. Lastly, CSF provided cash management and investment management of the Scholarship and Endowment Accounts funds and supports fundraising efforts of the WSOS Board.

Prepared by the Program Administrator, this Legislative Report responds to the guidelines in Section 8 of House Bill 2088, Opportunity Scholarship Board filed on June 7, 2011. Appendix A includes a list of WSOS Board members. We first provide a review of the eligible programs of study of the WSOS. The Report then addresses the demographic, gender, socioeconomic, age and regional characteristics of WSOS applicants and participants (scholarship recipients). In the next section of the Legislative Report, we present an overview of institutions attended and programs of study of WSOS participants. The Legislative Report concludes with the current status of WSOS funds.

Sec. 8.1 (a) Which education programs the opportunity scholarship board determined were eligible for purposes of the opportunity scholarship.

The WSOS Board approved the Science, Technology, Engineering, Math and Health Care fields as eligible education programs of study.

Sec. 8.1 (b) The number of applicants for the opportunity scholarship, disaggregated, to the extent possible, by race, ethnicity, gender, county of origin, age, and median family income.

In total, 5,690 students submitted applications for the Washington State Opportunity Scholarship. Of those, 4,506 met the eligibility requirements for the scholarship (i.e., household income at or below 125% of median income based on household size, GPA at or above 2.75 and Washington State residency).

¹ For the 2012-13 application, the eligible family income for a student from a family of four was \$102,200 or less.

Most eligible applicants self-identified as White or Caucasian (61%); 19% as Asian; 7% two or more races; 5% Hispanic or Latino; 4% Black or African American; 2% did not self-report; 1% as American Indian or Alaska Native; and 1% as Native Hawaiian or Other Pacific Islander (Table 1 on the following page). In total, 54% of eligible applicants were female (n = 2,443) and 46% were male (n = 2,063).

Table 1: Race or Ethnicity of Eligible Applicants

Race or Ethnicity	#	%
American Indian or Alaska Native	53	1%
Asian	862	19%
Black or African American	193	4%
Hispanic/Latino	215	5%
Native Hawaiian or Other Pacific Islander	28	1%
Two or more races	328	7%
White	2,740	61%
Not reported	87	2%
Grand Total	4,506	100%

Nearly a third (29%) of eligible applicants indicated a home address in King County; 15% in Pierce County; 9% in Snohomish County; 7% in Clark County; and 7% in Spokane County (See Appendix A).

The majority of eligible applicants (39%) indicated that they were 18-years-old or younger at the scholarship application deadline on April 12, 2012; 35% were 19- to 22-years-old; and 25% were 23-years-old or older (Table 2 below).

Table 2: Age of Eligible Applicants

Age Group	#	%
18 or younger	1,772	39%
19- to 22-years-old	1,598	35%
23 or older	1,129	25%
Unknown	7	0.2%
Grand Total	4,506	100%

The median family income for all eligible applicants (regardless of household size) was \$38,334², while the mean family income for all eligible applicants was \$44,326. Nearly a third of eligible applicants (32%) represent the bottom quartile of 125% median income (controlling for household size); 27% represent the second quartile; 22% the third quartile; and 18% the top quartile (Table 3 on the following page).

² All financial information in the report was rounded to the nearest dollar.

Table 3: Income Quartile of Eligible Applicants by Size of Household

Household Size	Bottom Quartile		Second Quartile		Third Quartile		Top Quartile		Total by Household Size	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
1	353	61%	155	27%	60	10%	14	2%	582	13%
2	247	43%	153	27%	111	19%	66	11%	577	13%
3	262	30%	247	28%	203	23%	161	18%	873	19%
4	251	21%	312	25%	335	27%	326	27%	1,224	27%
5	141	20%	201	29%	188	27%	169	24%	699	16%
6	95	29%	93	28%	85	26%	60	18%	333	7%
7	44	36%	42	34%	21	17%	16	13%	123	3%
8 or more	45	48%	27	29%	9	10%	13	14%	94	2%
Unknown	1	100%	0	0%	0	0%	0	0%	1	0.02%
Total by Quartile	1,439	32%	1,230	27%	1,012	22%	825	18%	4,506	100%

