

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**BOARD MEETING**

**09.17.2020**

# AGENDA

1. Welcome
2. Approval of Minutes from 06.10.20 Board Meeting
3. Mission Moment: Opportunity Scholar Story
4. 2020-21 Scholar Services Update
5. OpportunityTalks 2020 Virtual Breakfast
6. Legislative Session & Priorities
7. Program Update & What's Next
8. Finance & Program Administrator Update
9. Closing

# MISSION MOMENT

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# MISSION MOMENT: Scholar Spotlight

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**GRACE LILJE**  
*Mechanical Engineering*  
Gonzaga University



**SCHOLAR LEAD**

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# 2020-21 SCHOLAR SERVICES UPDATE

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# Before we start, let's take a look at our newest cohort of Career and Technical Scholars.

## 2020 CTS Cohort 2 (Fall)

- 72% first-generation college students
- Median family income of \$19,409
- Attending 33 of 34 community & technical colleges
  - Top five campuses: Spokane Community College, Bellingham Technical College, South Seattle College, Yakima Valley College and Seattle Central College

## Includes 20 Rural Jobs Initiative recipients

- Live more than 35 miles from campus
- Represent each of the eight eligible regions

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**As the 2020-21 academic year begins, there are few things we know are true for our Scholars.**

**Two truths**

1. There is no such thing as the typical college experience;

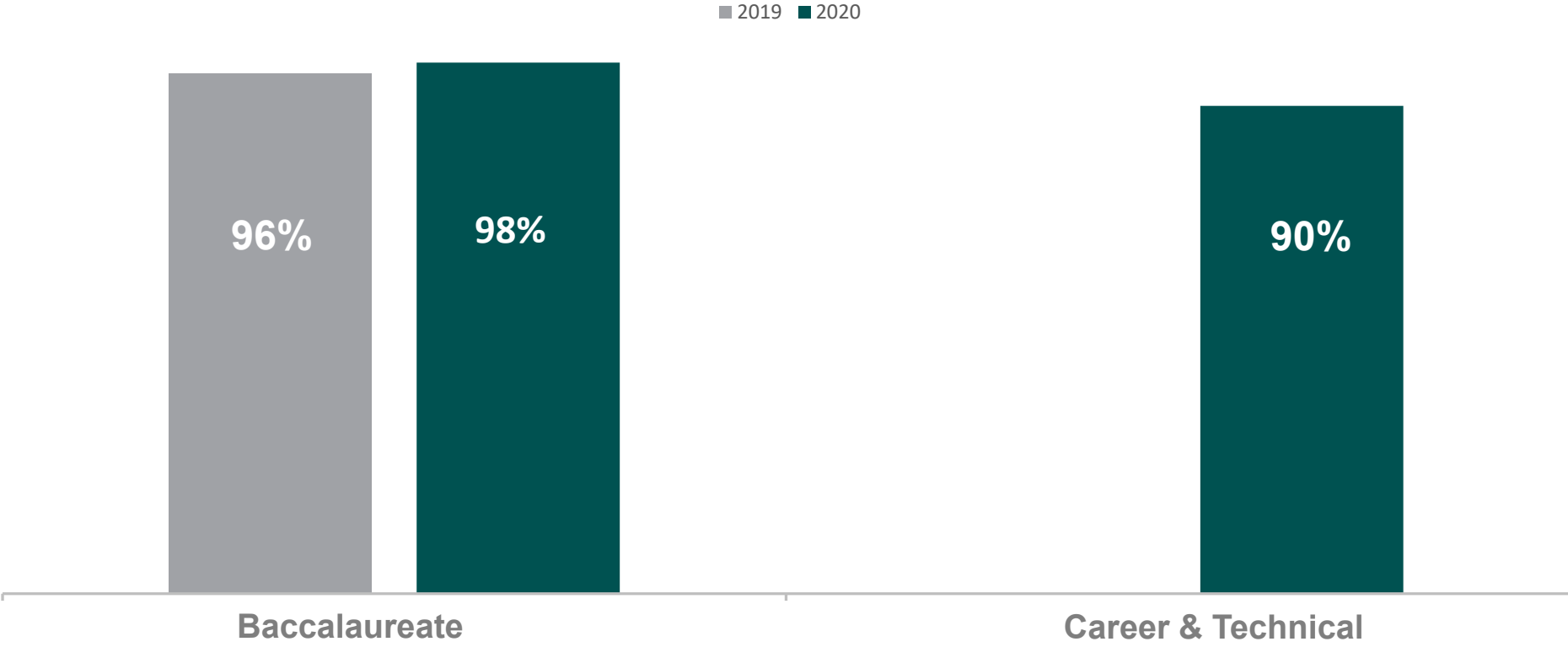
**– and –**

2. Adaptability is critical.

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# Despite the uncertainty, Scholars have signaled their intention to opt-in this academic year.

