



BOARD MEETING

December 15, 2015



BOARD MEETING AGENDA

TUESDAY, DECEMBER 15, 2015 | 1:00-3:00 P.M.

MICROSOFT CAMPUS

I. Meeting Called to Order		Brad Smith, Chair	1:00p
II. Approval September 16, 2015 Board Meeting Minutes	[Tab A]	Brad Smith	1:00-1:05p
III. Presentation of 2015 Legislative Report & Renewal Survey	[Tab B]	Kimber Connors College Success Foundation (CSF)	1:05-1:25p
IV. Program Report – Highlights	[Tab C]	Naria K. Santa Lucia, WSOS ED WSOS Staff	1:25-1:35p
V. 2016 Proposed Priorities & Discussion	[Tab D]	Naria K. Santa Lucia WSOS Board Members	1:35-2:05p
VI. Presentation from Incoming CSF Board Chair		Bob Moser, CSF Board	2:05-2:15p
VII. Finance & Investment Update	[Tab E]	Mack Hogans, F&I Chair Darrell Powell, CFO, CSF	2:15-2:20p
VIII. Closing		Brad Smith	2:20p
IX. Executive Session	[Tab F]	WSOS Board Members	2:20-3:00p

2016 Upcoming Meeting Dates (all meeting times are 1:00-3:00p on the Microsoft Campus):

- NEW DATE** - Thursday, April 14th
- Wednesday, June 22nd
- Wednesday, September 28th
- Wednesday, December 14th

Tab A

Minutes from the September 16, 2015 Board Meeting



WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING SEPTEMBER 16, 2015, 4:00-5:00 P.M., MICROSOFT CAMPUS MINUTES

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) met on September 16, 2015 at the Microsoft headquarters in Redmond, Washington.

Board members: Brad Smith (Board Chair), Mack Hogans and Gary Rubens present; Miller Adams, Diane Cecchetti, Antony Chiang, Stan Deal, Kimberly Harris, Jane Park, Jim Sinegal, and Mike Wilson by phone.

Additional attendees: Naria Santa Lucia, Jane Broom, Erin Ashley, Kimber Connors, Karyl Gregory, and Megan Nelson present; Theresa Britschgi, Alicia Craven, Joe Gaffney, Paul Kruglik, Caroline Maillard, Darrell Powell, Vickie Rekow, Juliette Schindler Kelly, Dave Stolier, Keith Swenson, and Yolanda Watson Spiva by phone.

Meeting Called to Order

Having a quorum of the Board, Brad Smith, Board Chair of WSOS, welcomed everyone to the board meeting at 4:01 pm.

Mack Hogans moved that the minutes of the June 24, 2015 meeting be approved. Gary Rubens seconded the motion. The motion carried unanimously.

Hogans introduced Gary Rubens as our new WSOS Board member.

Program Updates

Student Supports

Naria Santa Lucia, Executive Director of WSOS, provided an update on WSOS student support services throughout the fall semester which will include 12-15 fall welcome events on various college/university campuses, 3-4/month industry exploration events, and our next "Skills That Shine" workshop on Networking by Boston Consulting Group on November 13th.

Scholarship Promotion & Administration

Santa Lucia reported that our goal is to fund 1,450 new Scholars this fall. In order to target our promotion efforts, a heat map has been developed to identify 180 target high schools. We are partnering with WA STEM and their seven networks in order to complete effective outreach efforts.

Santa Lucia further reported that the Attorney General's Office is clarifying the statute for qualification as a resident. WSOS is closely following this clarification because it may enable more students to qualify for our Scholarship.

Development

Santa Lucia reported that we are working closely with Microsoft's Give Campaign. Our WSOS team is targeting the procurement of 100 items for Microsoft's online auction. Brandon Yu, WSOS Communications Assistant, is working 20 hours with the Microsoft team to set up the online auction items.

Santa Lucia additionally reported that WSOS is the sole beneficiary of GeekWire's Geeks Give Back giving campaign. A new relationship with New Tech Seattle has been established and WSOS is their sole beneficiary as well. Finally, Santa Lucia reported that donations to WSOS from the Rubens Family Foundation, Microsoft, and the Ballmer Foundation have led to a lot of recent buzz about WSOS in the media.

OpportunityTalks Breakfast

Erin Ashley, WSOS Director of Corporate Relations, reported on the upcoming fundraising OpportunityTalks Breakfast on November 17th. The goal in sponsorships was set at \$100K and \$124K has already been received. The 19-person Executive Leadership Committee is comprised of non-board members. The responsibility of each board member is to host a table with ten guests and one WSOS Scholar.

Finance & Investment (F&I) Committee

Darrell Powell, CSF's new Chief Financial & Administrative Officer, was introduced by Hogans.

Hogans stated that the Finance & Investment Committee met on September 14th and reported that WSOS finances are strong and are getting stronger. The second quarter report from the Washington State Investment Board (WSIB) indicates that benchmarks have been exceeded. He also noted that the Committee is comfortable with the current investment policy and strategy and the Committee does not propose anything new to the Board. \$13.6M in scholarship funds was transferred to the WSIB on September 11th.

Hogans and Dave Stolier, Senior Assistant Attorney General, confirmed that the Attorney General's Office has not yet issued a decision on allowing public funds to be invested in equities.

Hogans reported that there is a vacancy on this Committee with the departure of Terry Gillespie who served an additional year past her original term. Gary Rubens was invited to consider joining the committee.

Program Discussion

Smith introduced a discussion on eligible majors. Santa Lucia reported that when the Scholarship was first formed, Cohort 1 used one list of eligible majors and Cohort 2 used a different list. The same 367 eligible majors have been used for subsequent cohorts. A committee was formed last spring to review the list of eligible majors and bring a recommendation to the Board for revising the list. The committee determined it would be best to use a formula for selecting eligible majors. Committee member Caroline Maillard was charged by the committee, with Hogan's assistance, to find the most reliable data. The formula will ensure that eligible majors are in an appropriate field of study (STEM, STEM-related education, or health care), high-demand, and available as a bachelor's degree program in Washington State. Kimber Connors, CSF Research & Evaluation Officer, was tasked with sourcing the best data. Connors reported that there is not much data available so she relied on a report by the Office of Financial Management (OFM) which classifies CIP codes as STEM and high-demand. While OFM's definition of "high-demand" was of questionable reliability, the Board determined that it will serve as an adequate foundation as the data source for adding, removing, and keeping eligible majors. The recommended list removed 240 eligible majors and added 55. The original list of 367 now contains 181 eligible majors. The committee recommends that Scholars can use either the former list of 367 majors or the new list of 181 majors to qualify for the Scholarship. 610 majors are included on the backend list.

A discussion ensued on what constitutes a high-demand major and how the committee selected majors as high-demand. Refinement of the definition of "high-demand" was recommended for future evaluations of the eligible majors list (to be reviewed annually). Connors reported that the Workforce Training & Education Coordinating Board in Washington may be a possible future partner in determining high-demand majors. Rubens asked if the State surveys companies on their future hiring needs for the purpose of establishing high-demand majors, but Connors has not heard of such a project. It was determined that the committee will closely monitor the recommended list of 181 majors and the criteria for selecting them with a particular eye toward the definition of "high demand."

Scholarship Services performed an analysis on the impact of the recommended list of 181 majors on students who had previously applied and were denied because their major was deemed ineligible. 71 students fit this category and by next spring, most of them will have graduated. A petition process will be initiated for those students who were denied the Scholarship within the past two years. Further, an announcement will be placed on the WSOS website. This affects 1% of the group. In addition, deans at the various colleges and universities will be notified.

Consideration was given as to whether the reduction of eligible majors might jeopardize the enthusiasm of the WA legislature in continuing their support of WSOS. It was concluded that since the WSOS Board is removing those majors which are not offered at WA universities, the Legislature would see the revised list of eligible majors as more beneficial to Scholars.

Hogans made a motion to approve the criteria for selecting eligible majors and the revised list of 181 eligible majors. Stan Deal seconded the motion. The motion carried unanimously.

Internship Stipends

Santa Lucia suggested that a valuable approach to using additional funds to WSOS would be Board approval of a pilot internship stipend. Connors presented the rationale for this pilot program which would provide a \$5,000 internship stipend to 50 rising college juniors and seniors during the summer of 2016. Scholars would be responsible for finding their own full-time internship. The stipends would be funded by the call to action at the OpportunityTalks Breakfast with the goal of raising \$250K. If more money is raised, then more Scholars will benefit.

Hogans asked how this might impact a potential donor attending the Breakfast whose company typically pays their interns. Smith indicated those companies could either pay their intern or they could donate the \$5,000 stipend to WSOS on behalf of their intern. It was decided to move the internship discussion to the December 2015 meeting.

The Board went into Executive Session at 4:50 pm.

Respectfully submitted,
Karyl Gregory

DRAFT

Tab B

2015 Legislative Report & Renewal Survey

LEGISLATIVE REPORT 2015

KEY FINDINGS

Prepared by the College Success Foundation
Research & Evaluation Department

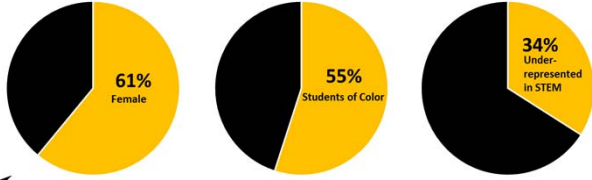



COHORT 4 APPLICANTS




APPLICANTS


- Over 2,100 applications submitted
- About 60% met eligibility requirements

Pie charts above represent demographics of all eligible applicants.