Note: Based on 125% of median income, the bottom quartile includes those applicants with a maximum income of \$17,375 for a two-person household; \$25,550 for a four-person household; and \$33,725 for a six-person household. In contrast, the top quartile includes those applicants with a maximum income of \$69,500 for a two-person household; \$102,200 for a four-person household; and \$134,900 for a six-person household.

Sec. 8.1 (c) The number of participants in the opportunity scholarship program, disaggregated, to the extent possible, by race, ethnicity, gender, county of origin, age, and median family income;

Of the 4,506 eligible applicants, 3,045 were selected to receive the WSOS. As of October 31, 2012, 55 scholarship recipients either did not enroll in college or enrolled less than full-time leaving 2,990 WSOS recipients enrolled full-time during the fall term. The number of participants will likely decrease slightly through the end of 2012 as colleges and universities send refunds to the College Success Foundation for those scholars who did not enroll full time in college.

Most participants self-identified as White or Caucasian (63%); 20% as Asian; 7% two or more races; 4% Hispanic or Latino; 3% Black or African American; 2% did not self-report; 1% as American Indian or Alaska Native; and 1% as Native Hawaiian or Other Pacific Islander (Table 4 on the following page). In total, 54% of participants were female (n = 1,603) and 46% were male (n = 1,387).

Nearly a third (31%) of participants indicated a home address in King County; 13% in Pierce County; 10% in Snohomish County; 7% in Clark County; and 7% in Spokane County (Appendix B).

The largest group (42%) of participants were 19 to 22 years old at the scholarship application deadline on April 12, 2012; 32% were 18-years-old or younger; and 26% were 23-years-old or older (Table 5 on the following page).

Table 4: Race or Ethnicity of Participants

Race or Ethnicity	#	%
American Indian or Alaska Native	27	1%
Asian	608	20%
Black or African American	80	3%
Hispanic/Latino	107	4%
Native Hawaiian or Other Pacific Islander	19	1%
Two or more races	209	7%
White	1,869	63%
Not reported	71	2%

Table 5: Age of Participants

Age Group	#	%
18 or younger	967	32%
19- to 22-years-old	1,241	42%
23 or older	780	26%
Unknown	2	0%
Grand Total	2,990	100%

The median family income for all participants (regardless of household size) was \$40,000, while the mean family income for all eligible participants was \$45,288. Nearly a third of eligible participants (31%) represent the bottom quartile of 125% median income (controlling for household size); 26% represent the second quartile; 23% the third quartile; and 19% the top quartile (Table 6 below).

Table 6: Income Quartile of Participants by Size of Household

Household Size	Bottom Quartile		Second Quartile		Third Quartile		Top Quartile		Total by Household Size	
	#	%	#	%	#	%	#	%	#	%
1	242	60%	111	28%	41	10%	8	2%	402	13%
2	153	43%	94	26%	75	21%	38	11%	360	12%
3	165	28%	163	28%	143	24%	119	20%	590	20%
4	154	19%	193	24%	233	29%	232	29%	812	27%
5	92	20%	138	29%	121	26%	120	25%	471	16%
6	63	29%	54	25%	62	29%	38	18%	217	7%
7	28	38%	22	30%	13	18%	11	15%	74	2%
8 or more	30	47%	17	27%	6	9%	11	17%	64	2%
Total by Quartile	927	31%	792	26%	694	23%	577	19%	2,990	100%

Note: Based on 125% of median income, the bottom quartile includes those participants with a maximum income of \$17,375 for a two-person household; \$25,550 for a four-person household; and \$33,725 for a six-person household. In contrast, the top quartile includes those participants with a maximum income of \$69,500 for a two-person household; \$102,200 for a four-person household; and \$134,900 for a six-person household.