Fall 2019 vs 2020 Scholarship Accepts





**Despite the uncertainty, Scholars have signaled their intention to opt-in this academic year.**

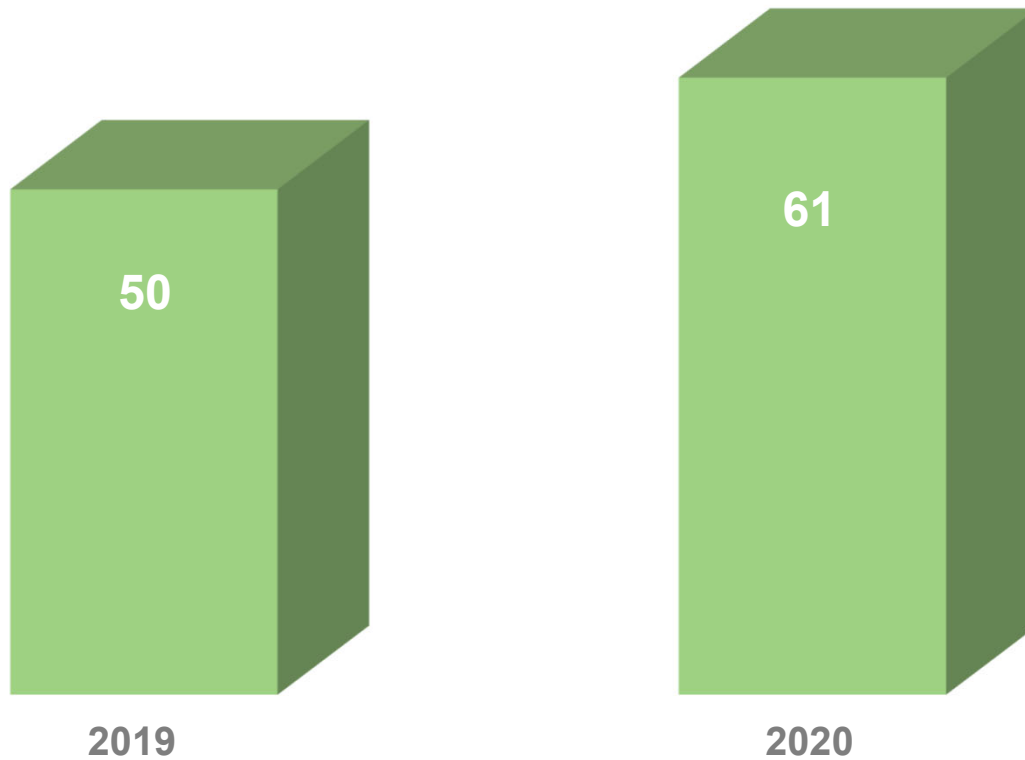
<b>Year</b>	<b>2019</b>	<b>2020</b>
<b>Baccalaureate Renewal</b>		
% completed	91%	92%
% completed and renewed	79%	78%