APPLICANT COMPARISON


	2014	2015
Number of Submitted Applications	1,507	2,134
Percent of Eligible Applicants - Female	60%	61%
Percent of Eligible Applicants – Students of Color	53%	55%



ELIGIBLE APPLICANTS

Top Home Counties

- King (30%)
- Pierce (11%)
- Spokane (8%)
- Snohomish (7%)
- Yakima (7%)
- Clark (5%)

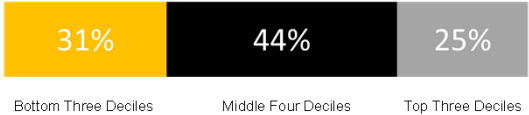


Supporting the next generation of STEM & health care leaders


ELIGIBLE APPLICANTS

Family Income

- Median: \$47,825*
- Mean: \$49,299*



Bottom Three Deciles Middle Four Deciles Top Three Deciles



*Not adjusted for family size

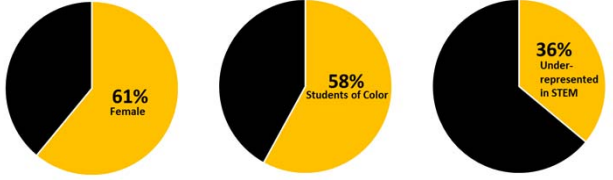

ENROLLED SCHOLARS 2015-16




Supporting the next generation of STEM & health care leaders

COHORT 4


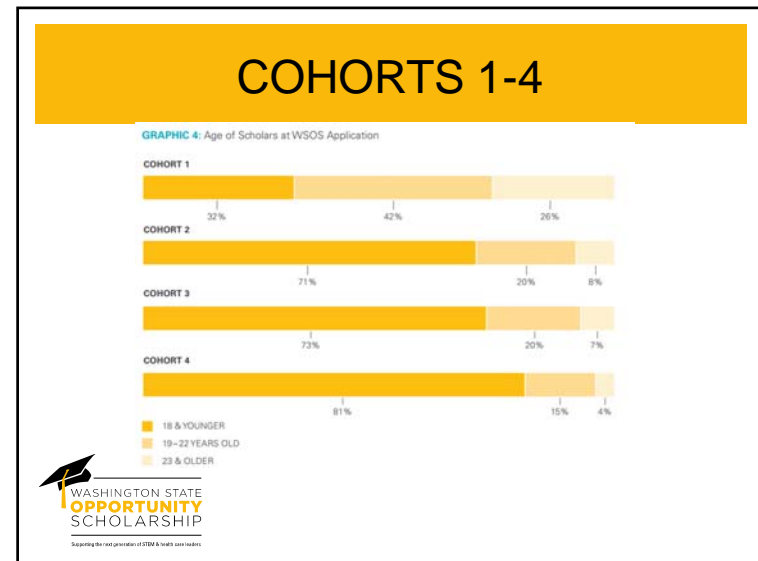
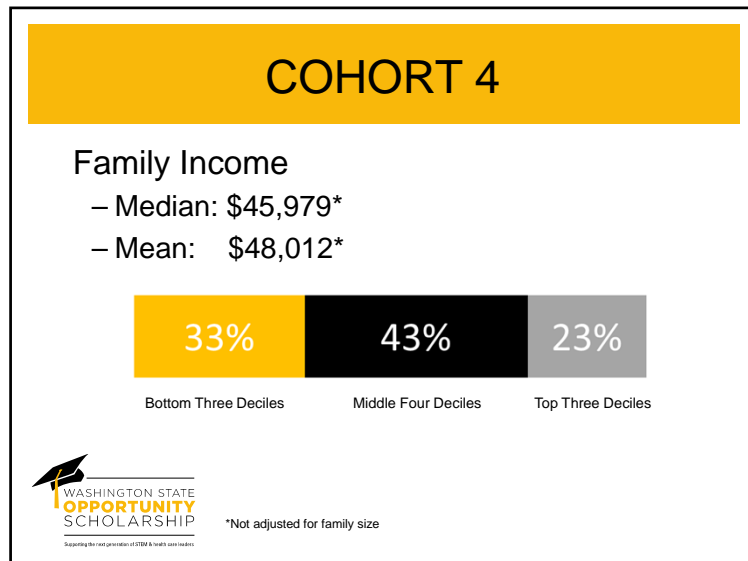
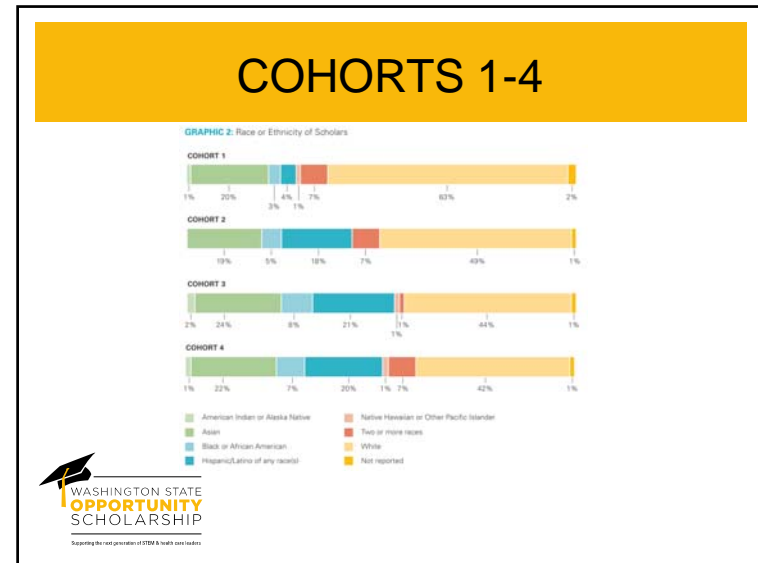
- **94% of Selected Scholars Enrolled**
 - 1,057 selected
 - 994 C4 Scholars enrolled in 2015-16

Pie charts above represent demographics of all selected Scholars.

COHORTS 1-4

	Cohort 1 Scholars	Cohort 2 Scholars	Cohort 3 Scholars	Cohort 4 Scholars
Students of Color	35%	50%	55%	57%
Under-Represented Minorities in STEM	15%	31%	31%	35%

ENROLLED SCHOLARS: 2015-16

- **Nearly 2,500** Scholars will receive funding this academic year (C1-C4)
- **Almost three-quarters** attend 4-year colleges or universities

TABLE 5: 2015-16 Attendance by Institution Type*

INSTITUTION TYPE ATTENDED 2015-16	COHORT 1	COHORT 2	COHORT 3	COHORT 4	TOTAL
Four-Year Public Colleges or Universities	80% (n=354)	78% (n=346)	73% (n=444)	67% (n=672)	73% (n=1,816)
Four-Year Private or Independent Universities	20% (n=89)	18% (n=80)	13% (n=80)	12% (n=125)	15% (n=234)
Two-Year Community or Technical Colleges	0% (n=1)	4% (n=18)	14% (n=89)	21% (n=205)	12% (n=310)
TOTAL	100% (n=444)	100% (n=444)	100% (n=609)	100% (n=994)	100% (n=2,491)



IMPACT



FINANCIAL SUMMARY

- **More than 10,300** scholarships awarded
- **Nearly \$29M** disbursed in scholarships by the end of 2015-16

