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# **BOARD MEETING**

**April 16, 2018**

Removing barriers. Championing students. Launching professionals.

- I. Meeting Called to Order
- II. Approval of 01/08/18 Board Meeting Minutes
- III. New WSOS Board Member Welcome
- IV. WSOS Scholar Spotlight
- V. Cohort 7 Application & Selection
- VI. 2018 Legislative Session Update & Discussion of WSOS Expansion Planning Process
- VII. Program Update
- VIII. Finance and Program Administrator Update
- IX. Executive Session
- X. Closing

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**New WSOS Board Member Welcome**

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# WSOS Scholar Spotlight



## YOUCEF BENNOUR

University of Washington - Tacoma

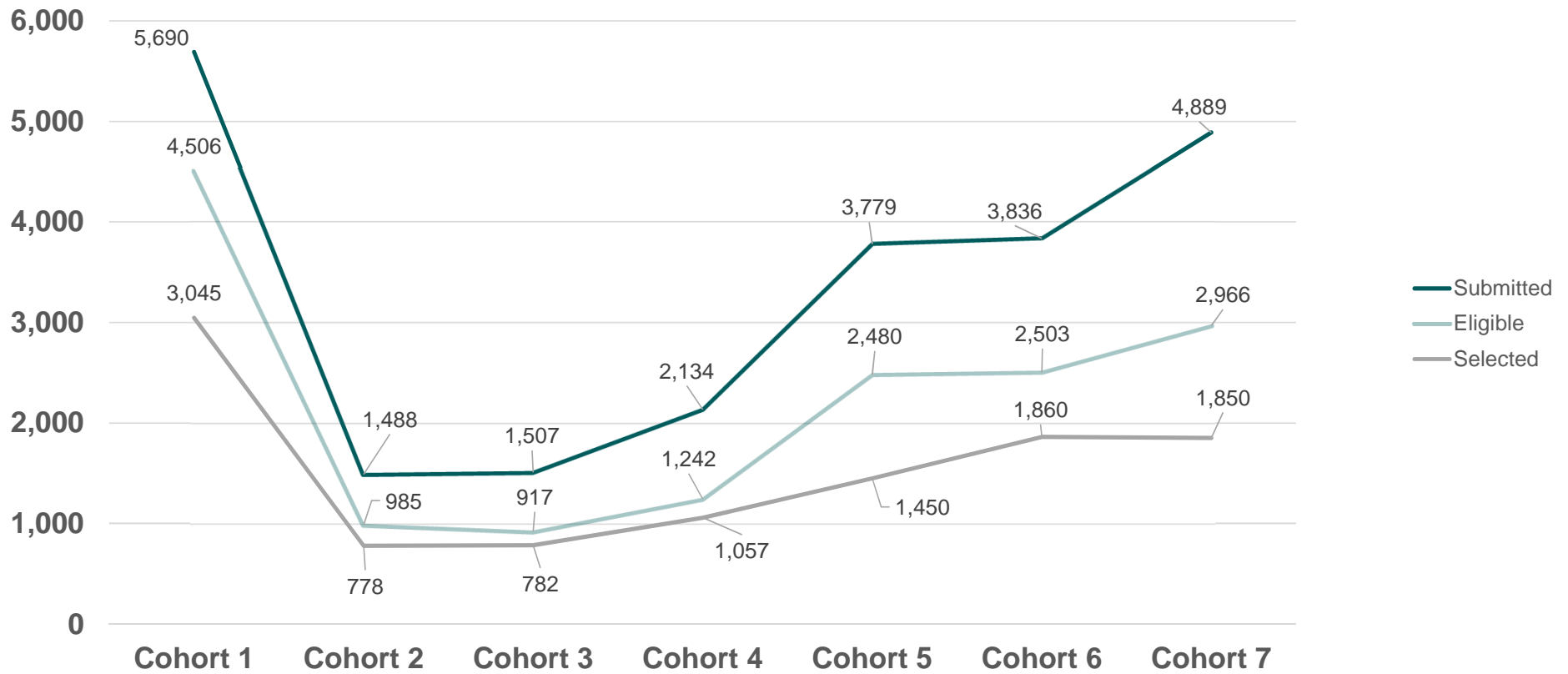
B.S. Computer Science and Systems

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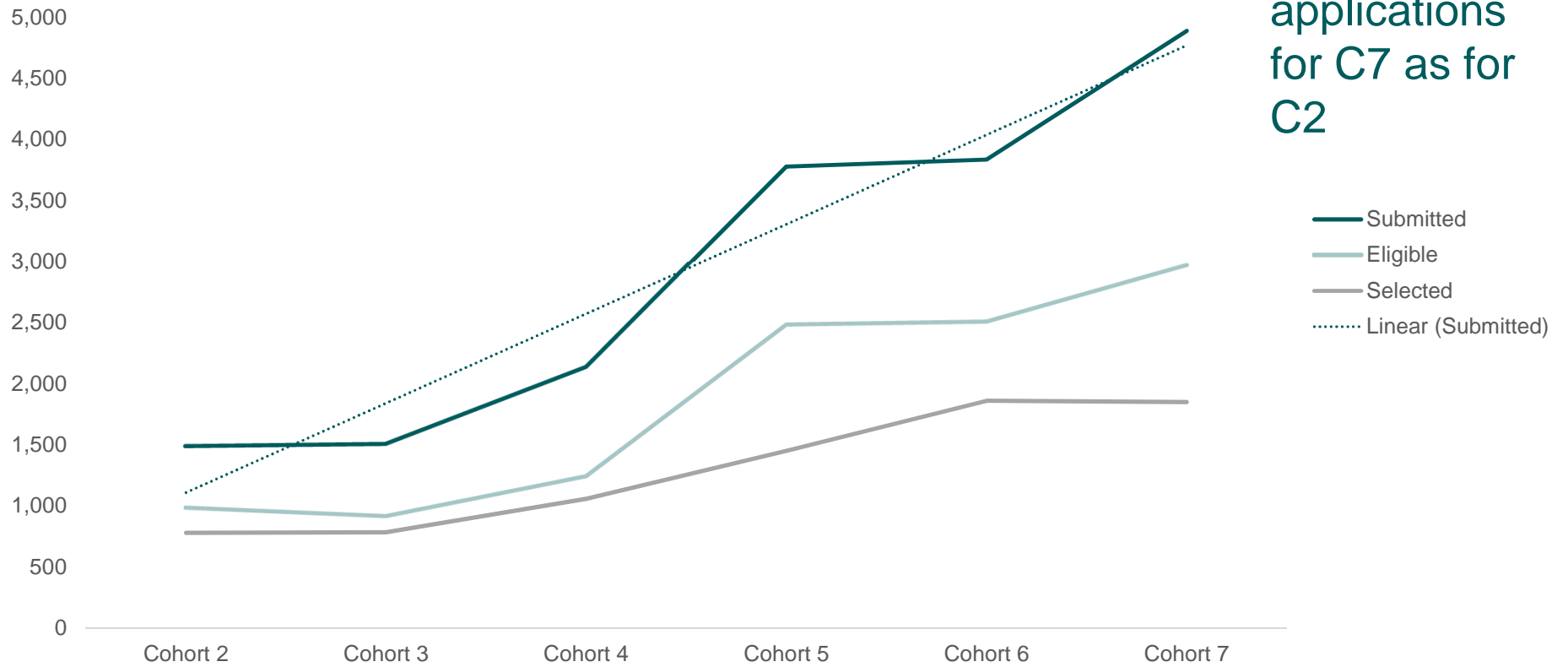