**Top two reasons for non-renewal in 2020**

- ✓ Graduated
- ✓ Changed to non-STEM or non-health care major

# Despite the uncertainty, Scholars have signaled their intention to opt-in this academic year.

## Fall 2019 vs. 2020 Baccalaureate Leave of Absence Requests



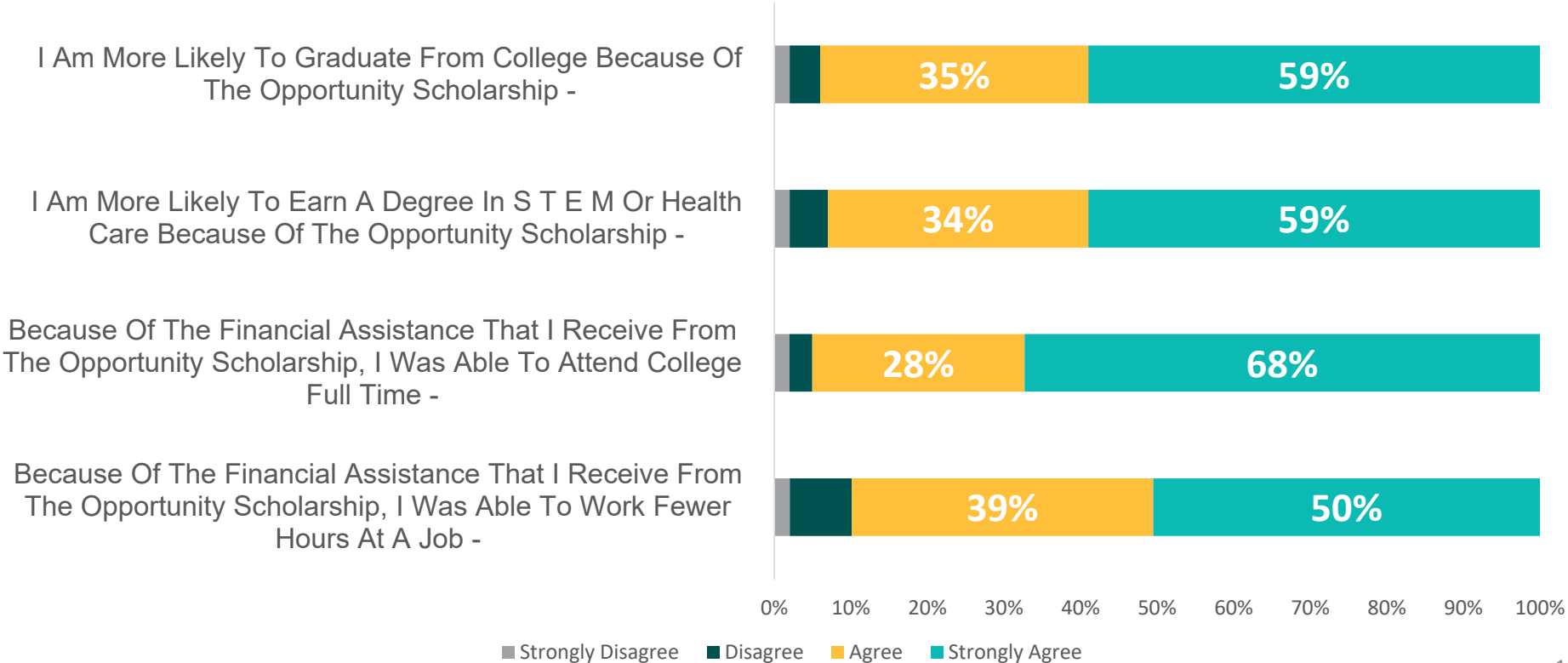
# Our goal is to support Opportunity Scholars in accessing information and staying connected.

This year, Scholars need more support than ever to get and stay connected.

- ✓ Campus
- ✓ Community
- ✓ Business and industry

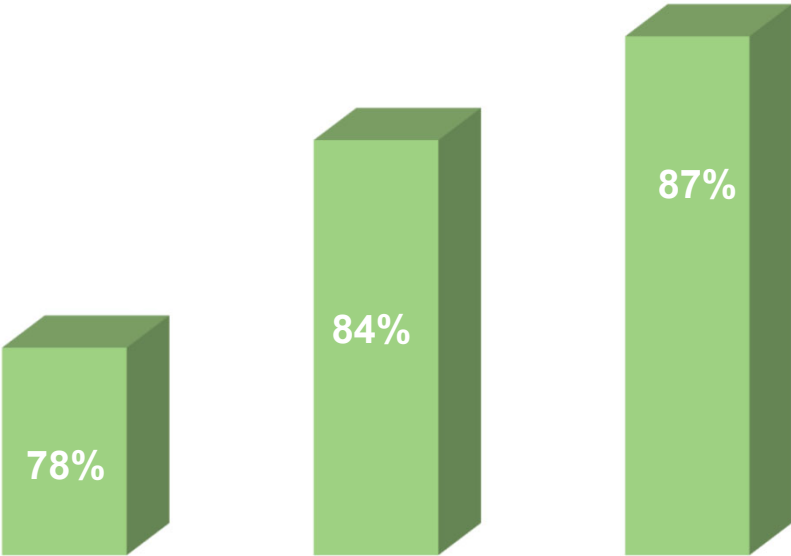
# The good news is we are starting from a place of strength.

## 2020 Baccalaureate Scholarship Impact & Satisfaction Survey Results



# We also know that our signatures programs add value to the Scholar experience.

Year 1 to Year 2 Scholar persistence supported by the Scholar Lead Program



% prepared to seek relevant work experience after participation in Skills that Shine

89

Cohort 6  
2017-18

Cohort 7  
2018-19

Cohort 8\*  
2019-20

13  
\*Final numbers available by December 2020

# Numbers are nice, but our Scholars and mentors really help us to make sense of our impact.

*“I had 4-5 [mentees] that I spoke with regularly as we had classes in the same building. I liked seeing familiar face in the hallways. I think it made us both feel more at home.”*