Sec. 8.1 (d) The number and amount of the scholarships actually awarded, and whether the scholarships were paid from the scholarship account or the endowment account;

As of October 31, 2012, 2,990 WSOS recipients had enrolled in college full-time during the fall term. A total of \$2,990,000 in scholarships had been paid from the WSOS scholarship account.

Sec. 8.1 (e) The institutions and eligible education programs in which opportunity scholarship participants enrolled, together with data regarding participants' completion and graduation;

Most WSOS participants (63%) are attending four-year public colleges or universities; 16% are attending four-year private or proprietary colleges or universities; and 22% are attending two-year community or technical colleges. The largest proportion of participants are attending the University of Washington (n=1,068; 36%), followed by Washington State University (n=249; 8%), Western Washington University (n=136; 5%), Eastern Washington University (n=109; 4%), and Pacific Lutheran University (n=90; 3%) Please see Appendix C for the complete list of colleges and universities attended by participants.³

Approximately 32% intend to declare a major within the field of Healthcare; 28% of participants in Science; 24% in Engineering, 11% in Technology, 5% in Math. The highest proportion of participants intend to declare the following majors: Registered Nursing (n=403; 13%); General Biology (n=207; 7%); Mechanical Engineering (n=177; 6%), Computer Science (n=151; 5%), Electrical Engineering (n=133; 4%), Civil Engineering (n=108; 4%), Mathematics (n=97; 3%), and Biochemistry (n=95; 3%). Appendix D provides a breakdown of all of the majors within each approved education program of study.

Sec. 8.1 (f) The total amount of private contributions and state match moneys received for the opportunity scholarship program, how the funds were distributed between the scholarship and endowment accounts, the interest or other earnings on the accounts, and the amount of any administrative fee paid to the program administrator;

As of September 30, 2012, private contributions and state match dollars accounted for \$15,000,000 and \$5,000,000 respectively. \$12,500,000 has been distributed to the Scholarship Account and \$7,500,000 has been distributed to the Endowment Account. The accounts have earned \$7,330 in interest (Table 7 below). The administrative fee paid to the College Success Foundation, the Program Administrator was \$968,352.

Table 7: WSOS Contributions, Distributed Funds and Interest Earnings

Breakdown of Contributions:	
Private	\$15,000,000
State	5,000,000
Total Contributions	\$20,000,000
Breakdown of Funds Distribution:	
Amounts Distributed to the Scholarship Account	\$ 12,500,000
Amounts Distributed to the Endowment Account	7,500,000
Total Funds	\$ 20,000,000
Interest or Other Earnings on the Accounts:	
Investment Earnings	\$ 7,330

Sec. 8.1 (g) Identification of the programs the opportunity scholarship ESHB 2088.SL p. 10 board selected to receive opportunity expansion awards and the amount of such awards.

Significant funds for opportunity expansion awards will not be available until July 1, 2013.

³ Completion and graduation data will be available starting in October 2013.



Appendices

Appendix A: Washington State Opportunity Scholarship Board of Directors

Chair: Brad Smith, Executive Vice President and General Counsel, Microsoft Corporation

Jim Albaugh, Former President and CEO of Boeing Commercial Airplanes and Executive Vice President, The Boeing Company (served on Board through 2012)

Theresa Gillespie, Co-Founder and Managing Director, Trilogy Partnership

Jerry Grinstein, Co-Founder and Strategic Director of Madrona Venture Group and former CEO, Delta Air Lines

Kimberly Harris, President and CEO, Puget Sound Energy

Mack Hogans, President of Puget Sound BOLD Initiative and Affiliate Professor, School of Forest Resources, University of Washington