# Cohort 7 Proposed Selection Model

# Applicants Over Time



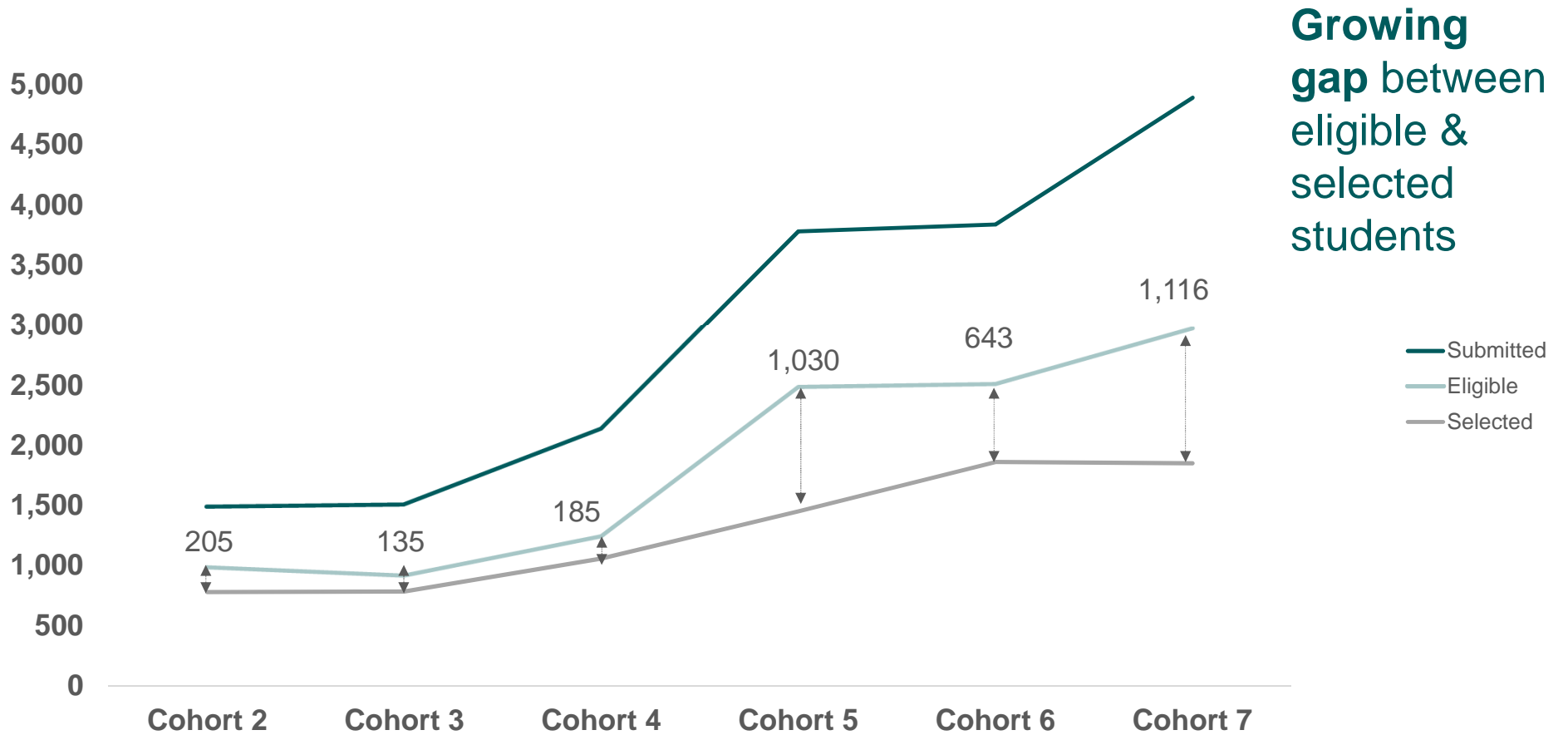
# Applicants Over Time



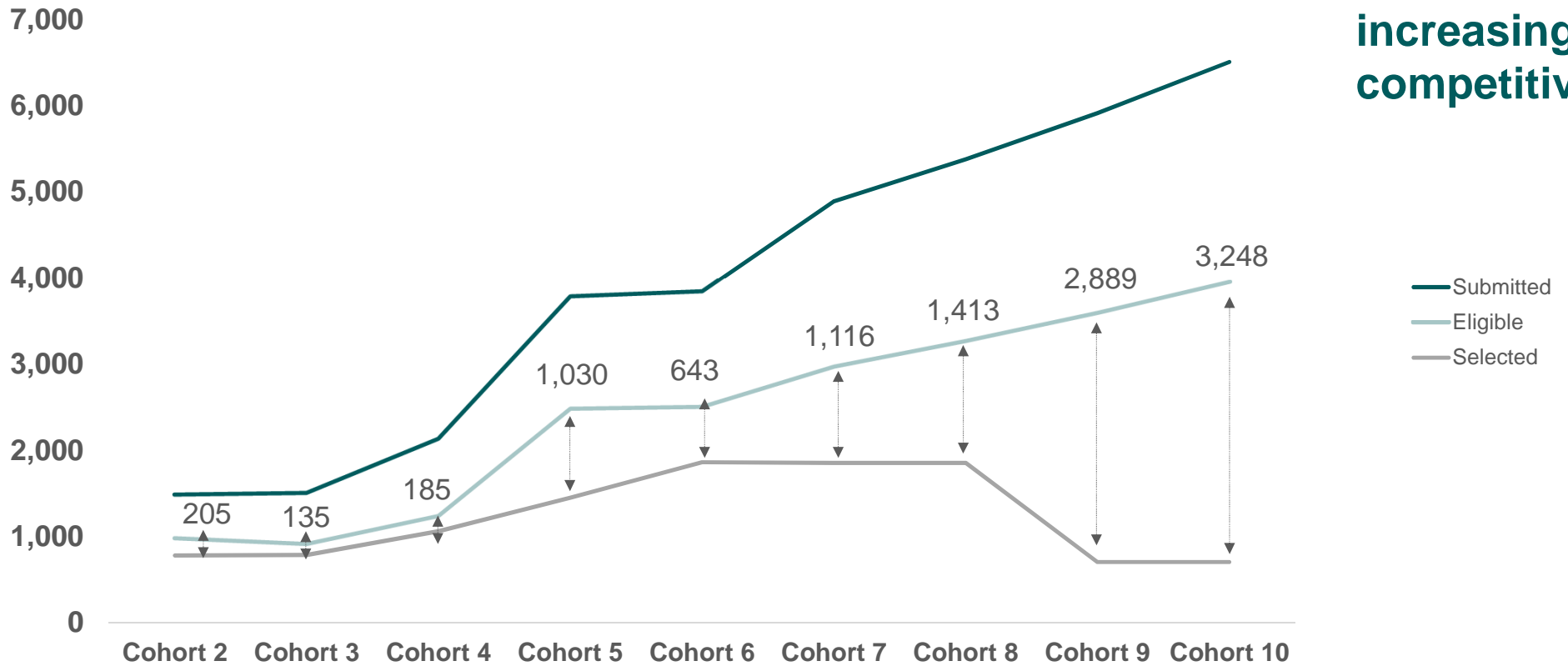
**3.3X** the applications for C7 as for C2



# Applicants Over Time



# Applicants Over Time



WSOS will become increasingly competitive

Assumes 10% growth year-over-year for C8 and beyond based on C7 submitted and preliminary eligibility numbers.