**-Raeanne Tegman, Scholar Lead**

*“I think (Skills that Shine) was a great program to help young individuals navigate and enter the workforce.”*

**– Lance Lidey, PNNL, StS Mentor**

*“It was a positive experience. I liked being a role model for them. It motivated me to do better in school.”*

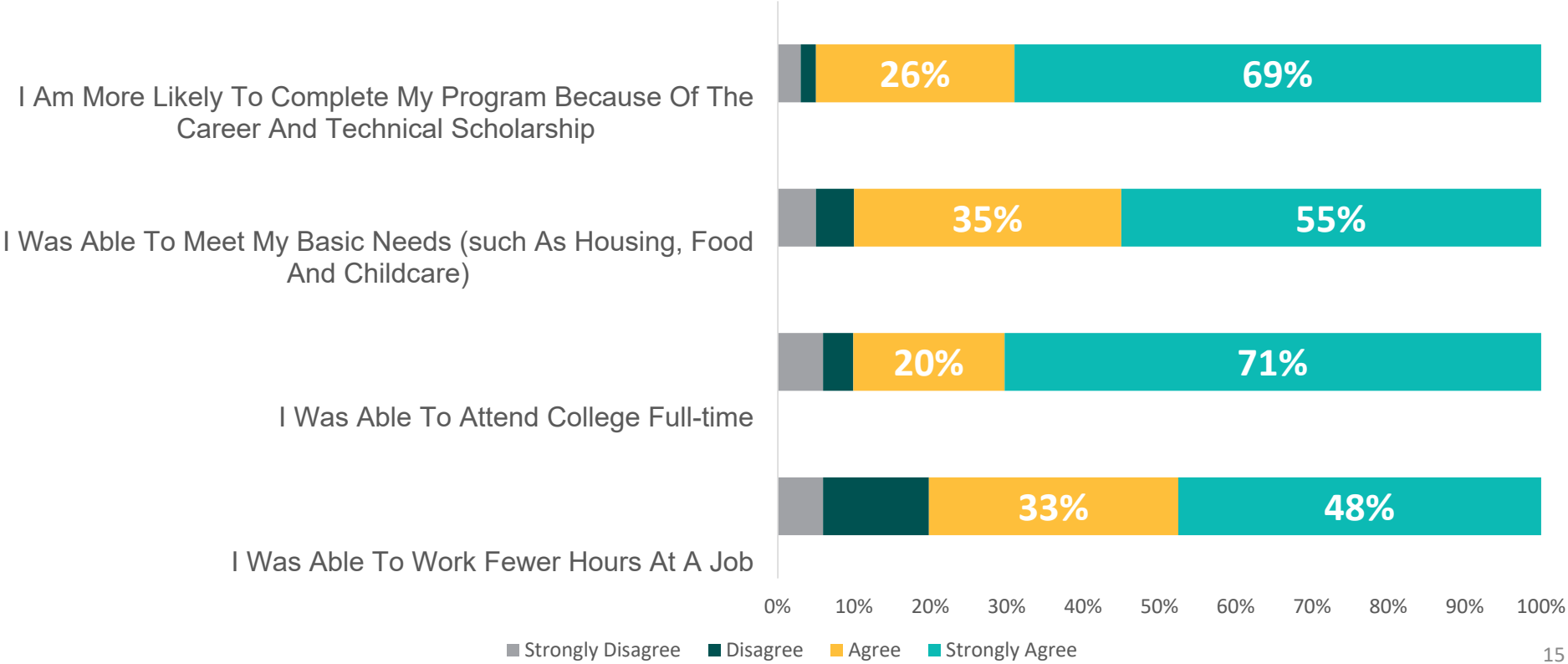
**-Rose Vo, Scholar Lead**

*“I really enjoyed getting to know my mentee and was glad I could share my experiences while at the same time learning a lot from her in return.*

**– Katelyn Johnson, Celgene, StS Mentor**

# Similarly, we see largely positive scores from career and technical Scholars, too!

## 2020 CTS Impact & Satisfaction Survey Results



# To support our goal, we've made some operational changes intended to improve how we support Scholars.

## People

- Created and hired a Programs Director role
- Extended an offer for a CTS Program Manager
- Aligned teams to better support the college experience

## Process and Systems

- Launched Caspio student database
- Granting scholarship deferments vs. standard leave of absence
- Optimizing Scholar Services key performance indicators



# We are clarifying our programming North Star to ensure we are intentional in our decision-making.

By defining key performance indicators and measurement tools we will specify and align our programmatic goals.