Jim Sinegal, Co-Founder and Director, Costco Wholesale Corporation



Appendix B: County of Origin of Eligible WSOS Applicants

County	#	%
Adams	9	0.2%
Asotin	12	0.3%
Benton	68	2%
Chelan	64	1%
Clallam	39	1%
Clark	315	7%
Columbia	2	0.0%
Cowlitz	56	1%
Douglas	21	0.5%
Ferry	4	0.1%
Franklin	30	1%
Grant	55	1%
Grays Harbor	54	1%
Island	48	1%
Jefferson	19	0%
King	1,320	29%
Kitsap	131	3%
Kittitas	31	1%
Klickitat	5	0.1%
Lewis	41	1%
Lincoln	16	0.4%
Mason	18	0.4%
Okanogan	21	0.5%
Pacific	8	0.2%
Pend Oreille	4	0.1%
Pierce	651	14%
San Juan	6	0.1%
Skagit	80	2%
Skamania	4	0%
Snohomish	425	9%
Spokane	295	7%
Stevens	26	1%
Thurston	171	4%
Wahkiakum	3	0.1%
Walla Walla	52	1%
Whatcom	172	4%
Whitman	59	1%
Yakima	170	4%
Not Provided	1	0.02%
Grand Total	4,506	100%

Appendix C: County of Origin of WSOS Participants

County	#	%
Adams	7	0%
Asotin	7	0%
Benton	36	1%
Chelan	39	1%
Clallam	30	1%
Clark	211	7%
Columbia	2	0%
Cowlitz	36	1%
Douglas	11	0%
Ferry	2	0%
Franklin	15	1%
Grant	33	1%
Grays Harbor	36	1%
Island	32	1%
Jefferson	11	0%
King	924	31%
Kitsap	94	3%
Kittitas	24	1%
Klickitat	3	0%
Lewis	27	1%
Lincoln	12	0%
Mason	11	0%
Okanogan	15	1%
Pacific	4	0%
Pend Oreille	2	0%
Pierce	402	13%
San Juan	3	0%
Skagit	42	1%
Skamania	2	0%
Snohomish	303	10%
Spokane	200	7%
Stevens	18	1%
Thurston	107	4%
Wahkiakum	1	0%
Walla Walla	33	1%
Whatcom	123	4%
Whitman	44	1%
Yakima	88	3%
Grand Total	2,990	100%



Appendix D: Colleges and Universities Attended by Participants

Institution Type & Name	#	%
Four-year College or University - Public	1,879	63%
Central Washington University	72	2%
Eastern Washington University	109	4%
University of Washington	1,068	36%
University of Washington - Tacoma	1	0%
University of Washington-Bothell	54	2%
University of Washington-Seattle	3	0%
University of Washington-Tacoma	75	3%
Washington State University-Pullman	249	8%
Washington State University-Spokane	28	1%
Washington State University-Tri-Cities	25	1%
Washington State University-Vancouver	59	2%
Western Washington University	136	5%
Four-year College or University – Independent or Proprietary	468	16%
Bastyr University	16	1%
DigiPen Institute of Technology	10	0%
Gonzaga University	78	3%
Heritage University	12	0%
Northwest University	10	0%
Pacific Lutheran University	90	3%
Saint Martin's University	23	1%
Seattle Pacific University	46	2%
Seattle University	72	2%
The Evergreen State College	49	2%
University of Puget Sound	16	1%
Walla Walla University	3	0%
Whitman College	12	0%
Whitworth University	31	1%
Two-year Community or Technical College	643	22%
Bates Technical College	7	0%
Bellevue College	23	1%
Bellingham Technical College	16	1%
Big Bend Community College	9	0%
Cascadia Community College	2	0%
Centralia College	7	0%
Clark College	57	2%
Clover Park Technical College	18	1%
Columbia Basin College	8	0%
Edmonds Community College	19	1%