# Selection Model Evolution

- **Cohorts 1 – 4**

- Most eligible applicants selected
- Simple selection model (*GPA + first generation status*)

- **Cohorts 4 – 8**

- Around two thirds eligible applicants selected
- Expanded selection model with refinement each year

- **Cohorts 9 and beyond**

- Smaller cohort sizes; more competitive selection expected
- Likely revisit and refine model

# Proposed Selection Model Factors

## **FACTORS**

1. Intended Major of Study
2. GPA
3. Family Income
4. First Generation Status
5. Home County
6. Essay
7. Extenuating Circumstances

# Proposed Selection Model Factors

## FACTOR

1. Intended Major of Study
2. GPA
3. Family Income
4. First Generation Status
5. Home County
6. Essay
7. Extenuating Circumstances

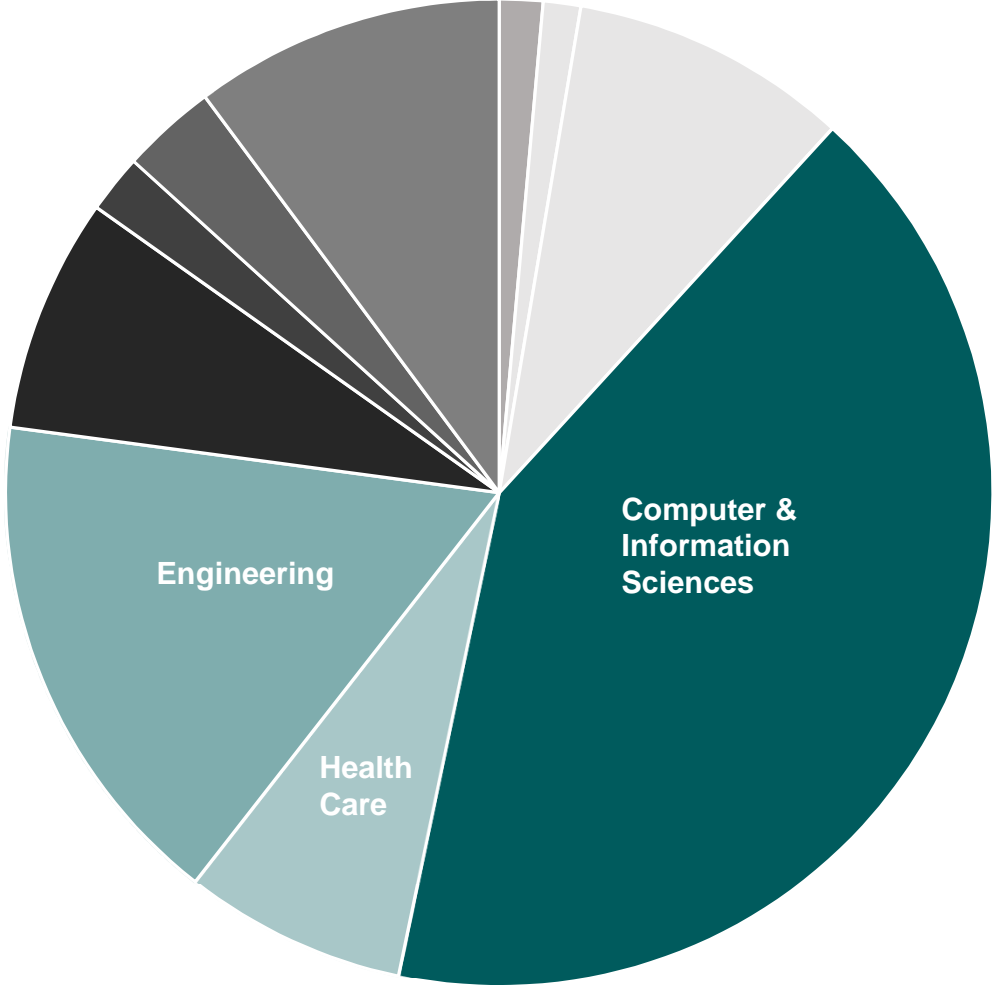
## MEASURE

1. Job openings 2020-2025
2. GPA on 4.00 scale
3. Income decile by family size
4. Yes/No
5. Unemployment Dec. 2017
6. Scored writing & content
7. Yes/No

# Weighting Intended Major of Study

1. Estimate demand via projected **job openings**.
  - Projected job openings 2020-2025 updated in December 2017 by the [Employment Security Department](#) (by work sector).
2. Relate **work sectors to majors** of study.
  - Connect majors of study (CIP classifications) to where graduates may find employment in given work sectors (SOC classifications) from [National Student Clearinghouse](#) data.
3. Estimate **economic opportunity** by major.
  - Sum all job openings expected available to graduates within certain majors and rank order eligible majors from most- to least-in-demand.

# Relative Access to Projected Job Openings



### Top Ten Counties: Highest Unemployment

County	Unemployment Rate
Ferry	14.1%
Okanogan	8.2%
Yakima	8.2%
Grant	8.1%
Franklin	8%
Pend Oreille	7.9%
Stevens	7.9%
Adams	7.8%
Pacific	7.4%
Grays Harbor	7.2%

### Bottom Ten Counties: Lowest Unemployment

County	Unemployment Rate
King	3.6%
Snohomish	4%
Whitman	4.4%
San Juan	4.5%
Asotin	4.5%
Whatcom	5%
Thurston	5%
Kitsap	5%
Clark	5%
Walla Walla	5.4%



## All Counties: Unemployment

Data Source (as of December 2017): [Employment Security Department](#)

County	Unemployment Rate
Ferry	14.1%
Okanogan	8.2%
Yakima	8.2%
Grant	8.1%
Franklin	8%
Pend Oreille	7.9%
Stevens	7.9%
Adams	7.8%
Pacific	7.4%
Grays Harbor	7.2%
Clallam	7%
Garfield	6.9%
Lewis	6.7%

County	Unemployment Rate
Mason	6.7%
Douglas	6.6%
Skamania	6.5%
Wahkiakum	6.5%
Cowlitz	6.3%
Klickitat	6.3%
Jefferson	6.2%
Benton	6.1%
Columbia	5.9%
Skagit	5.8%
Kittitas	5.7%
Spokane	5.7%
Chelan	5.6%

County	Unemployment Rate
Lincoln	5.6%
Island	5.5%
Pierce	5.4%
Walla Walla	5.4%
Clark	5%
Kitsap	5%
Thurston	5%
Whatcom	5%
Asotin	4.5%
San Juan	4.5%
Whitman	4.4%
Snohomish	4%
King	3.6%

# Proposed Changes: C6 to C7

- **Refreshed job openings** as they relate to specific majors
- **Family income by decile** rather than quartile for greater granularity
- Addition of **home county**
- **Reading every essay**
- Adding an accommodation for **extenuating circumstances**

# Proposed Changes: C6 to C7

Factor	Cohorts 5 & 6 Weight	Cohort 7 Proposed Weight
Intended Major of Study	36%	30%
GPA	29%	25%
Family Income	21%	20%
First Generation Status	14%	12%
Home County	N/A	8%
Essay	Made available +7%	5%
Extenuating Circumstances	N/A	Makes available +5%