### Awards

% of Scholars completing the increase at eligibility

% of Scholars renewing Scholarship before deadline

### BaS (& CTS)

% of Scholars meeting with an academic advisor

% of Scholars meeting with a career center advisor

% of Scholars with a resume by Dec. of Year 3

### Industry Engagement

#/% of job opportunities in counties across the state

Mentor representation (race, industry)

# Lastly, Scholar-facing supports are being guided by three tenets.

## Accessible

- Implementing universal design strategies
- Content delivered in mobile-responsive learning platform to support asynchronous learning

## Relevant

- “Bite-size” content that is in the Scholar voice
- “Just-in-time” modules – it’s there when the Scholar needs it
- Representative of our Scholars – their backgrounds and interests

## Intentional

- Clear expectations & measurements for success
- Tools and supports to maximize Scholar success
- Driving Scholars to existing resources where they can get help

# What additional questions can I answer for you?

## Key Take-Aways

- There is very little about this academic year that is typical for our Scholars
- WSOS programming is intended to strengthen Scholar connection to campus and community to promote persistence and job attainment
- We are increasing our focus on impact and measurement for Scholar-facing programming and initiatives


# OPPORTUNITY TALKS

## 2020 Virtual Breakfast

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Here's a **Clue** to this year's OpportunityTalks theme. Sometimes in **The Game of Life**, we need to change direction. No one has a **Monopoly** on public health and safety, so the breakfast is going virtual. There's no **Risk** of missing out or need to **Scrabble** with last minute changes; we're providing plenty of notice. Plan now to play along at home on Thursday, November 12, from 8 to 9 a.m. Expect a smooth online **Operation** as we challenge you to discover **Are You Smarter than an Opportunity Scholar?**

REGISTER

SHARE 



# AreYou Game?

OPPORTUNITY TALKS

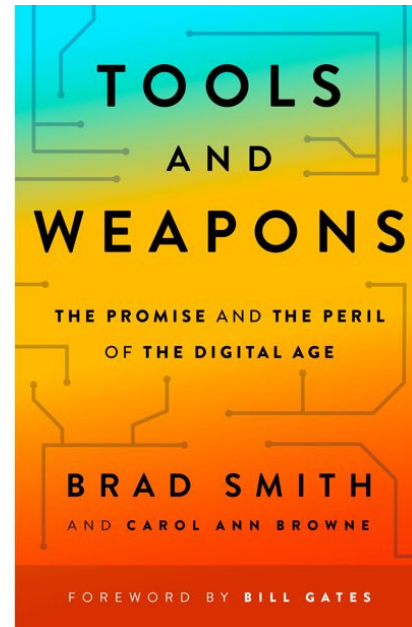
LIVE STREAMING • NOV.12.2020 @ 8 a.m. (PST)

Join us with a gift  
of any amount!

REGISTER

DONATE

HOST A TABLE



**Are You Smarter than an Opportunity Scholar?**

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# Will you help us raise \$500,000?

- **Make a pledge** to the Challenge Fund.
- **Register** for the breakfast.
- Become a **virtual table host!**
- **Invite your network** to join your table.
- Share the opportunity to **become a mentor.**



# LEGISLATIVE SESSION & PRIORITIES

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# Interim meetings are a chance to preserve and build legislative champions.

- The **opportunity** in challenge – online meetings!
- Have met with **dozens of legislators, budget staff and legislative staff** from across the aisle and across the state

# Our program has changed a lot and has great demonstrated impact to celebrate.

Bachelor's in STEM or health care (flagship program)

**BaS**

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**BACCALAUREATE**

Apprenticeships, associate's or certificates (new in 2019)

**CTS**

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**CAREER & TECHNICAL**

**RURAL  
JOBS**

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A CAREER & TECHNICAL SCHOLARSHIP INITIATIVE

Doctorate of Nurse Practice DNP (desired launch in 2021)

**GRD**

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**GRADUATE**

# WSOS protects the state's investment in the WCG.

- **Washington College Grant (WCG)**
  - Students from families **up to 55%** of median family income are eligible for full grant; **up to 100%** for partial.
  - Grant amount is **based on tuition.**
  - May be used to support **degrees in any field.**
  - **Guaranteed state funds** through the B&O tax.