GRAPHIC 8: WSOS Contributions, Distributed Funds, and Interest Earnings

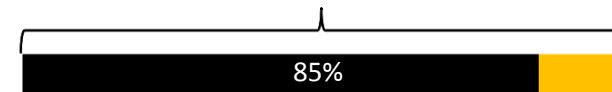


GRADUATES

1,481 Graduates

who have earned

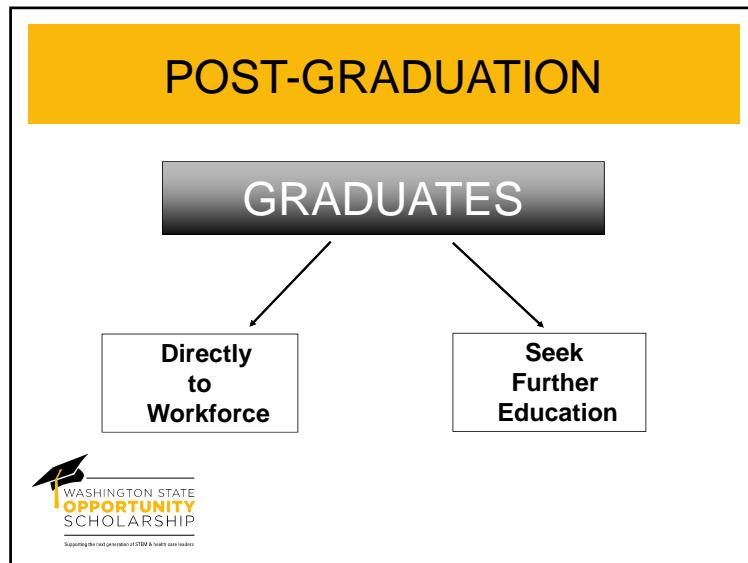
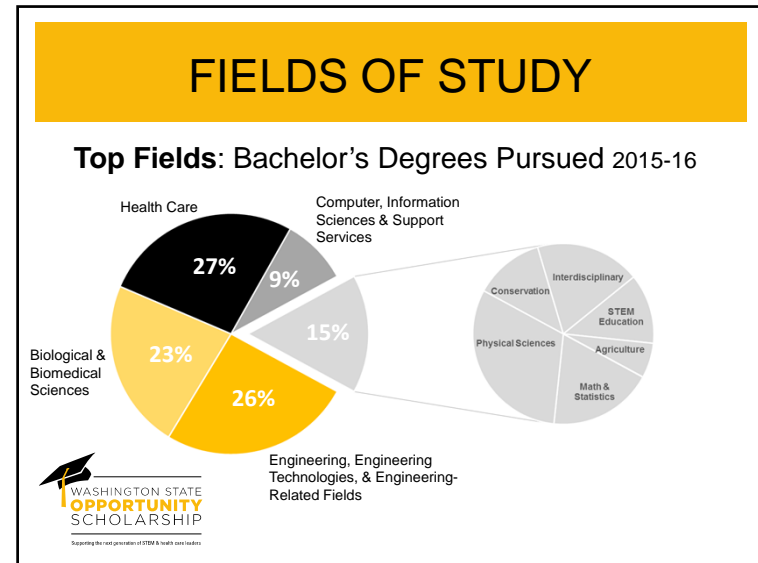
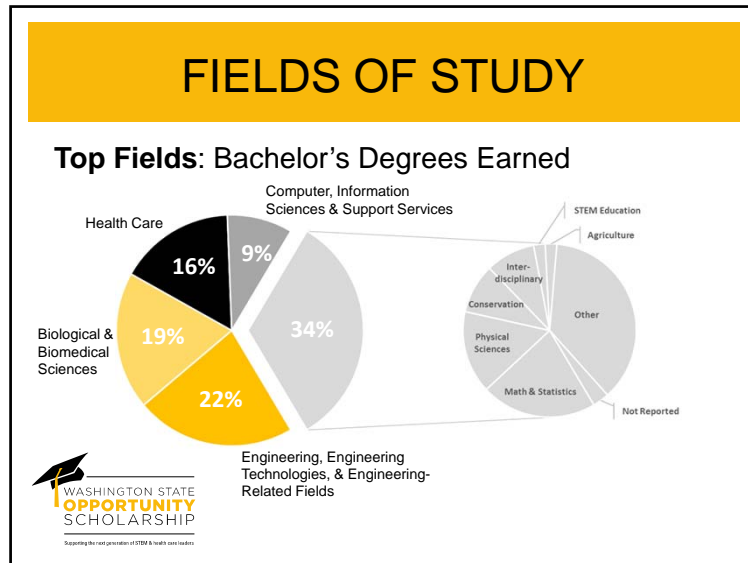
1,515 Bachelor's Degrees



Bachelor's Degrees in STEM or Health Care

Bachelor's Degrees in Other Fields



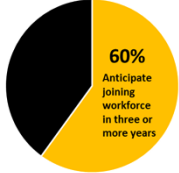


- ## POST-GRADUATION
- **Workforce-Direct Graduates**
 - **Nearly three-quarters** of graduates seeking employment have successfully found **work in their field of study** within nine months.
 - **86%** of graduates working in their field of study are **working in Washington State**.
-

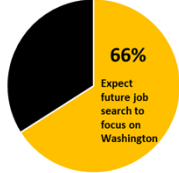
POST-GRADUATION

Graduates Seeking Further Education


- **Over one third** seeking Master’s degree
- **Over half** pursuing doctoral degree



60%
Anticipate joining workforce in three or more years




66%
Expect future job search to focus on Washington



RENEWAL SURVEY 2015


KEY FINDINGS

Prepared by the College Success Foundation
Research & Evaluation Department




High Satisfaction

- **70% or more** of respondents “agreed” or “strongly agreed” with **all satisfaction question items**.
- **94%** “agreed” or “strongly agreed” that the **financial assistance WSOS** provided has been an incentive to pursue or remain in a high-demand field of study.



Engagement

- Engagement Level
 - **38% Highly Engaged**
 - 60% Somewhat Engaged
 - 2% Unengaged
- **Nearly 40%** of respondents have either spoken with WSOS staff in person and/or participated in a WSOS-sponsored event.



Engagement and Renewal

Scholars who are more engaged with WSOS programming **withdraw less often**.

NON-RENEWALS AS PROPORTION OF ENGAGEMENT	
Engagement Level	Non-Renewals
Unengaged	24%
Somewhat engaged	6%
Highly engaged	5%



Hours Spent Working & Studying

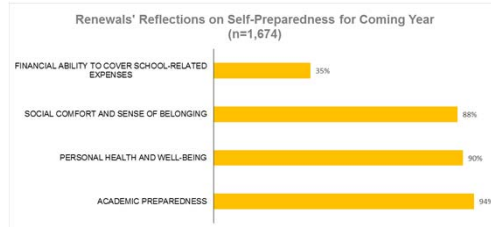
More than half (60%) of Renewals worked on or off campus last quarter.

AVERAGE HOURS PER WEEK	
Activity	Number of Hours
Studying	27
Working on campus	4
Working off campus	7



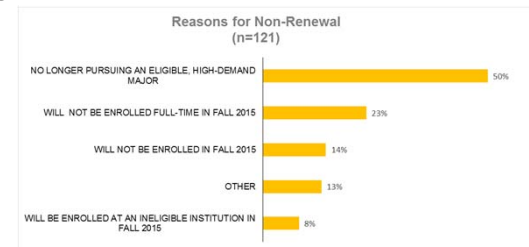
Financial Constraints

Only 35% of Renewals report themselves as “good” or “excellent” in terms of their financial ability to cover school-related expenses.



Reasons for Non-Renewal

50% of Non-Renewals withdraw due to a change in major.



Scholars could select all items that applied.



#iamopportunity



Tab C

Program Report - Highlights

QUARTERLY PROGRAM & ACTIVITIES UPDATE | DECEMBER 2015

As we come to the close of 2015, we are so grateful to celebrate and reflect upon so many successes: over \$82 million raised privately and publicly, extensive outreach to industry partners and donors, and the launch of innovative new student support programming such as Skills that Shine, Industry Explorations, Office Hours, and much more!

The following report highlights WSOS program and activities since our September 2015 Board meeting.

I. STUDENT SUPPORT SERVICES

FALL WELCOMES

The WSOS team welcomed hundreds of new and returning WSOS Scholars at **17 Fall Welcomes** at the beginning of the school year. During our largest events at UW and WSU, students engaged with campus partners, legislators and WSOS Board members to learn about campus and WSOS opportunities and programs that would help them get connected and ultimately thrive in high-demand fields in our state. Lessons learned this fall are entering into our exciting plans for summer 2016 WSOS Orientation events – stay tuned!

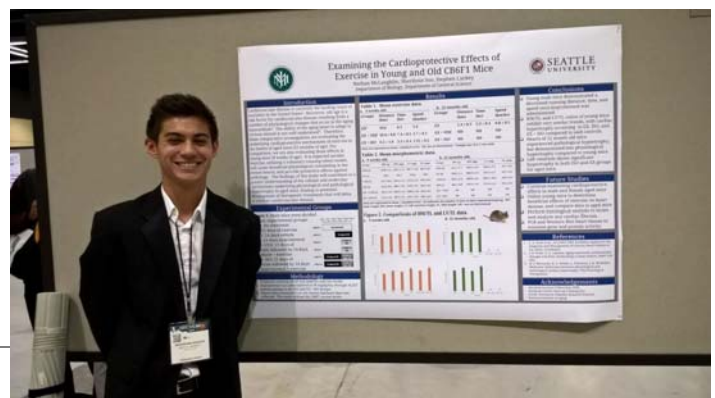


OFFICE HOURS

We love connecting with our Scholars at Office Hours on their campuses and consider it a vital way to mentor them and build community within the WSOS Scholar community. The program team is looking forward to meeting with students at 17 campuses statewide this year. Our Office Hour details can be found at <https://www.waopportunityscholarship.org/office-hours>

UNDERGRADUATE RESEARCH

Undergraduates who participate in internships, mentoring programs and research experiences are much more successful at navigating college and career pathways. That's why, in addition to sponsoring research symposia at our state's colleges (e.g., CWU, EWU, SPU, SU, UW, WSU and SPU), we keep an eye out for other amazing opportunities that come to our



state where our Scholars can attend and present their ideas and findings at events such as the National Conference on Undergraduate Research, the American Biomedical Research Conference for Minorities and the Joint Conference on Mathematics. This spring, nearly 100 UW WSOS Scholars are likely to present their findings at the UW Research Symposium. Let us know if you would like to attend and cheer them on!

SKILLS THAT SHINE: NETWORKING FOR SUCCESS

On November 13, we held the third Skills That Shine professional development workshop in collaboration with Boston Consulting Group (BCG). Following two previous 2015 workshops (Crafting a Winning Resume and Interviewing Skills), WSOS hosted the recent workshop, which focused on Networking Skills, on campus at UW's Startup Hall.

The event began with a facilitated panel discussion with industry professionals on the importance of networking and how networking has played a role in their professional successes. BCG then led a thorough presentation on the scope and role of networking as well as powerful tools and tactics for students to feel empowered to grow their network—starting now! The event included a small group coaching session with professional volunteers from BCG as well as a variety of other fields and concluded with a 'real' networking session where WSOS Scholars had the opportunity to ask questions and mingle with professionals, WSOS staff and each other!