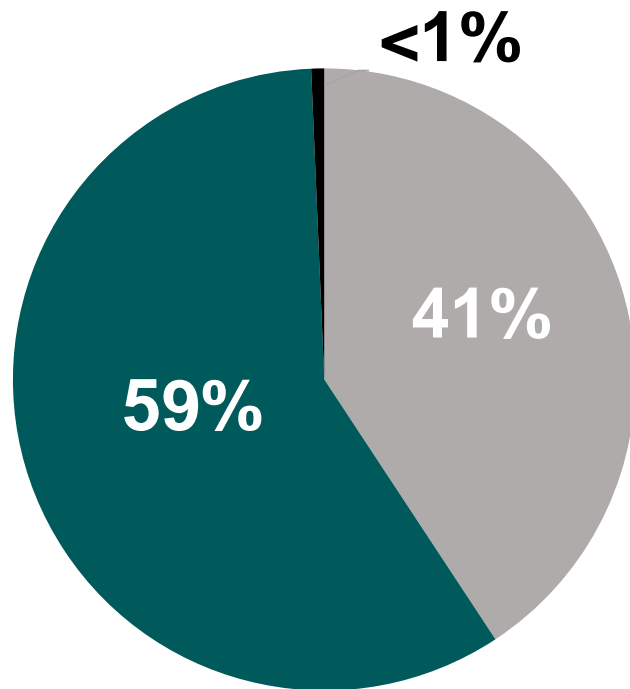
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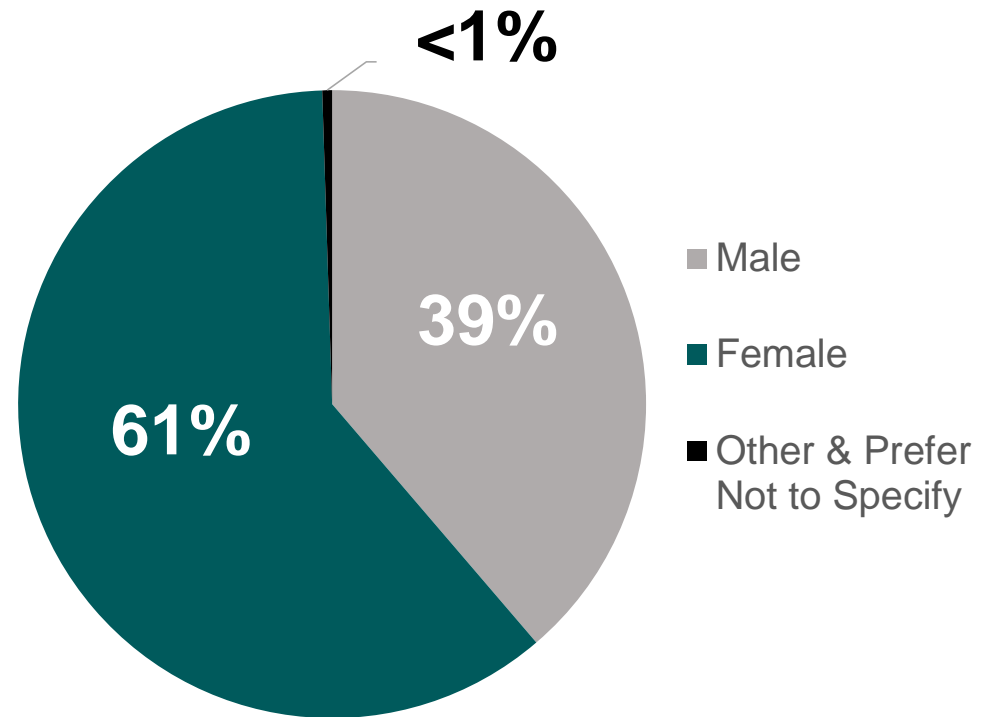
20 **Cohort 7 Preliminary Selection Outcomes**

# Preliminary Outcomes: Gender

## C7 Eligible Applicants



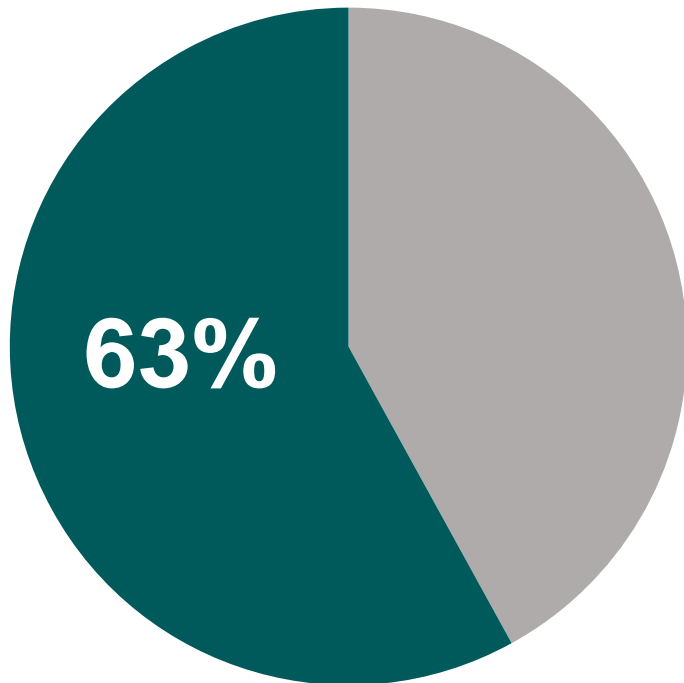
## C7 Preliminary Selects



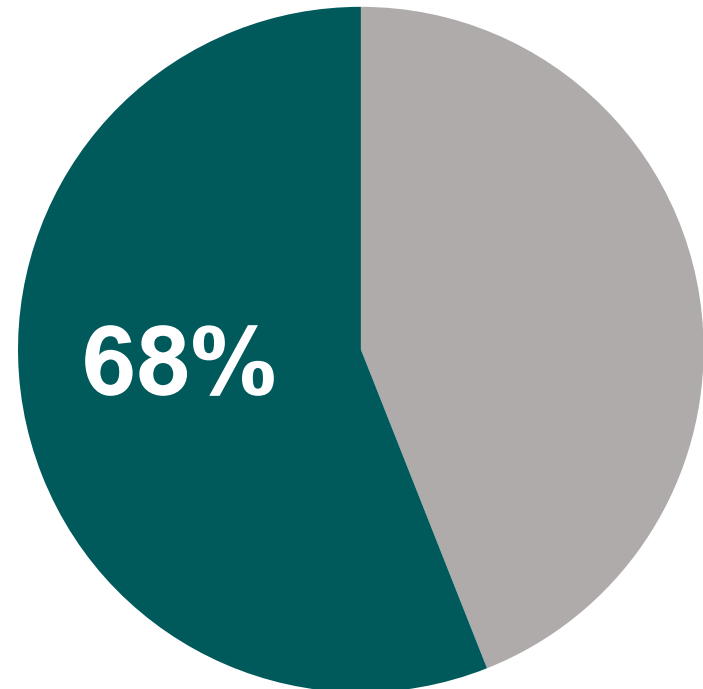
- Male
- Female
- Other & Prefer Not to Specify