# WSOS protects the state's investment in the WCG.

- Opportunity Scholarship (WSOS)
  - Students from families **up to 125%** of median family income are eligible.
  - Scholarship can be used **up to cost of attendance.**
  - Targets investments in **high-demand fields.**
  - State match provided **through the general fund.**



# Legislators are supportive of 2021 priorities including match for new programs.

- **GRD Launch**

- Program launch in year following first match

- **CTS**

- Non-traditional student and veteran/military access
- Non-credit bearing programs

- **Rural Jobs**

- Access for students from rural counties who wish to attend college online or at nearest campus that is in non-rural county

# Our critical legislative partners are steadfast in their support for the program.

- **What we're hearing:**
  - Enthusiasm about strong program outcomes
  - Prioritized support for programs that serve students of color in 2021 budget conversations
  - Support for legislative priorities

# PROGRAM UPDATE & WHAT'S NEXT

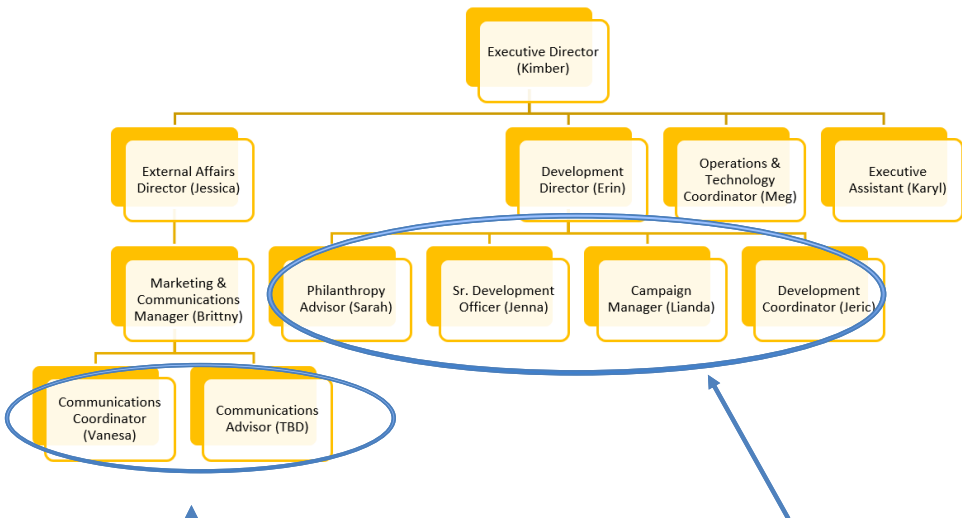
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# The WSOS team is aligned & nearly complete.

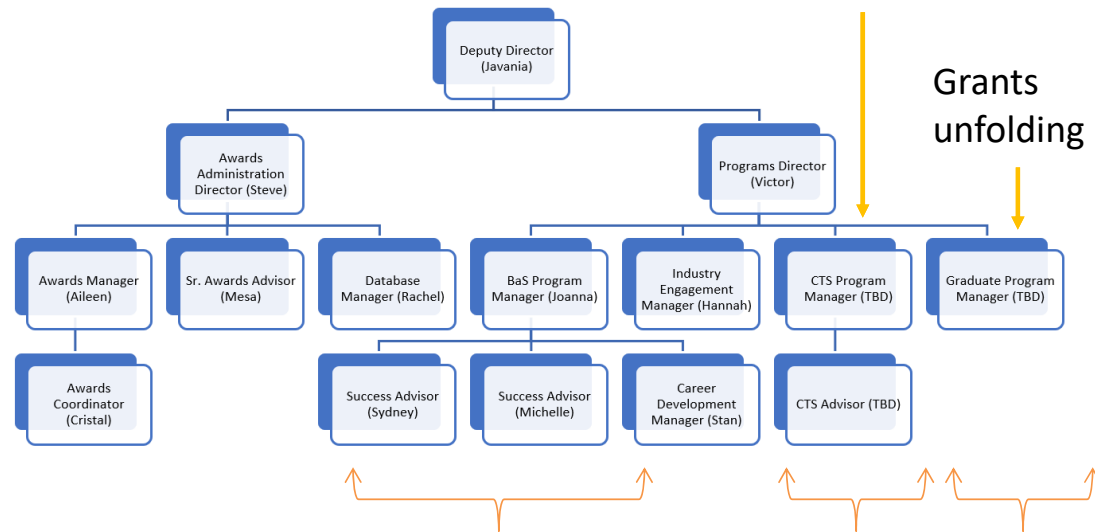
CTS services primed to launch for 2020-21

Grants unfolding



4 FTE Ext Affairs Team; 3 of 4 hired, 4<sup>th</sup> posted; increasing social engagement, message platform revamped, strategic work underway

5 FTE Devo Team onboarded and ready to engage in feasibility study & building major gifts program



Programs team realigned by scholarship: BaS, CTS, GRD

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# The Rural Jobs Initiative is launched & we're ready to learn.