As with past Skills That Shine workshops, attendees were surveyed before and immediately following participation, and will be surveyed again 45 days after the event so that we can capture program impact. This data will be evaluated early January.



INDUSTRY EXPLORATION

We continue to offer Scholars the opportunity to experience authentic industry exposure, connection to professionals in their field of interest, and valuable information about hiring practices through our new program, Industry Exploration (IE). The last two IE events included visits to a veterinary lab and an information technology consulting company.

On October 17th, a group of WSOS Scholars participated in a tour of the Woodland Park Zoo's Animal Health Complex with Dr. Darin Collins, Zoo Director of Animal Health Programs, and learned about the Zoo's state-of-the-art facility and highly-specialized team of experts that care for a wide-range of species. Scholars had the opportunity to ask Dr. Collins about the array of services offered at the Clinic and learn more about academic and professional paths to veterinary science, zoological medicine and related careers.



On November 5th, a small group of Scholars headed to Bellevue to visit Pariveda Solutions, Inc., an information technology (IT) consulting company which provides strategic consulting services and technical solutions to clients around the world.

Scholars participated in an intimate presentation about the company's services, structure, teams, culture, career paths and more. Following a tour of the office and a demonstration of a recently completed project for a client, Scholars were able to talk with employees in various positions at the company to learn more about a 'day-in-the-life' of IT consulting, the opportunities and challenges of their positions, what advice they would give their college-age self, professional development opportunities within the company, and more.

WSOS is continuing to plan Industry Exploration events for 2016. Future Industry Exploration events are slated to take place at companies including Moz, WISERg, Microsoft, Virginia Mason, TUNE, Ivy Softworks and more.

BOEING MENTORSHIP PILOT PROGRAM

Through the leadership of WSOS Board Member Stan Deal, 18 Boeing employees will be mentoring 18 select WSOS Scholars from across the state. The invited Scholars are literally vibrating to learn from and with their mentors – and we are looking forward to learning what is the winning combination of people, tools and timing to ensure meaningful outcomes for all. E-introductions have already been made for the kick off “mixer” at Boeing on **January 11, 2016**.

SCHOLARSHIP PROMOTION

To meet the goal of making 1450 awards to top applicants from across the state, the WSOS promotion efforts include mailings, email, social media, direct presentations and indirect presentations/promotion through various partnerships. Briefly, these efforts entail:

MAILINGS	Over 1000 high school, college and STEM partners will receive a promotion packet from WSOS by mid-December. Contact us if you know of an ideal recipient!
EMAIL/SOCIAL MEDIA	WSOS and the CSF Scholarship Services team will be sending regular emails and posting frequently through social media channels.
DIRECT	Since the last Board meeting, the WSOS team has presented the Scholarship over 70 times at schools and educator convenings. During open enrollment, we will be directly visiting and/or calling target schools to heavily promote the Scholarship.
INDIRECT	Partners such as Washington MESA, WA FIRST Robotics, College Access Now, UW DREAM and Washington STEM are promoting the Scholarship in their communities. Terrie and Theresa are giving trainings to “champions” within the seven WA STEM networks to help these key schools and communities get the word out to their students.

Cheerful and enthusiastic volunteers are always appreciated at promotion events. Let us know if you are interested in joining in the fun!

II. DEVELOPMENT AND FUNDRAISING

OPPORTUNITY TALKS BREAKFAST



WSOS presented its inaugural fundraising event on Tuesday, November 17th at the Four Seasons Hotel Seattle. With a commitment to provide inspiration, impact and breakfast (not necessarily in that order), the first annual OpportunityTalks Breakfast raised over \$610,000 (with the state match) in support of the next generation of STEM and health care leaders in our state. This amount reflects corporate and individual giving as well as matches committed by the Rubens

Family Foundation (gifts over \$500 matched up to \$50,000) and the State of Washington (all gifts matched 100%).

The breakfast kicked off with David Mead’s keynote address “Start With Why” before a full house of almost 400 attendees hosted at 32 tables by members of the Board and the Executive Leadership

Committee. Three remarkable Opportunity Scholars were showcased: the Dahmen sisters, Jessamyn and Jordana, who spoke with former Governor Christine Gregoire and featured speaker Mahdi Ramadan who brought down the house.

WSOS Cornerstone Partners Boeing, Microsoft, Rubens Family Foundation, and the State of Washington were recognized for the significant role they have played in the launch and success of the Scholarship (Ballmer Family Giving elected to not be recognized at the breakfast).

The original sponsorship goal to underwrite the cost of the event was exceeded early on with over \$160,000 in support pledged. Title sponsor Costco Wholesale was joined by the Sinegal Family Foundation, Fenwick & West, Madrona Venture Group, Puget Sound Energy, Seattle Sounders, and Wells Fargo in making cash contributions at the highest levels.

In total, 167 companies were represented with the majority being exposed to the mission of WSOS for the first time. Over 200 donations were received or were pledged and continue to be received through online giving.

MICROSOFT GIVE CAMPAIGN

This year we were again honored to be the co-beneficiary of the Microsoft Give Campaign's online auction and a participant in their Give Campaign activities through the month of October.

WSOS' participation in the Campaign launched at Microsoft's Corporate, External and Legal Affairs' (CELA) All Hands Meeting where WSOS Scholar Jordana Dahmen was invited to speak on the impact of the Scholarship and continued through participation in the online auction which has raised over \$1.1M and counting. WSOS team members invested staff resources to procure 100+ auction items and assist the Give Campaign team with auction item entry and bidding.

WSOS was also honored to be selected as the beneficiary of CELA's pancake breakfast, Worldwide Operations' poker tournament, and Trustworthy Computing's movie screening. These events raised an additional \$15,000+ for WSOS!

GEEKS GIVE BACK/NEW TECH SEATTLE

In the spring of 2015, the Washington State Opportunity Scholarship was named the sole beneficiary of this year's GeekWire "Geeks Give Back" campaign presented by Bank of America.

Between the kick off at the GeekWire Summit on October 1 and through completion of the campaign on December 5, over \$250,000 was raised with support from the local technology and investment community. Half of that amount was a match provided by WSOS Board Member Gary Rubens through his Rubens Family Foundation. Including the state match, the campaign exceeded its goal to raise \$500,000 in its first year.



Through Geeks Give Back, WSOS was included for the first time in workplace giving programs at Bank of America and Tableau, received a percentage of ticket sales from each New Tech Northwest event, and is launching new 2016 relationships with the Seattle Sounders and Alaska Airlines.

This very successful third-party fundraising campaign was supported with staff hours but no additional cash outlay. It generated 15 new corporate partnerships with each pledging to host an Industry Exploration for Scholars or discuss an internship opportunity.

Additionally, the campaign generated thousands of online GeekWire views via editorial content and interactive advertisements. And through a broad social media campaign produced by Bank of America, potential donors and partners were directed to the WSOS website.

While unofficial as of the print deadline for this document, WSOS is anticipating an offer by year end to return as the sole beneficiary of the 2016 Geeks Give Back campaign.

NEW GRANT FUNDING

In addition to these efforts, WSOS was named the recipient of a \$2,500 grant from Bristol-Myers Squibb for Industry Exploration as well as a \$10,000 grant from Batelle for the Scholarship Fund.

III. MEDIA

The annual Geeks Give Back campaign kicked off at the GeekWire Summit on October 1 in partnership with Bank of America. This campaign and partnership garnered robust coverage of WSOS through GeekWire's channels including features on two Scholars, Mahdi and Rutha, both of whom spoke at the Summit.

Also in October, KING5 visited our offices at StartUp Hall for an interview with WSOS Board Member and donor Gary Rubens. The coverage, which aired Oct. 28, features Gary's interview and more about what inspires him to support students as well as an interview with WSOS Scholar Hanah Joudi, a senior studying physics at Seattle University.

Coverage Summary:

- » **Join our Geeks Give Back campaign and help raise money to fund STEM education**
GeekWire | Oct. 1
- » **Geeks Give Back: The incredible, inspiring story of neurobiology student Mahdi Ramadan**
GeekWire | Oct. 15
- » **Madrona supports STEM education, makes biggest donation yet to Geeks Give Back campaign**
GeekWire | Oct. 19
- » **Millionaire provides scholarships - but wait 'til you hear why**
KING5 News | Oct. 28
- » **Geeks Give Back: UW student Rutha Nuguse says 'In 10 years, I'll have my own innovation center — and I'll be hiring'**
GeekWire | Nov. 4

SOCIAL MEDIA

Social engagement continues to grow rapidly and remains a key channel through which we communicate with students, community partners and the public.

Key social media growth and impressions Sept. 6-Dec. 6, 2015:

Facebook

- » 1,626 followers Sep. 6, 2015
- » 1,731 followers Dec. 7, 2015 (+7%)
- » Total impressions (paid & organic): **61,000**

Twitter

- » 1,020 followers Sep. 8, 2015
- » 1,114 followers Dec. 7, 2015 (+9%)
- » Total impressions (paid & organic): **55,000**



WA Opp Scholarship
@OppScholarship

Hello #GeeksGiveBack!
@BofA_Community & @GeekWire partner
to help #tech support #STEMed:
bit.ly/WASTEM



Roger Levesque @roger_levesque · Nov 17

.@OppScholarship leads the next gen of STEM professionals. Each \$1 donated turns into 4\$ => goo.gl/pOi5k6



Irina Menn and 2 others Retweeted



GeekWire @geekwire · Oct 1

~50k #STEM jobs will go unfilled by 2017. Help the next gen of tech
bit.ly/WASTEM #GeeksGiveBack #GWSummit



MEET MICHAEL

Michael is a freshman at Whitworth University studying
Computer Science and IT thanks to support from the
Washington State Opportunity Scholarship



"For people like me, WSOS has made college
accessible and has opened up a world of
resources tailored for my success."