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Two-year Community or Technical College (cont'd.)	643	22%
Everett Community College	25	1%
Grays Harbor College	13	0%
Green River Community College	30	1%
Highline Community College	23	1%
ITT Technical Institute-Seattle	1	0%
ITT Technical Institute-Spokane Valley	1	0%
Lake Washington Institute of Technology	7	0%
Lower Columbia College	13	0%
North Seattle Community College	6	0%
Olympic College	24	1%
Peninsula College	8	0%
Pierce College	42	1%
Renton Technical College	14	0%
Seattle Central Community College	33	1%
Shoreline Community College	12	0%
Skagit Valley College	14	0%
South Puget Sound Community College	17	1%
South Seattle Community College	21	1%
Spokane Community College	11	0%
Spokane Falls Community College	10	0%
Tacoma Community College	69	2%
Walla Walla Community College	23	1%
Wenatchee Valley College	20	1%
Whatcom Community College	25	1%
Yakima Valley Community College	15	1%
Grand Total	2,990	100%

Appendix E: Participants' Majors, by Approved Programs of Study⁴

Education Programs of Study	#	%
Engineering Majors	722	24.15%
Computer Engineering	43	1.44%
Computer Science	6	0.20%
Engineering, Aerospace, Aeronautical & Astronautical	53	1.77%
Engineering, Agricultural	2	0.07%
Engineering, Architectural	8	0.27%
Engineering, Biochemical	1	0.03%
Engineering, Bioengineering	29	0.97%
Engineering, Biomedical/Medical	12	0.40%
Engineering, Bioresource Science	3	0.10%
Engineering, Chemical	53	1.77%
Engineering, Civil	108	3.61%
Engineering, Double Major	4	0.13%
Engineering, Electrical, Electronics & Communications	133	4.45%
Engineering, Environmental/Environmental Health	14	0.47%
Engineering, General	31	1.04%
Engineering, Industrial	14	0.47%
Engineering, Manufacturing	2	0.07%
Engineering, Materials	8	0.27%
Engineering, Materials Science	11	0.37%
Engineering, Mechanical	177	5.92%
Engineering, Technologies	7	0.23%
Engineering, Undecided	3	0.10%
Health Care Majors	956	31.97%
Animal Science	3	0.10%
Athletic Training and Physical Therapy	1	0.03%
Biochemistry	33	1.10%
Bioengineering	1	0.03%
Biological and Physical Sciences	4	0.13%
Biology	69	2.31%
Biology, Applied Human	1	0.03%
Biology, Cellular, Molecular & Developmental	2	0.07%
Biomedical Engineering	1	0.03%
Chemistry	15	0.50%
Computer Science	1	0.03%
Dental Assisting	1	0.03%
Dental Hygiene	4	0.13%
Dietetics	2	0.07%
Doctoral	1	0.03%
Genetics	2	0.07%
Health & Physical Fitness	14	0.47%
Health Care, Clinical Health Sciences	45	1.51%
Health Care, Dental Hygiene	54	1.81%

⁴ Students' majors were self-reported on the WSOS application. In certain cases, there are redundancies in which students reported the same major in different programs of study. For example, 69 students reported they are Biology majors in the Health Care program of study and 207 students reported they are Biology majors in the Science program of study.