- Biennium **cap maxed** with \$1M investment
- Meet **local industry demands** specific to region
  - Chemical dependency studies to address the opioid crisis in SW WA
  - Agriculture programs in the Tri-cities region
- Additional support intended to **offset hurdles** for rural students
- At least **400 Scholars** supported over next four years
- *Upcoming:*
  - Changes to legislation to maximize accessibility to online programs and nearby colleges
  - Seeking partners to reach cap for next biennium
  - Assessing impact of scholarship award amounts

**RURAL  
JOBS**

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A CAREER & TECHNICAL SCHOLARSHIP INITIATIVE

# The advanced health care program is a real possibility for 2021.

- Reaching biennium cap of \$1M would create **opportunity for a small pilot**
- Address **health care provider shortage gaps** across the state
  - Physical & behavioral health focus
  - Rural and other medically underserved areas
- Scholarship + practicum remuneration to incentivize program completion & placement in medically underserved areas
- **~100 nurse practitioners** supported over five-year pilot
- *Upcoming:*
  - Changes to legislation to allow launch in 2021
  - First \$500K grant submitted; advancing two other conversations (seeking \$2M to max cap for two biennium and fund pilot)

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**GRADUATE**

# The \$200M feasibility study has begun in earnest.



*Upcoming:*

- Engaging key partners in the Study Advisory Committee
- Building a major gifts strategy

## STRENGTHS

- Demonstrated impact
- Scalable program supports beyond dollars
- Culture to iterate to excellence
- Services for persistence and career launch
- Dollar-for-dollar match & bi-partisan support
- Scholarship variety

*Very apparent in donor and legislator meetings that these are known and recognized*

## WEAKNESSES

- CTS services in development  
**(FUNDED - HIRING MANAGER & ADVISOR)**
- GRD not yet launched  
**(SEEKING PARTNERSHIP)**
- Cohort size decreasing  
**(ENGAGING IN FEASIBILITY STUDY)**
- “Well-kept secret” of WSOS  
**(BUILDING COMMS STRATEGY)**
- Opportunities missed due to lack of capacity  
**(BUILDING THE TEAM)**

## OPPORTUNITIES

- Newness of CTS and RJI
- WA College Grant expansion
- Municipal, county and tribal matching
- GRD to excite new partnerships

*CTS & RJI are off and running; municipal, county and tribal matching on hold; GRD has reinvigorated conversations with known partners*

## THREATS

- WA College Grant expansion  
**(ADDRESSING IN LEG MTGS)**
- Statutory changes outpace implementation ability  
**(SHARING GROWTH IN LEG MTGS)**
- COVID impacts fundraising  
**(ON TRACK TO MEET OR EXCEED TARGETS)**
- COVID impacts on student experience  
**(UPDATES TO SCHOLAR EXPERIENCE)**

# STRATEGIC PRIORITIES

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## Scalable, Statewide Programs.

- Scalable programs for BaS, CTS and GRD
- Demonstrated impact across the state
- Focus on intended impact & theory of change
- Scholar-centric

## Build the Brand.

- State-wide awareness of program & Scholars
- Thought leadership & evidence of impact
- Recession-proof the message
- Build partnerships in new spaces (tribal, county, municipal, new employer partners)

## Fund to 2030.

- Clear fundraising strategy that includes all three programs (BaS, CTS & GRD) including Rural Jobs and tribal/county/municipal work
- Fully funded scholarship model through 2030 for BaS & CTS with 1,000/cohort in each
- Initial investment for GRD program to launch first five cohorts
- \$200M raised to date; \$200M goal over next six years

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# FINANCE & PROGRAM ADMINISTRATOR UPDATE 06.30.2020