10 11



Washington STEM @washingtonstem · Nov 17

Proud to support @OppScholarship at the #opportunitytalks breakfast. 5300
scholarships awarded to date!

3 6

IV. STAFFING & OFFICE UPDATES

ADMINISTRATIVE

Finally, it is our great pleasure to introduce Klondy Karina Canales, our new Program Officer! Klondy joins us from a recent leadership role for Washington MESA at Highline College. Klondy graduated from the UW Public Health program and has deep experience through her work with MESA and the UW OMAD office in supporting low-income, diverse and community college students with “big scary” STEM dreams.

Tab D

2016 Proposed Priorities and Discussion



PROPOSED 2016 PRIORITIES

December 15, 2015



2016 Priorities: “Scary Big Dreams”



Proposed Priorities:

- Internship Pilot
- Expanded Promotion & Support Services
- Opportunity Expansion Fund



Focus: Internship Pilot

Discussion at September 2015 Board meeting:

- Provide \$5000 internship stipends to 50 rising Juniors and Seniors in Summer 2016 who are currently enrolled in the WSOS program.
- Students must work with industry partners to secure internships and complete WSOS Internship Stipend application.
- Only unpaid internships are eligible for stipends.




Focus: Internship Pilot

Information Gathering from Sept-Dec by WSOS Staff:

Outstanding Issues

- Are companies representing diverse sectors already capable and interested in providing direct funding to Scholars? (~50 companies identified already)
- What are the challenges with setting up the proper mechanism to monitor stipends/payroll issues?
- Will companies view this as a potential direct benefit to a competitor and be less willing to invest?


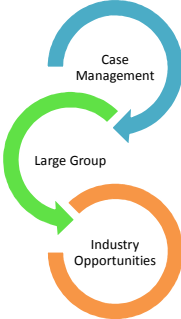
Focus: Internship Pilot



Proposed Strategy for 2016



- Act as facilitators to ensure partner companies secure internships for at least 100 WSOS interns.
- Hire a Program Officer to specifically work on coaching students on internships and career transition opportunities.
- Gather data on paid internship availability and present findings and recommendation to WSOS Board by December 2016.

Focus: Expanded Promo Support Services


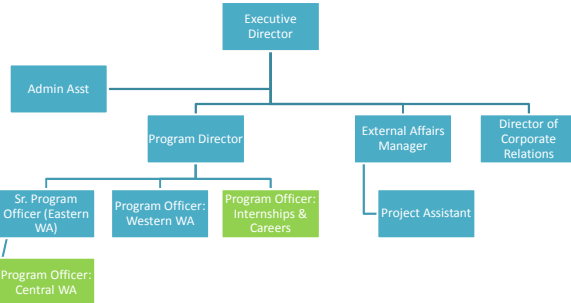
- Large-scale gatherings
 - Incoming Freshmen
 - EmpowerHer
 - Fireside Chats
- Increased Office Hours (case management)
- Expansion of Industry Explorations, Skills that Shine
- Additional community partnerships to recruit 1450+ eligible candidates for Cohort 5 and 1850+ eligible candidates for Cohort 6
- Hire an additional Program Officer

Focus: Opportunity Expansion Fund

- \$6 million in grants to be disbursed to increase the # of degrees in high-demand STEM degrees
- Working group convened from diverse sectors
- LOI released in December 2015; successful respondents will be invited to submit a full proposal

Ideal Staffing to Execute 2016 Priorities

```

graph TD
    ED[Executive Director] --- AA[Admin Asst]
    ED --- PD[Program Director]
    ED --- EAM[External Affairs Manager]
    ED --- DCR[Director of Corporate Relations]
    PD --- SPOE[Sr. Program Officer (Eastern WA)]
    PD --- POWW[Program Officer: Western WA]
    PD --- POIC[Program Officer: Internships & Careers]
    POIC --- POCA[Program Officer: Central WA]
    EAM --- PA[Project Assistant]
    
```

Implications



- Current Budget
 - Revenue: \$27M
 - Program Expenses: \$1.79M
- Projected Budget Variance (with additional staff)
 - Revenue: \$50M
 - Program Expenses: additional ~\$48K (assumes February onboarding of new staff)



WHAT DO YOU THINK? BOARD DISCUSSION OF 2016 PROPOSED PRIORITIES

December 15, 2015

Tab E

Finance Report



Supporting the next generation of STEM & health care leaders

FINANCE & INVESTMENT COMMITTEE TELEPHONIC MEETING MINUTES | MONDAY, SEPTEMBER 14, 2015

Members present via teleconference: Mack Hogans, Chair, George Zinn, Peter Harvey, Joe Gaffney, Bob Moser

Others present via teleconference: Paul Kruglik (CSF Interim CFO), Darrell Powell (CSF Chief Financial & Advancement Officer), John Sparks (Controller), Karyl Gregory (WSOS Staff), Naria Santa Lucia (WSOS Executive Director), Beau Damon (Microsoft), Allyson Tucker (Washington State Investment Board)

Mack Hogans, Committee Chair, called the meeting of the Washington State Opportunity Scholarship (WSOS) Finance and Investment Committee to order at 1:03 pm.

Approval of Minutes from March 10, 2015 and June 24, 2015 Finance and Investment Committee

Peter Harvey made a motion and Joe Gaffney seconded the motion to approve the minutes of the March 10, 2015 and June 24, 2015 meetings. Allyson Tucker, CFA – Senior Investment Officer at the Washington State Investment Board (WSIB) identified a correction in the June 24, 2015 minutes for which the committee was in agreement with the correction. The minutes of both meetings were approved with the correction.

Darrell Powell, CSF's new Chief Financial & Administrative Officer, was introduced by Hogans. Powell provided a brief summary of his background. On behalf of the Committee, Hogans expressed gratitude to Paul Kruglik for his valuable contribution as CSF's Interim CFO.

WSIB Presentation

Tucker first provided an overview of the change in the Guaranteed Education Tuition (GET) program. Due to the Legislature's recent action to reduce the cost of tuition for Washington's public institutions, the GET Board voted to provide refunds to qualifying GET investors. Tucker noted that while WSOS funds are comingled with GET funds, she does not anticipate any exposure for WSOS.

Tucker next provided a second quarter performance review on WSOS funds invested in WSIB, and noted that the second quarter report is positive for both Scholarship and Endowment. Tucker did note, however, that due to the recent volatility in the market, the preliminary August performance reflects Private Scholarship and Endowment returns are down. Fixed income is the stronger part of the portfolio.

Finally, Tucker reported that \$13.6M was received by WSIB on September 11, 2015.

Financial Update

Paul Kruglik, Interim Chief Financial Officer for the College Success Foundation (CSF is the WSOS program administrator), provided an update on WSOS finances and investments through July 31, 2015. He also reported that since 7/31/15, WSOS has received additional revenue from Rubens (\$2M), Ballmer



Supporting the next generation of STEM & health care leaders

(\$11M), and miscellaneous other sources comprising \$900K which will be reported at the next meeting of this Committee.

Going forward, Hogans requested that Powell show percentages in the pie charts and also break out expenses in the administrative cost among the major components.

Harvey asked when WSOS would begin paying scholarships from the endowment account. John Sparks, CSF Controller, with additional input from Naria Santa Lucia, WSOS Executive Director, stated that the payment of scholarships from the Endowment fund is governed by statute, and to date, the endowment interest has not been utilized to pay annual scholarship commitments.

Legislative Update

Santa Lucia reported that WSOS will request \$31M in state match funds from the \$41M which was appropriated by the State of Washington this fall. She also reported that the formal legal opinion request to the Attorney General's Office (AGO) dated October 28, 2014 regarding the question of whether public funds can be invested in equities has yet to be decided.

The meeting adjourned and the Committee went into Executive Session at 1:50 pm.