Health Care Majors (cont'd)	956	31.97%
Health Care, Med Lab Science/Research & Allied Prof	7	0.23%
Health Care, Medical Technology	22	0.74%
Health Information Technology & Management	14	0.47%
Health Sciences, General	39	1.30%
Kinesiology (Pre-Health Care)	1	0.03%
Kinesiology (Pre-Physical Therapy)	5	0.17%
Mathematics	1	0.03%
Medical Science	1	0.03%
Medical Technology/ Laboratory Medicine	1	0.03%
Mental & Social Health Services	8	0.27%
Mental Health	1	0.03%
Microbiology	5	0.17%
Molecular Biology	1	0.03%
Neuroscience	12	0.40%
Nursing, Administration	4	0.13%
Nursing, Clinical	13	0.43%
Nursing, General	59	1.97%
Nursing, Registered	403	13.48%
Nursing, RN to BSN	1	0.03%
Nutrition	3	0.10%
Nutrition & Exercise Physiology	13	0.43%
Nutrition and Clinical Health Psychology	1	0.03%
Occupational Therapy	10	0.33%
Optometry	1	0.03%
Pharmaceutical Sciences & Administration	4	0.13%
Pharmacology	11	0.37%
Pharmacy	1	0.03%
Physical Sciences	1	0.03%
Physical Therapy	5	0.17%
Physical Therapy, Psychology, Disability Studies	1	0.03%
Physician Assistant	5	0.17%
Physics	2	0.07%
Physics and Mathematics (double major)	1	0.03%
Physiology	14	0.47%
Pre-Dentistry	2	0.07%
Pre-Medicine	10	0.33%
Pre-Pharmacy/Business Administration	1	0.03%
Pre-Physical Therapy	4	0.13%
Pre-Science	1	0.03%
Psychology, Biology minor, Physical Therapy focus	1	0.03%
Radiation and Imaging	1	0.03%
Radiation and Imaging Sciences	1	0.03%
Respiratory Care/Therapy	1	0.03%
Respiratory Therapy	1	0.03%
Surgical Technology	2	0.07%
Undecided	5	0.17%
Zoology	1	0.03%

Mathematics Majors	154	5.15%
Applied & Computational Math Sciences	2	0.07%
Computer Science & Mathematics	2	0.07%
Mathematics	97	3.24%
Mathematics & Statistics	13	0.43%
Mathematics Education	5	0.17%
Mathematics Elementary Education	3	0.10%
Mathematics, Applied	20	0.67%
Statistics	6	0.20%
Undecided	6	0.20%
Science Majors	828	27.69%
Animal Science	19	0.64%
Aquatic & Fishery Science	2	0.07%
Astronomy and Astrophysics	7	0.23%
Atmospheric Sciences and Meteorology	5	0.17%
Behavioral Biology	3	0.10%
Biochemistry	95	3.18%
Biochemistry, Biophysics, and Molecular Biology	1	0.03%
Biological and Physical Sciences	21	0.70%
Biological Oceanography	1	0.03%
Biology & Anthropology	2	0.07%
Biology & Oceanography	1	0.03%
Biology Education	2	0.07%
Biology Medicine	1	0.03%
Biology Secondary Education	1	0.03%
Biology, General	207	6.92%
Biology, Molecular, Cellular and Developmental	1	0.03%
Biology, Physiology	1	0.03%
Biology: Ecology, Evolution, and Conservation	1	0.03%
Biology: Molecular, Cellular, Developmental	1	0.03%
Biology-Ecology, Evolution, and Conservation	1	0.03%
Biophysics	1	0.03%
Biophysics, Biochemistry, and Molecular Biology	1	0.03%
Bioresource Science and Engineering	1	0.03%
Biotechnology	3	0.10%
Botany	1	0.03%
Cell & Molecular Biology	2	0.07%
Cellular, Molecular, and Developmental Biology	3	0.10%
Chemistry	63	2.11%
Computer Programming	1	0.03%
Computer Science	7	0.23%
Crop Sciences	2	0.07%
Dentistry	1	0.03%
Earth & Space Science	2	0.07%
Ecology	7	0.23%
Ecology, Evolution & Conservation Biology	1	0.03%
Engineering, Biomedical/Medical	1	0.03%
Engineering, Chemical	2	0.07%