# Preliminary Outcomes: Students of Color

C7 Eligible Applicants

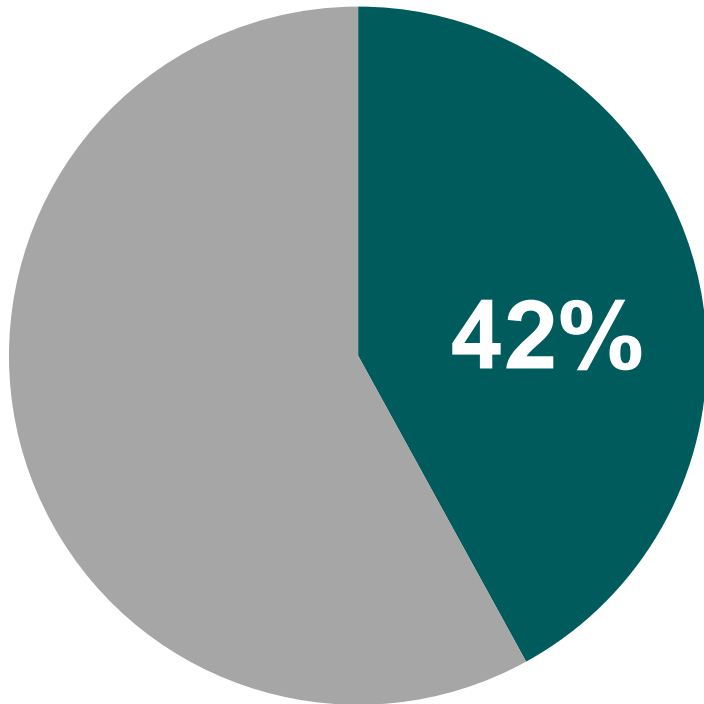


C7 Preliminary Selects

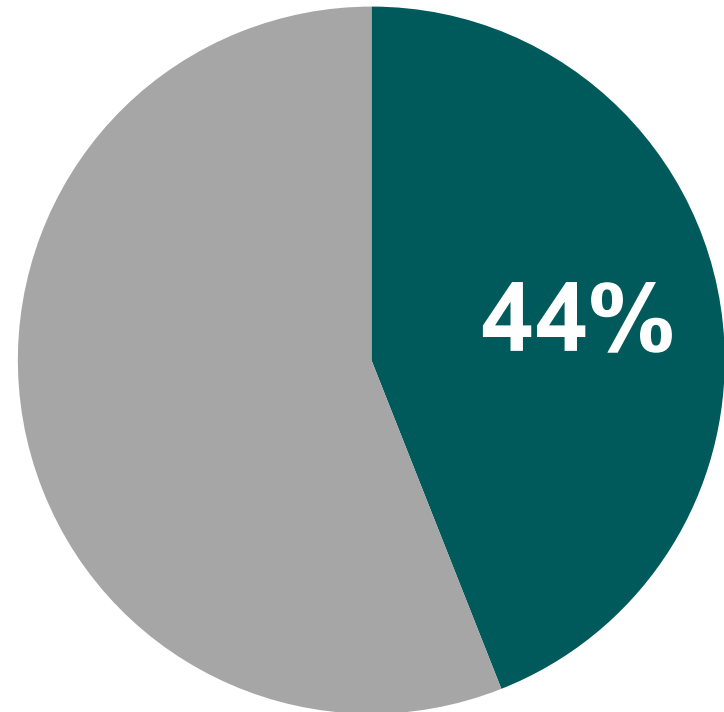


# Preliminary Outcomes: Under-Represented Minorities in STEM Fields

C7 Eligible Applicants



C7 Preliminary Selects



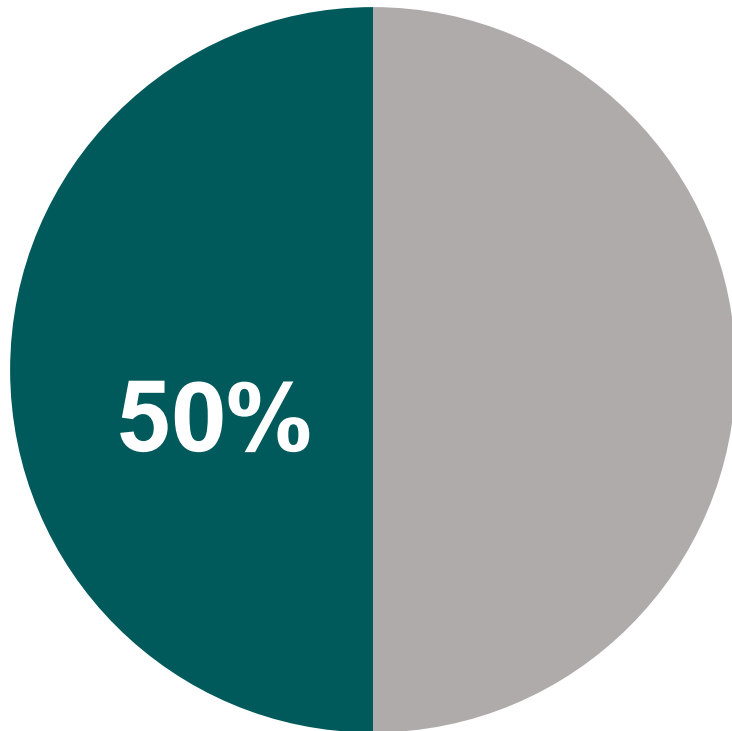
# Preliminary Outcomes: Race or Ethnicity

<b>Race or Ethnicity</b>	<b># Eligible Applicants (%)</b>	<b># Preliminary Selects (%)</b>
American Indian or Alaska Native	<1%	<1%
Asian	21%	23%
Black or African American	8%	8%
Hispanic or Latino	25%	28%
Native Hawaiian or Other Pacific Islander	1%	<1%
Two or More Races	7%	6%
White	37%	32%

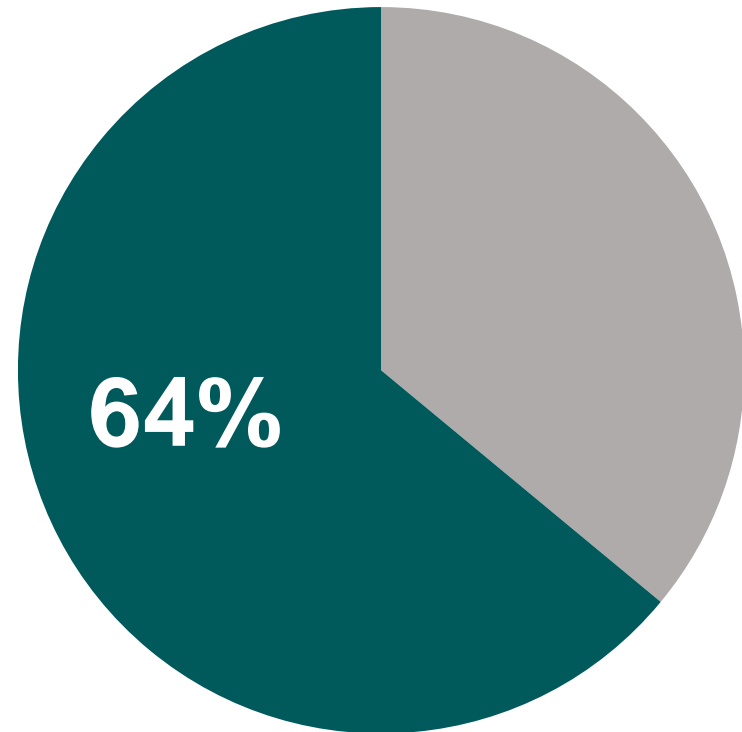


# Preliminary Outcomes: First Generation

C7 Eligible Applicants



C7 Preliminary Selects



# Preliminary Outcomes: Family Income

## C7 Eligible Applicants

- **Mean Family Income:**
  - \$54,196
- **Median Family Income:**
  - \$52,073

## C7 Preliminary Selects

- **Mean Family Income:**
  - \$46,139
- **Median Family Income:**
  - \$41,504

# Preliminary Outcomes: Home County

37 out of 39 Counties Represented in Eligible Students

## Skamania County

- Population: 12,000
- Previously Selected Students
  - Five students
- Stevenson High School
  - ~75 graduating seniors
- 2018 Applications
  - One started
  - Zero submitted