Respectfully submitted,
Mack Hogans

FINANCE & INVESTMENT UPDATE



December 15, 2015



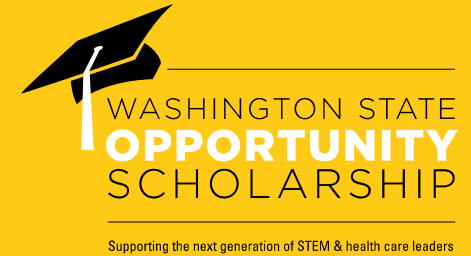
Supporting the next generation of STEM & health care leaders

FINANCIAL STATEMENTS



December 15, 2015

WSOS Balance Sheet



Washington State Opportunity Scholarship
 Comparative Balance Sheets
 Period Ending October 31, 2015

	Comparison to FYE			Comparison to Same Period LFY		
	6/30/15	% Change	10/31/2015	10/31/2014	% Change	10/31/2015
Assets						
Cash	2,904,702	169%	7,802,172	25,321,536	-70%	7,657,879
Investments	53,193,782	4%	55,382,689	25,425,626	118%	55,382,689
Pledges Receivable	24,589,382	-9%	22,478,640	15,895,296	42%	22,622,933
Prepaid Expenses	6,784	118%	14,784	-	0%	14,784
Total Assets	80,694,650	6%	85,678,284	66,642,458	29%	85,678,284
Liabilities and Net Assets						
Accounts Payable	138,872	-15%	118,135	340,480	-65%	118,135
Payroll Related Liabilities	104,715	37%	143,575	6,653	2058%	143,575
Scholarship Commitments	30,643,979	-12%	26,985,053	25,964,664	4%	26,985,053
Total Liabilities	30,887,565	-12%	27,246,762	26,311,796	4%	27,246,762
Total Net Assets	49,807,085	17%	58,431,522	40,330,662	45%	58,431,522
Total Liabilities and Net Assets	80,694,650	6%	85,678,284	66,642,458	29%	85,678,284

WSOS Income Statement



Washington State Opportunity Scholarship

Income Statements

Income Statement for the Four (4) Months Ending October 31, 2015

	Four Months Ended October 31, 2015			FYE June 30, 2016
	Actual	Budget	Variance Fav (Unfav)	Annual Budget
<u>Revenue</u>				
Private	11,195,291	10,000,000	1,195,291	10,000,000
Public	-	17,000,000	(17,000,000)	17,000,000
Investment Income	(1,994,013)		(1,994,013)	
Total Revenue	9,201,278	27,000,000	(17,798,722)	27,000,000
<u>Expense</u>				
Scholarship	3,658,926	3,335,678	(323,248)	11,105,800
Salaries and Benefits	231,163	248,905	17,742	746,714
Program Other Direct	139,448	141,627	2,178	424,880
Allocated Indirect Overhead	55,580	58,579	2,999	175,737
Professional Fees (CSF)	150,650	150,650	-	451,950
Total Expense	4,235,767	3,935,438	(300,329)	12,905,081
Net Income (Loss)	4,965,511	23,064,562	(18,099,051)	14,094,919

WSOS Cash Flow



	Inception - October 31, 2015		
	Scholarship	Endowment	Total
<u>CASH FLOW</u>			
Cash Inflow:			
Boeing	10,000,000	10,000,000	20,000,000
Microsoft	25,000,000	-	25,000,000
Other Private	15,563,384	-	15,563,384
State	22,500,000	7,500,000	30,000,000
Investment Income	(876,637)	(297,103)	(1,173,740)
Total Cash Inflows	72,186,747	17,202,897	89,389,644
Cash Outflow:			
Scholarships	(21,069,804)	-	(21,069,804)
Program Expenses	(5,142,958)	(8,967)	(5,151,925)
Cash in Bank	(7,802,172)	-	(7,802,172)
Total Cash Outflows	(34,014,933)	(8,967)	(34,023,900)
Net Cash Flow Inception-To-Date & Balance of Investments October 31, 2015	38,171,814	17,193,930	55,365,744
Balance per WSIB Investment Report	42,685,669	12,680,075	55,365,744
Interfund Transfer	(4,513,855)	4,513,855	(0)



**Washington State
Investment Board**

**WSOS Investment and Finance Committee
Performance Review
December 7, 2015**



Allyson Tucker, CFA – Senior Investment Officer



Overview of the Washington State Investment Board (WSIB)

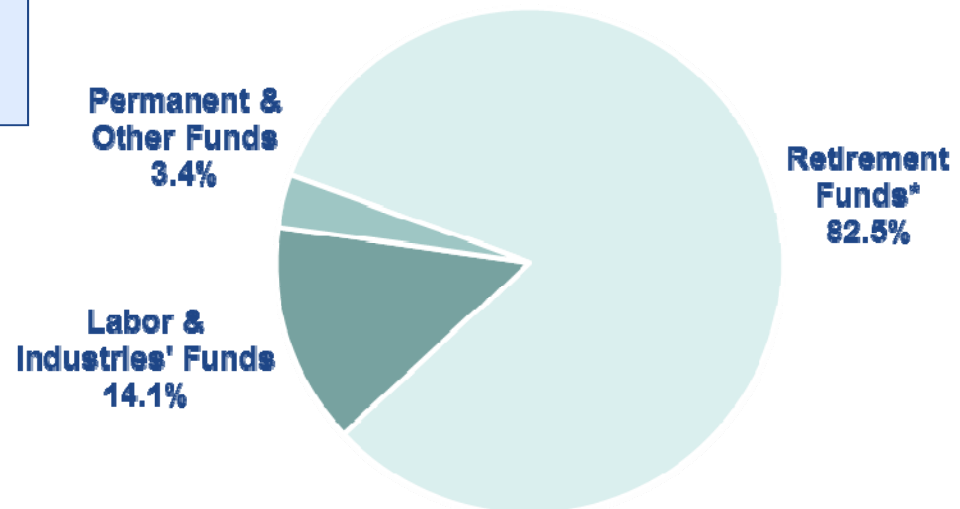


The WSIB invests on behalf of 35 funds

- ▣ 17 Retirement Funds
- ▣ 5 State Insurance Funds
- ▣ 13 Permanent and Other Trust Funds

**Assets Managed by the WSIB
as of September 30, 2015
\$103.4 Billion**

**Washington State Opportunity
Scholarship program falls under the
Permanent and Other Trust Funds**



*Defined Benefit Fund, Defined Contribution Funds, and Higher Education Retirement Plan



WSIB Governance Structure



Board comprised of 15 members has investment authority

- ▣ 10 voting – represent system stakeholders
- ▣ 5 investment professionals (non-voting) – selected by voting members for their investment expertise

	Appointment Authority	Name	Position
10 Voting	Ex-Officio	James McIntire	State Treasurer
		Marcie Frost, Chair	Director, DRS
		Joel Sacks	Director, Labor & Industries
	Senate President House Speaker	Mike Hewitt	State Senator
		Timm Ormsby	State Representative
	Governor	Judy Kuschel	Active Member, PERS
		George Masten	Retired Member, PERS
		Kelly Fox, Vice Chair	Active Member, LEOFF
Superintendent of Public Instruction	Arlista Holman	Active Member, SERS	
	Stephen Miller	Active Member, TRS	
5 Investment Professionals	Selected by the Board	Robert Nakahara	
		Jeffrey Seely	
		David Nierenberg	
		William Longbrake	
		Richard Muhlebach	



Overview of the Washington State Opportunity Scholarship Program (WSOS)



The WSOS was created by the Legislature in 2011. The WSOS board selected the WSIB to invest on its behalf in March 2014

Investment Objectives

- ❑ Maintain the financial stability of the program
- ❑ Ensure sufficient assets are available to fund the scholarship goals of the program over a 10-year time horizon
- ❑ Subject to one and two above, manage the assets to maximize return at a prudent level of risk
- ❑ Invest in a manner that will not compromise public confidence in the program

Time Line





Early Growth of WSOS Funds



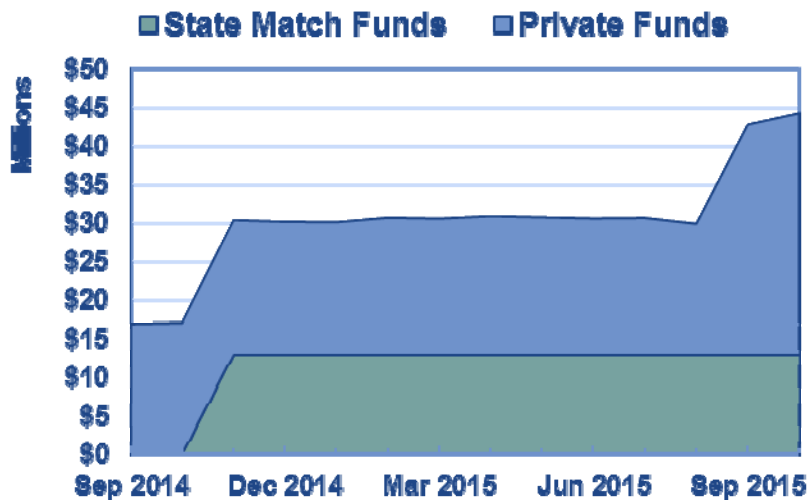
Scholarship Account

- Total assets as of October 31, 2015, were \$44.1 million, comprised of 70.5% private funds and 29.5% state match funds

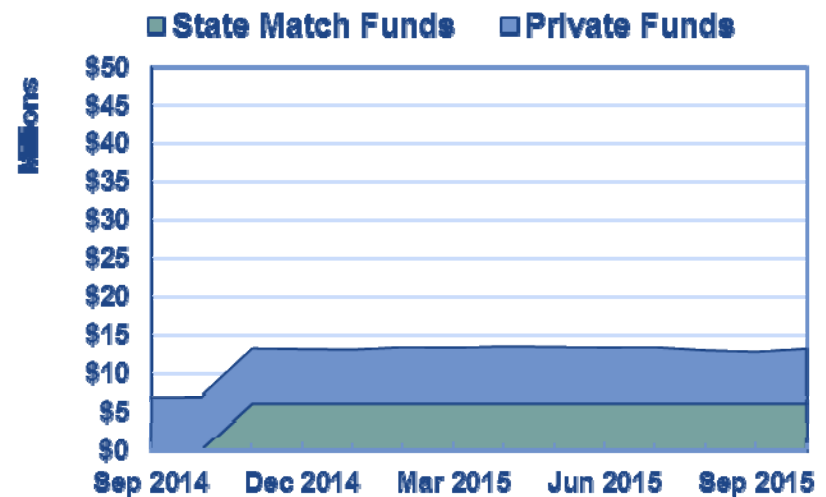
Endowment Account

- Total assets as of October 31, 2015, were \$13.1 million, comprised of 54.2% private funds and 45.8% state match funds