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Science Majors (cont'd)	828	27.69%
Engineering, Electrical, Electronics & Communications	1	0.03%
Engineering, Environmental/Environmental Health	1	0.03%
Environmental Science	63	2.11%
Environmental Science and Psychology	1	0.03%
Environmental Studies	5	0.17%
Evolutionary Biology Psychology	1	0.03%
Fish and Wildlife	1	0.03%
Forensic Chemistry	1	0.03%
Forensic Science	1	0.03%
General Science	1	0.03%
Genetics	2	0.07%
Genetics and Cellular Biology	1	0.03%
Geological and Earth Sciences/Geosciences	23	0.77%
Health & Physical Fitness	2	0.07%
Health Care, Clinical Health Sciences	1	0.03%
Health Care, Med Lab Science/Research & Allied Prof	5	0.17%
Health Care, Medical Technology	1	0.03%
Health Sciences, General	7	0.23%
Human Physiology	1	0.03%
Information Science/Studies	1	0.03%
Integrated Plant Sciences	1	0.03%
Interdisciplinary arts and sciences / Psychology	1	0.03%
Marine Sciences	13	0.43%
Materials Sciences	1	0.03%
Mathematics	2	0.07%
Medicine	1	0.03%
Mental & Social Health Services	8	0.27%
Microbiology	23	0.77%
Microbiology and Biochemistry	1	0.03%
Molecular & Cellular Biology	5	0.17%
Molecular Biology	2	0.07%
Molecular Biology and Germanics	1	0.03%
Molecular, Cellular & Developmental Biology	4	0.13%
Natural Sciences	3	0.10%
Neurobiology	1	0.03%
Neuroscience	20	0.67%
Nursing, Clinical	1	0.03%
Nursing, Registered	3	0.10%
Nutrition	1	0.03%
Nutrition & Exercise Physiology	8	0.27%
Nutrition & Exercise Science	1	0.03%
Occupational Therapy	2	0.07%
Oceanography	3	0.10%
Oceanography/Fishery Sciences	1	0.03%
Pharmaceutical Sciences & Administration	6	0.20%
Pharmacology	10	0.33%
Pharmacy	1	0.03%

Science Majors (cont'd)	828	27.69%
Physical Sciences	4	0.13%
Physician Assistant	1	0.03%
Physics	45	1.51%
Physics & Mathematics	1	0.03%
Physiology	22	0.74%
Pre-Medicine	1	0.03%
Pre-Physical Therapy/Occupational Therapy	1	0.03%
Pre-Science	1	0.03%
Pre-Science/Pre-Medical Studies	1	0.03%
Pre-Veterinary Science	2	0.07%
Prosthetics and Orthotics	1	0.03%
Science & Mathematics Education	1	0.03%
Science Elementary Education	1	0.03%
STEM Education	1	0.03%
Undecided	15	0.50%
Veterinarian	3	0.10%
Zoology	11	0.37%
Technology Majors	330	11.04%
Applied Technology	1	0.03%
Biology, General	1	0.03%
Computer & Information Sciences, General	26	0.87%
Computer Engineering	21	0.70%
Computer Graphics	6	0.20%
Computer Programming	17	0.57%
Computer Science	151	5.05%
Computer Science & Mathematics	1	0.03%
Computer Science and Software	1	0.03%
Computer Science and Systems	3	0.10%
Computer Software and Media Applications	1	0.03%
Computer Systems & Information Security	1	0.03%
Computer Systems Analysis	1	0.03%
Computer Systems Networking & Telecommunications	19	0.64%
Engineering, Electrical, Electronics & Communications	1	0.03%
Engineering, Industrial	1	0.03%
Engineering, Technologies	1	0.03%
Game Design	3	0.10%
Health Care, Medical Technology	1	0.03%
Health Information Technology & Management	3	0.10%
Informatics	39	1.30%
Information Resource Management	2	0.07%
Information Science/Studies	5	0.17%
Information Systems	1	0.03%
Information Technology	2	0.07%
Information Technology & Administrative Management	10	0.33%
Information Technology & Systems	3	0.10%
Mental & Social Health Services	2	0.07%
Real-Time Interactive Simulation	2	0.07%



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Technology Majors (cont'd)	330	11.04%
Undecided	3	0.10%
Web Programming	1	0.03%
Grand Total	2,990	100.00%