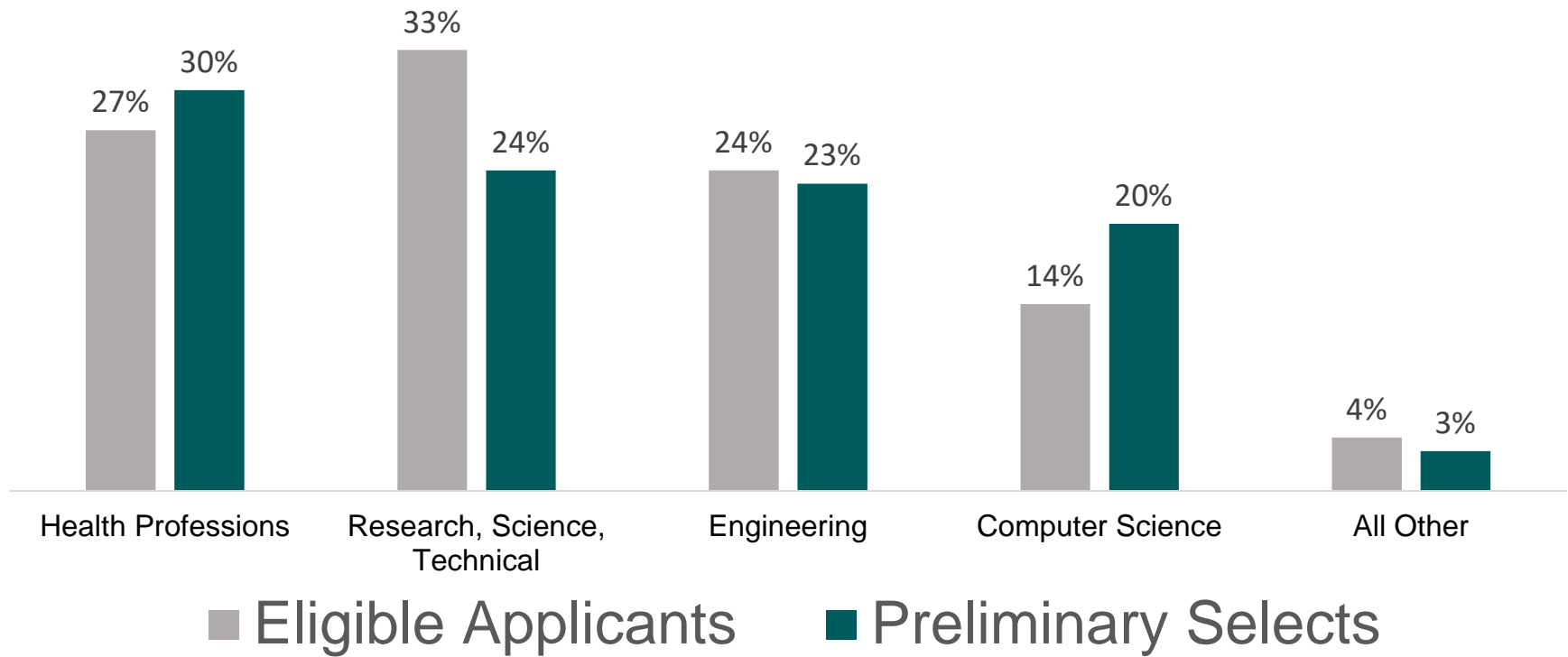
## Wahkiakum County

- Population: 4,000
- Previously Selected Students
  - Five students
- Wahkiakum High School
  - ~40 graduating seniors
- 2018 Applications
  - One started
  - Zero submitted

# Preliminary Outcomes: Home County

- **Ferry County Update**
  - Targeted **visit** in collaboration with the school
  - **5** out of **6** eligible applicants in preliminary selection

# Preliminary Outcomes: Major Categories



# Requested Approval: C7 Selection Formula

Factor	Cohorts 5 & 6 Weight	Cohort 7 Proposed Weight
Intended Major of Study	36%	30%
GPA	29%	25%
Family Income	21%	20%
First Generation Status	14%	12%
Home County	N/A	8%
Essay	Made available +7%	5%
Extenuating Circumstances	N/A	Makes available +5%

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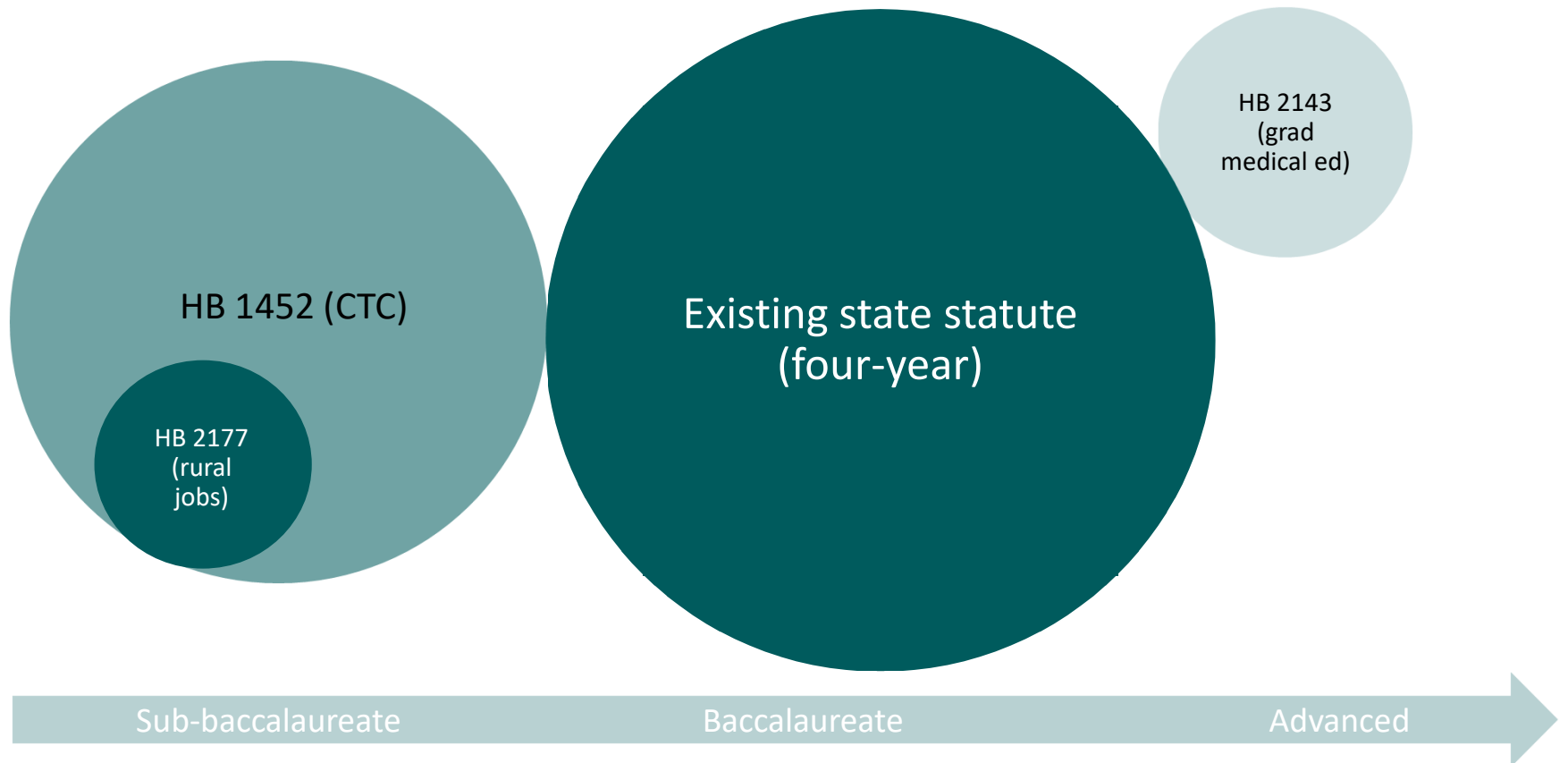