Growth of Scholarship Account Assets



Growth of Endowment Account Assets



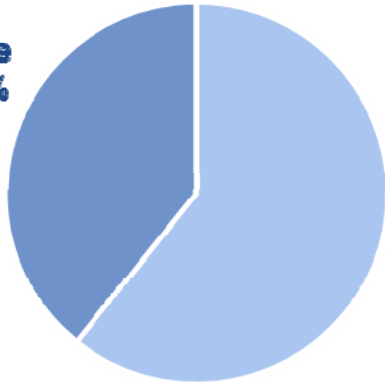


WSOS Scholarship Account – Private Funds

October 31, 2015 Allocation

Market Value \$31,136,341

Fixed Income
39.22%



Equity
60.78%

Current Targets

	Target	Range
Cash	0%	0% - 5%
Public Equity	60%	55% - 65%
Fixed Income	40%	35% - 45%

The Equity portfolio is passively managed by BlackRock and is expected to closely track the MSCI All Country World Investable Market Index

The Fixed Income portfolio is actively managed by WSIB staff and is expected to meet or exceed the Barclays U.S. Intermediate Credit Index

The Cash portfolio is invested in a money market fund managed by BlackRock

September asset allocation activity

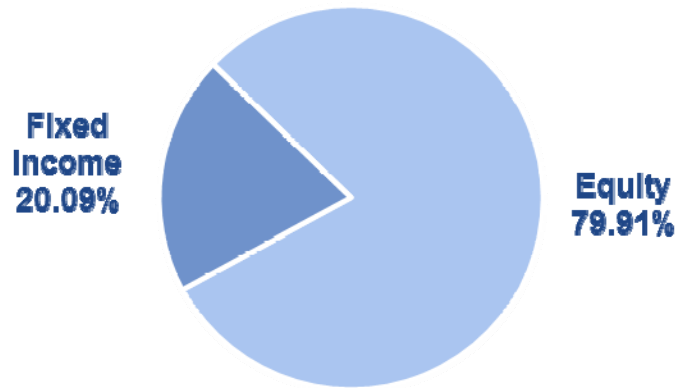
- ▣ Asset allocations within policy limits
- ▣ No rebalancing
- ▣ September contributions invested
 - ▣ \$8.35 million contribution to equity
 - ▣ \$5.25 million contribution to fixed income



WSOS Endowment Account – Private Funds

October 31, 2015 Allocation

Market Value **\$7,092,430**



The Equity portfolio is passively managed by BlackRock and is expected to closely track the MSCI All Country World Investable Market Index

The Fixed Income portfolio is actively managed by WSIB staff and is expected to meet or exceed the Barclays U.S. Intermediate Credit Index

The Cash portfolio is invested in a money market fund managed by BlackRock

Current Targets

	Target	Range
Cash	0%	0% - 5%
Public Equity	80%	75% - 85%
Fixed Income	20%	15% - 25%

September asset allocation activity

- ▣ Asset allocations within policy limits
- ▣ No rebalancing



WSOS Scholarship and Endowment Accounts – State Match Funds

October 31, 2015

Scholarship Market Value	\$13,002,113
Endowment Market Value	\$6,000,975

State match funds are held in government cash

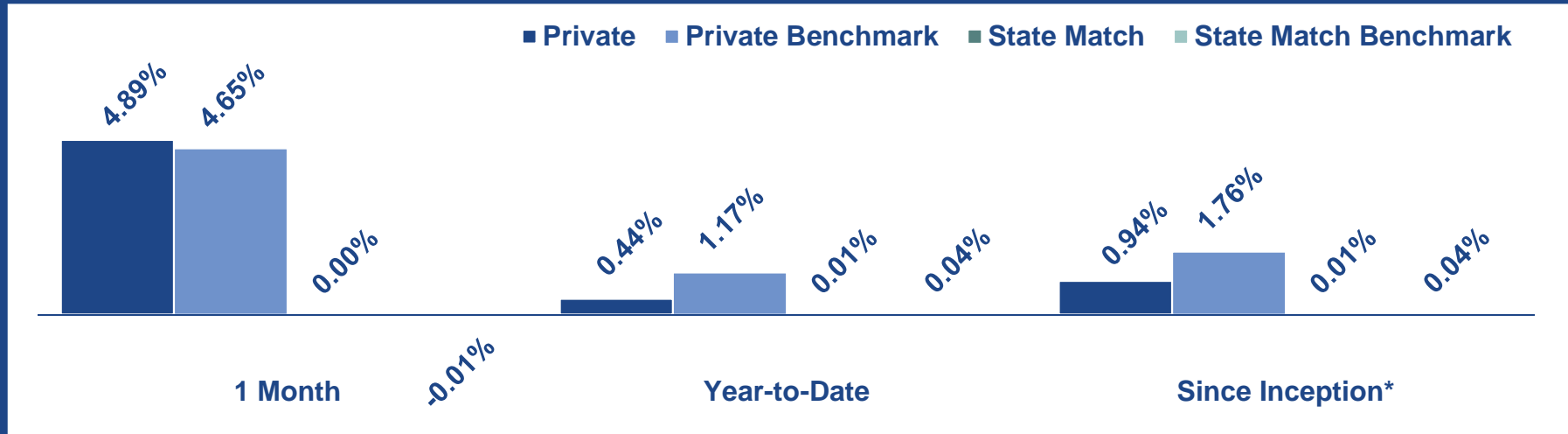
Both the target and current allocation are 100% cash

The cash portfolios are invested in a money market fund managed by BlackRock

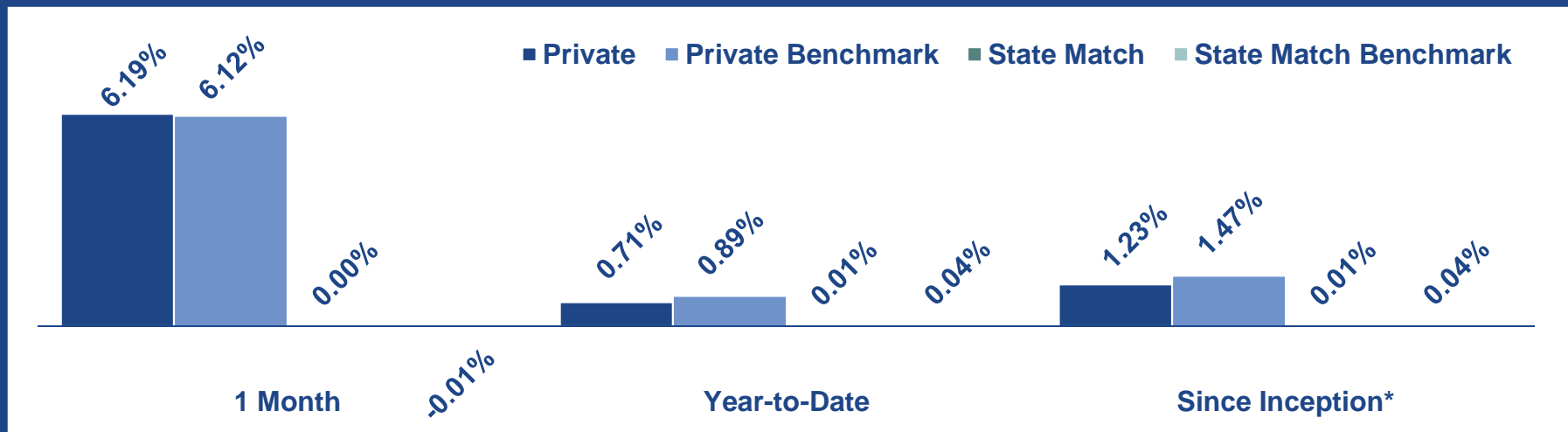


Early Account Returns – October 31, 2015

Private and State Match Scholarship



Private and State Match Endowment



Scholarship Benchmarks: Private 60% MSCI ACWI IMI w/U.S. Gross & 40% Barclays Intermediate Credit, State Match 90 Day T-bill
Endowment Benchmarks: Private 80% MSCI ACWI IMI w/U.S. Gross & 20% Barclays Intermediate Credit, State Match 90 Day T-bill
* Since Inception: Private 10/1/14, State Match 11/25/14



WSIB Fund Performance Compared to Benchmarks

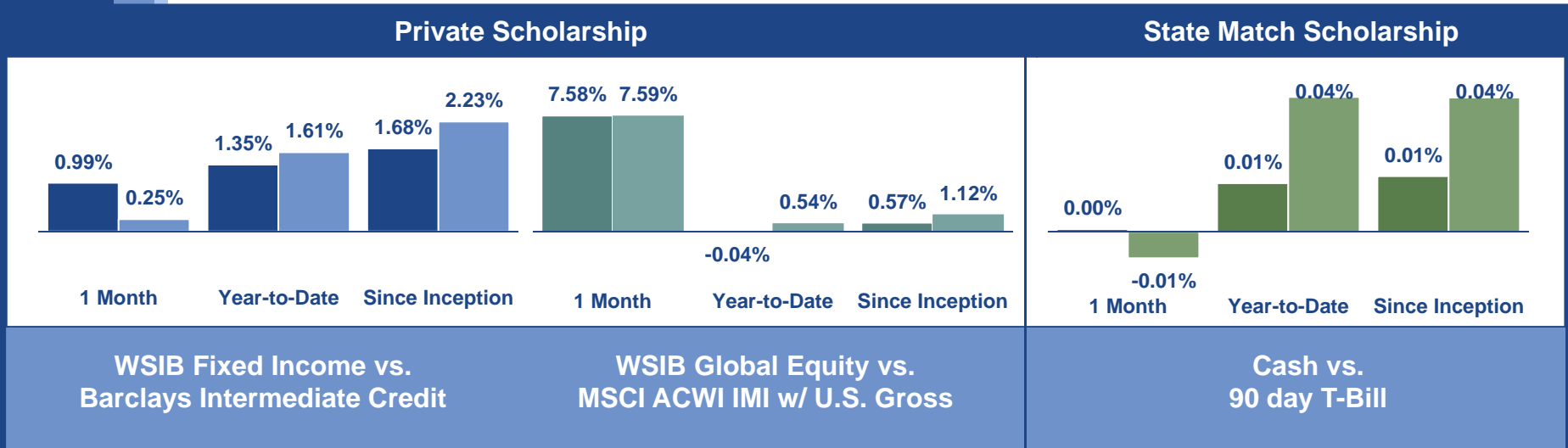
October 31, 2015



Short time period for performance evaluation

Fixed income performance lags in the year-to-date and since inception periods due to energy, mining, and emerging markets positions