**2018 Legislative Session Update &  
Discussion of WSOS Expansion Plan**

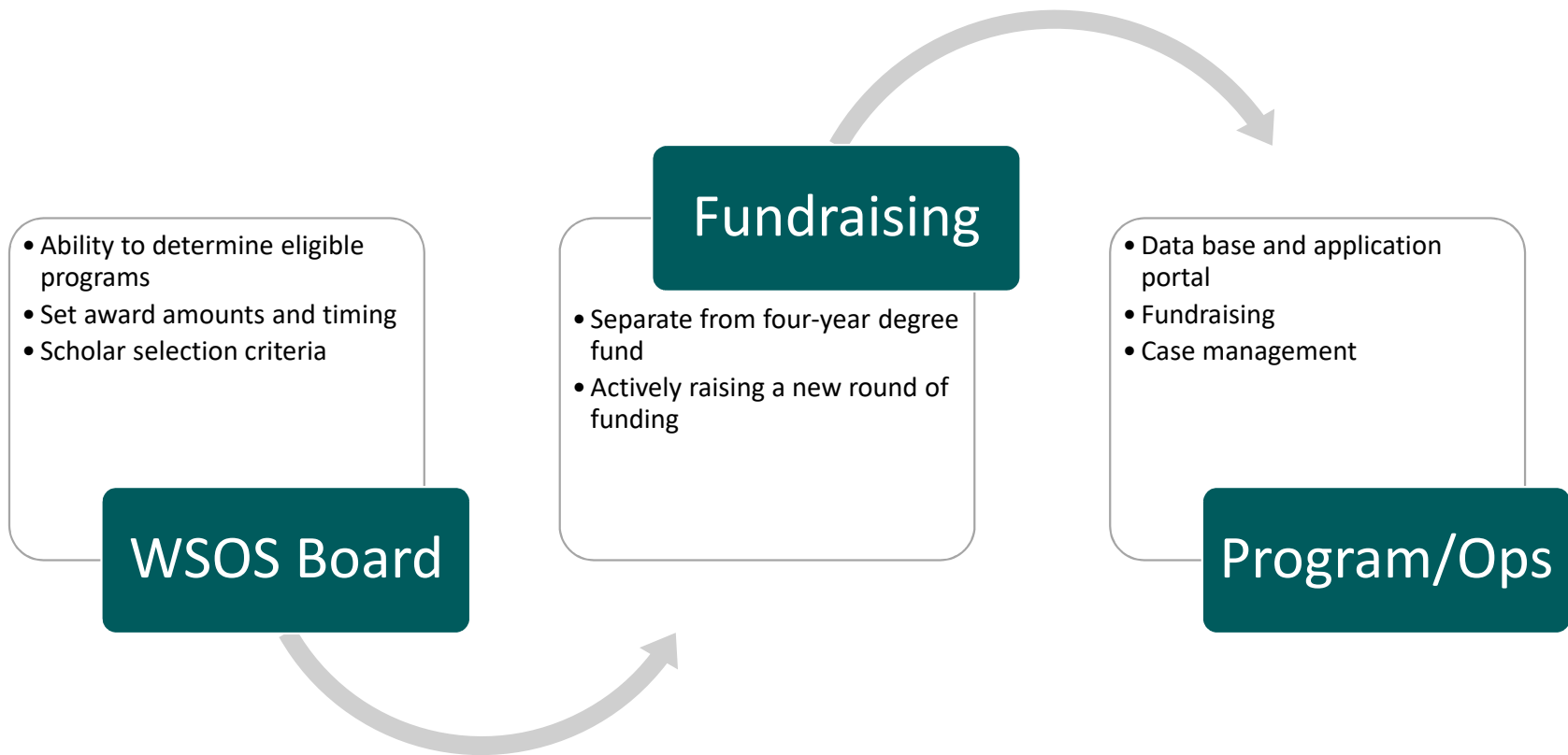




# Legislative Update: Bill Passage



# Implications



# Expansion Exploration Planning Process

Research, assess and recommend to the WSOS Board of Directors the following in relation to the new Opportunity Pathways Scholarship and the scholarship for students pursuing advanced health care degrees in underserved areas:

- A rubric by which to select a list of eligible programs
- Amounts and timing of award to students
- Selection criteria

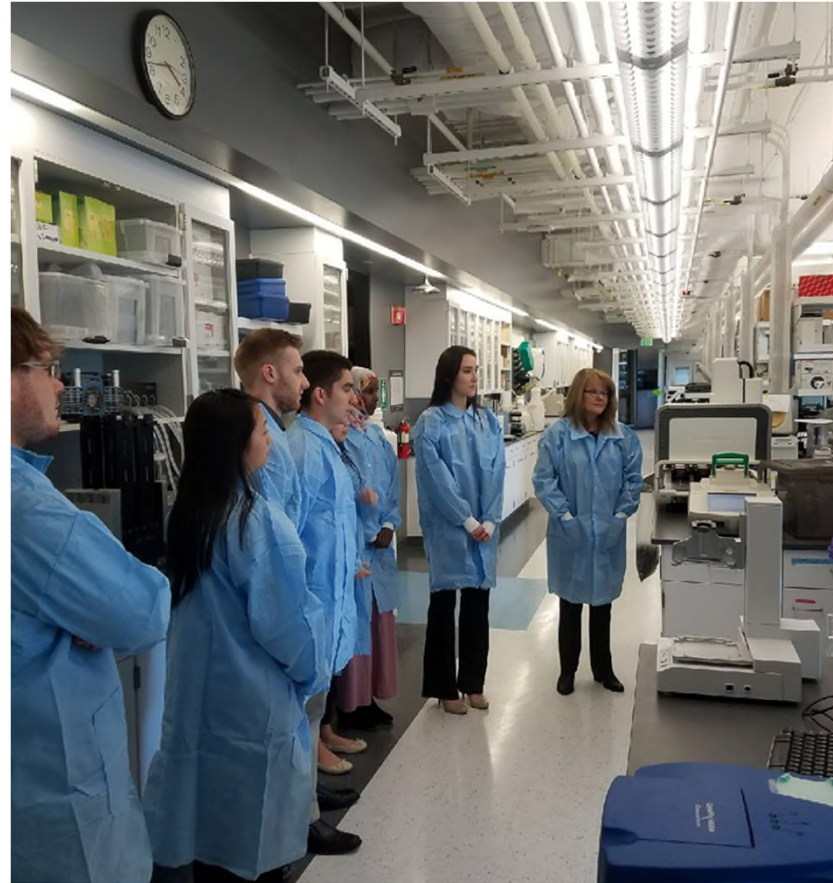
# Expansion Exploration Planning Process

Initial research and literature conducted by WSOS Staff	April – June 2018
Visioning Session	Summer 2018
Working Group convenes	July – September 2018
Recommendations presented to WSOS Board of Directors	September 2018

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- Near Peer Mentoring developed and “Scholar Leads” job descriptions posted
- 4 of 6 new staff members hired
- Operational development (continued)
  - Core competencies
  - Equity statement
  - Onboarding and all hands process



## Skills that Shine | Current



### 2017-18 ENROLLMENT

There are 199 mentor-mentee matches enrolled in the program this year

### PROGRAM

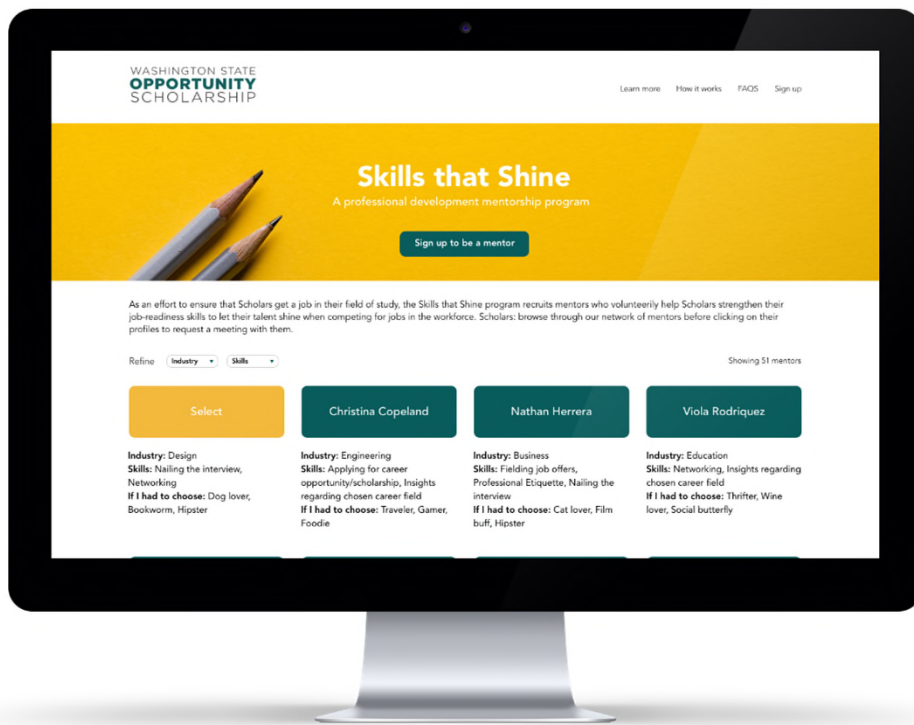
### CELEBRATION/NETWORKING EVENT

Seattle | April 17<sup>th</sup> | 415 Westlake

*Check with Theresa or Erin if you are available to attend a wrap party!*



# Skills that Shine | Future



## PLACEMENT PARADIGM

- A mentor for every **new**, third-year Scholar
- More accessible, online curriculum available from a re-tooled program website
- Year-round enrollment