Private scholarship equity fund performance relative to benchmark negatively impacted by timing of cash flows





WSIB Fund Performance Compared to Benchmarks

October 31, 2015



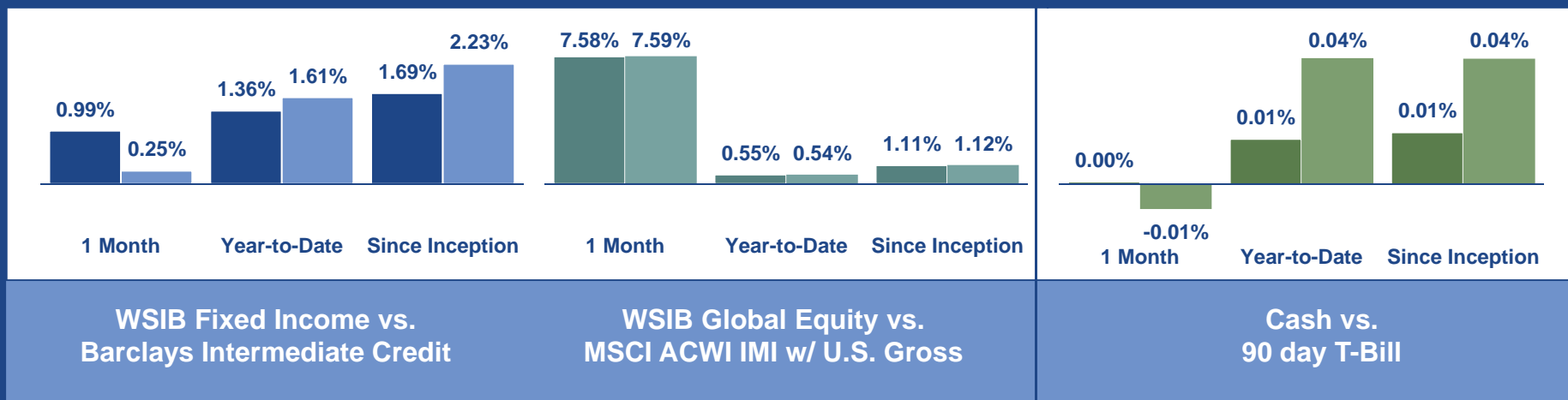
Short time period for performance evaluation

Fixed income performance lags in the year-to-date and since inception periods due to energy, mining, and emerging markets

Equity performance in line with benchmarks

Private Endowment

State Match Endowment

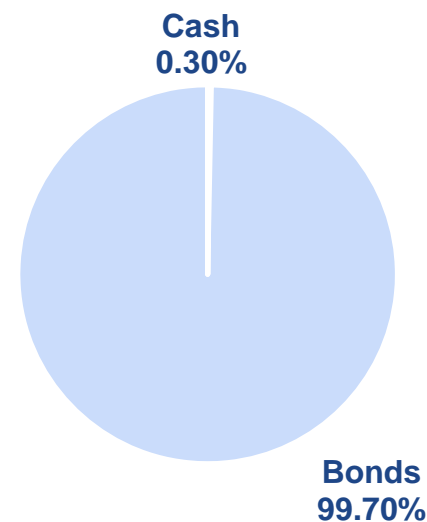




Bond Fund Characteristics & Top 10 Credit Issuers

September 30, 2015

Bond Fund	\$1,742,624,045	
	Fund	Index
Average Maturity	5.0 years	4.8 years
Yield to Maturity	3.14%	2.61%
Modified Duration	4.42	4.31
Average Coupon	3.50%	3.62%
Number of Holdings	260	4,309



Top Ten Credit Issuers			
International Finance Corp.	0.99%	Standard Chartered Bank	0.88%
Glencore International AG	0.99%	Cencosud SA	0.88%
Ontario, Province of	0.94%	Union Pacific Corp.	0.88%
Macquarie Bank Ltd.	0.91%	Asian Development Bank	0.88%
Sempra Energy	0.89%	Air Products & Chemicals, Inc.	0.87%

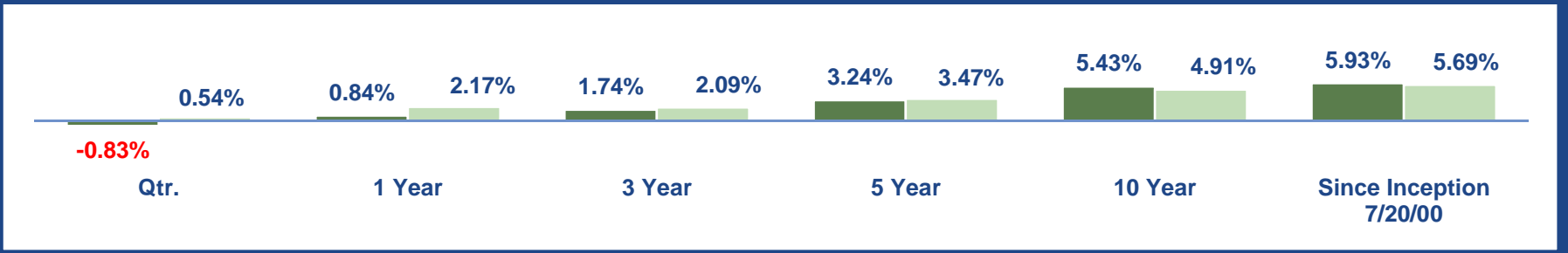


Bond Fund Performance, Industry Distribution & Ratings

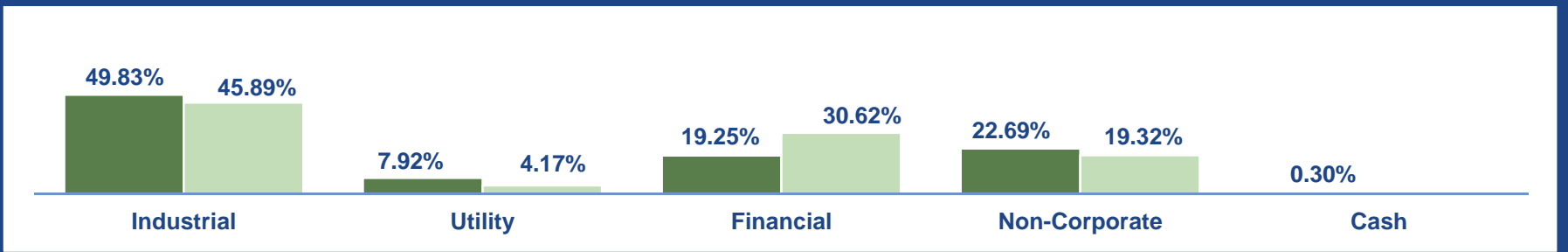
September 30, 2015

Fund Index

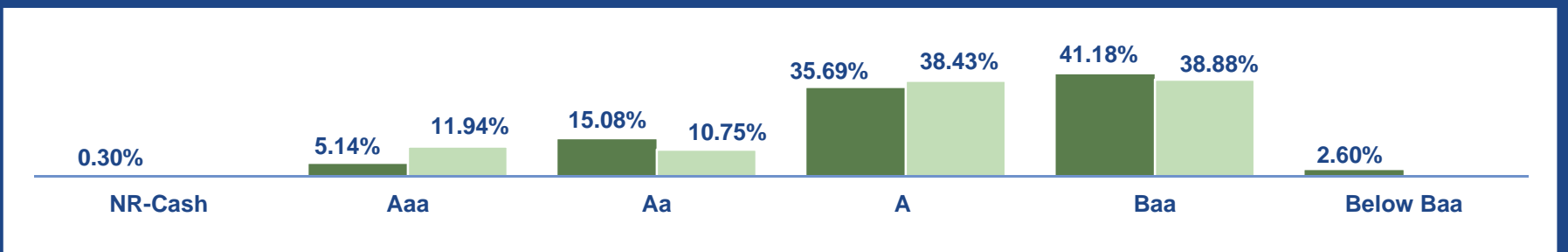
Total Return



Industry Distribution



Moody's Equivalent Ratings





Contact Information



Web Site: <http://www.sib.wa.gov>

Address: 2100 Evergreen Park Drive SW
P.O. Box 40916
Olympia, WA 98504-0916

Phone Number: (360) 956-4600

Tab F

Executive Session