## PLACEMENT TEAM

- Placement Director
- Professional-facing **Talent Resource Manager**
- Scholar-facing **Scholar Placement Manager**



**Opportunity Talks | November 1, 2018**

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# Finance & Program Administrator Update

# WSOS Balance Sheet

## Comparative Balance Sheets December 31, 2017

	Comparison to Prior Quarter			Notes	Comparison to Same Period LFY		
	9/30/17	% Change	12/31/17		12/31/16	% Change	12/31/17
<b>Assets</b>	-				-		
Cash	2,140,890	-25%	1,606,525	1	11,862,719	-86%	1,606,525
Investments	109,879,985	6%	116,241,586	2	72,628,321	60%	116,241,586
Accounts Receivable	39,725	54%	61,008		755,031	-92%	61,008
Pledges and Grants Receivable	13,154,779	7%	14,073,312	3	20,971,280	-33%	14,073,312
State match receivable, net	-		2,886,686	4	-		2,886,686
Prepaid Expenses	74,392	-44%	42,027		13,614	209%	42,027
Property and equipment, net	24,302	-16%	20,344		-		20,344
<b>Total Assets</b>	<b>125,314,073</b>	<b>8%</b>	<b>134,931,488</b>		<b>106,230,965</b>		<b>134,931,488</b>
<b>Liabilities and Net Assets</b>	-				-		
Accounts Payable	61,521	-2%	60,170		784,086	-92%	60,170
Payroll Related Liabilities	5,335	2373%	131,913		118,013	12%	131,913
Scholarship Commitments, net	30,290,993	-12%	26,792,579	5	29,089,179	-8%	26,792,579
<b>Total Liabilities</b>	<b>30,357,849</b>	<b>-11%</b>	<b>26,984,662</b>		<b>29,991,278</b>	<b>-10%</b>	<b>26,984,662</b>
<b>Net Assets</b>							
Temporarily Restricted Net Assets	69,956,224	19%	82,946,826		51,239,687	62%	82,946,826
Permanently Restricted Net Assets	25,000,000	0%	25,000,000		25,000,000	0%	25,000,000
<b>Total Net Assets</b>	<b>94,956,224</b>	<b>14%</b>	<b>107,946,826</b>		<b>76,239,687</b>	<b>42%</b>	<b>107,946,826</b>
<b>Total Liabilities and Net Assets</b>	<b>125,314,073</b>	<b>8%</b>	<b>134,931,488</b>		<b>106,230,965</b>	<b>27%</b>	<b>134,931,488</b>

# WSOS Balance Sheet

## Notes:

1. Decrease in Cash due to excess cash invested with KeyBank Capital and WSIB during Q4 2017 to earn higher returns. All investments were made per investment policy.
2. Investments balance as of 12/31/17 includes WSIB Scholarship \$66M, WSIB Endowment \$29.2M and KeyBank Capital \$21.1M.
3. WSOS received pledge payments of \$97,677 during Q4 2017. Total pledge receivable balance increased for the quarter. See Note 1 on income statement regarding discount of pledge receivable.
4. WSOS adopted a change in accounting policy for State Match Revenue in 2017. The revenue for state match will be accrued in the same period that the private donations are received. Pre-2/1/17 State Match revenue of \$2,804,502 was resubmitted to WSAC for processing with a 10% allowance. Q4 State Match accrual is \$423K.
5. Scholarship Commitment liabilities increased due to revised scholarship model developed and used to calculate scholarship liability plus accrual of the scholarship liability for Cohort 6 (academic start Fall 2017).

# WSOS Income Statement

## Actual vs. Budget

Eleven Months Ending December 31, 2017

	Eleven Months Ended December 31, 2017			Notes	December 31, 2017
	Actual	Budget	Variance Fav (Unfav)		Annual Budget
<b>Revenue</b>					
Private	2,169,052	3,000,000	(830,948)	1	3,000,000
Public	11,649,095	7,000,000	4,649,095	2	7,000,000
Investment Income	8,019,988	-	8,019,988	3	-
<b>Total Revenue</b>	<b>21,838,135</b>	<b>10,000,000</b>	<b>11,838,135</b>		<b>10,000,000</b>
<b>Program Expense</b>					
Salaries and Benefits	1,312,212	1,224,570	(87,642)		1,224,570
Professional Fees - Program Admin fees	394,357	427,230	32,873	4	427,230
Professional Fees - Contractors & Lobbying	525,107	274,526	(250,581)	5	274,526
Conferences, Conventions & Meetings	288,391	179,500	(108,891)		179,500
Operating Expenses	670,109	285,831	(384,278)	6	285,831
	<b>3,190,176</b>	<b>2,391,657</b>	<b>(305,350)</b>		<b>2,391,657</b>
<b>Income (Loss) before Scholarship Exp</b>	<b>18,647,959</b>	<b>7,608,343</b>	<b>11,532,785</b>		<b>7,608,343</b>
<b>Scholarship Expense</b>	<b>16,786,652</b>	<b>21,247,310</b>	<b>4,460,658</b>	7	<b>21,247,310</b>
<b>Net Income (Loss)</b>	<b>1,861,307</b>	<b>(13,638,967)</b>	<b>15,500,274</b>		<b>(13,638,967)</b>

# WSOS Income Statement

## Notes:

1. Revenue Private: Q4 2017 Contributions Revenue includes additional \$1.02M resulting from policy change in rates used to discount long-term pledge receivable plus \$290K from Opportunity Talks Event.
2. Revenue Public: Includes receipt from WSAC of \$8.42M match for private donations received during February – September 2017. It also includes accrual of state match receivable for pre-2/1/17 revenue of \$2.8M. The support for this was resubmitted to WSAC for processing. Accrual of state match on Q4 2017 private revenue of \$423K was also accrued, another accounting policy change for 2017.
3. Investment income: Actual-to-date includes \$7.53M in unrealized gains; budget was zero.
4. Salaries and benefits; Variance relates to year-end payroll accruals. Expense at budget for the year excluding the accounting adjustments which are timing only.
5. Program admin fees include \$360K for Washington STEM and \$35K for CSF for transition fees. Under budget due to credit of \$40K from WASTEM resulting from cost savings from contract.
6. Professional Fees – Expense of \$525K includes non-recurring transition costs of about \$200K for change in program administrator, new scholarship and accounting systems and all data migrations. Also includes research and evaluation support for STS Mentoring Program, Post-Graduate survey, and Program Growth Options project.
7. Operating Expenses – Actual expenses include non-recurring and unbudgeted \$343K in bad debt expense of which \$281K relates to the pre-2/1/17 State Match due to documentation concerns and \$60K related to a past due pledge. Normal operating expenses were \$327K which is \$41K over budget.
8. Scholarship Expense based on updated scholarship model which has been reconciled to the data validated in the new scholarship system plus accrual for Cohort 6 2017.





# WSOS Cash Flow

## Notes:

1. Cash Inflow: Other Private – Cash receipts totaled \$427K in Q4 2017 (Opp Talks-\$290K and \$100K pledge payment).
2. Cash Inflow: State Match - \$8.4M received from WSAC in November based on private donations received during February – September 2017.
3. Investment Income - Includes net unrealized gains from inception of \$8.85M (Scholarship \$6.15M and Endowment \$2.7M).
4. Scholarship disbursements were \$4.94M during Q4 2017 and scholarship refunds totaled \$167K.
5. WSOS Cash in KeyBank – Cash projections continuously monitored in order to fund operations while maximizing balance in investments in accordance with new ST Investment Policy and guidance from the Finance Committee.

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