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# WSOS Balance Sheet

Comparative Balance Sheets  
July 31, 2020

	Comparison to Last Reported Period			Notes	Comparison to Same Period LFY		
	4/30/20	% Change	7/31/20		7/31/19	% Change	7/31/20
<b>Assets</b>							
Cash	877,132	239%	2,975,992	1	6,174,609	-52%	2,975,992
Investments	104,841,026	6%	111,356,343	2	115,867,935	-4%	111,356,343
Accounts Receivable	6,343	-94%	395		368	7%	395
Pledges and Grants Receivable, net	5,989,069	-41%	3,505,092	3	4,722,048	-26%	3,505,092
State match receivable, net	330,180	780%	2,906,926	4	2,311,934		2,906,926
Prepaid Expenses	89,346	-4%	85,990		120,448	-29%	85,990
Property and equipment, net	27,587	-10%	24,692		36,271	-32%	24,692
<b>Total Assets</b>	<b>112,160,683</b>	<b>8%</b>	<b>120,855,430</b>		<b>129,233,613</b>	<b>-6%</b>	<b>120,855,430</b>
<b>Liabilities and Net Assets</b>							
Accounts Payable	61,968	34%	83,195		67,339	24%	83,195
Payroll Related Liabilities	69,944	-2%	68,727		66,383	4%	68,727
Scholarship Commitments Bacc., net	26,870,392	0%	26,829,963	5	27,243,627	-2%	26,829,963
Scholarship Commitments CTS, net	1,531,012	-15%	1,298,512	5			1,298,512
<b>Total Liabilities</b>	<b>28,533,316</b>	<b>-1%</b>	<b>28,280,397</b>		<b>27,377,349</b>	<b>3%</b>	<b>28,280,397</b>
<b>Net Assets</b>							
Temporarily Restricted Net Assets	83,627,367	11%	92,575,033		101,856,264	-10%	92,575,033
Permanently Restricted Net Assets	-	0%	-			0%	-
<b>Total Net Assets</b>	<b>83,627,367</b>	<b>11%</b>	<b>92,575,033</b>		<b>101,856,264</b>	<b>-9%</b>	<b>92,575,033</b>
<b>Total Liabilities and Net Assets</b>	<b>112,160,683</b>	<b>8%</b>	<b>120,855,430</b>		<b>129,233,613</b>	<b>-6%</b>	<b>120,855,430</b>



# WSOS Balance Sheet

## Notes:

1. Increase in cash between April and July largely due to private receipts of \$2.58M, primarily due to Gary Rubens pledge payment of \$2.5M, WSAC implementation funds of \$250K, and scholarship refunds of \$408K (\$266K BaS, and \$142K CTS) . These were offset by scholarship disbursements of \$273K (\$40K BaS, \$233K CTS), and operating expenses.
2. Investment balance as of 07/31/20 includes WSIB BaS Scholarship \$76.36M, WSIB CTS Scholarship \$28M, WSIB Endowment \$5.76M, KeyBank Capital BaS \$809K, and KeyBank Capital CTS \$425K. The KeyBank investment account (public dollars) provides cash needs first in order to fund scholarship demands.
3. Pledges and Grants Receivable, net, decreased primarily due to pledge payment of \$2.5M by Gary Rubens. Balance includes Gary Rubens' pledge of \$2.5M, Brad Smith pledge of \$1M (received late August), Avista pledge of \$20K, corporate of \$2.5K, and other individuals of \$33K.
4. State match receivable includes accrual for match of all private dollars received from May to July. This includes match of the Gary Rubens gift, and was received in early August.
5. In March we recorded adjustments to our Scholarship liabilities for the CTS programs of \$596K. This increase was offset by disbursements between May and July for the Baccalaureate and CTS programs of \$40K and \$233K, respectively. The liabilities will be adjusted further in August due to new year of scholarship participants for both programs.

# WSOS Income Statement

## Actual vs. Budget

Seven Months Ending July 31, 2020

	Seven Months Ending July 31, 2020			Notes	December 31, 2020
	Actual	Budget	Variance Fav (Unfav)		Annual Budget
<b>Revenue</b>					
Private	1,402,801	682,240	720,561	1	1,705,599
Public	3,157,410	3,011,678	145,732	2	4,205,591
Investment Income	3,696,003	213,612	3,482,391	3	366,192
<b>Total Revenue</b>	<b>8,256,215</b>	<b>3,907,530</b>	<b>4,348,685</b>		<b>6,277,382</b>
<b>Program Expense</b>					
Salaries and Benefits	1,102,937	1,250,647	147,710	4	2,493,606
Professional Fees - Program Admin fees	312,230	309,065	(3,165)		530,540
Professional Fees - Contractors & Lobbying	223,641	257,720	34,079	5	617,500
Conferences, Conventions & Meetings	21,286	63,383	42,097	5	206,270
Operating Expenses	146,179	187,066	40,887	5	356,566
	<b>1,806,273</b>	<b>2,067,881</b>	<b>261,608</b>		<b>4,204,482</b>
<b>Income (Loss) before Scholarship Exp</b>	<b>6,449,942</b>	<b>1,839,649</b>	<b>4,610,293</b>		<b>2,072,900</b>
<b>Scholarship Expense</b>	<b>(311,638)</b>	<b>664,273</b>	<b>975,911</b>	6	<b>10,998,132</b>
<b>Net Income (Loss)</b>	<b>6,761,580</b>	<b>1,175,376</b>	<b>5,586,204</b>		<b>(8,925,232)</b>

# WSOS Income Statement

## Notes:

1. Revenue Private: The 2020 Budget included \$1M for 4-year scholarship and \$705K for CTS, divided evenly by quarter throughout the year. New revenues between May and July totalled \$100K which included a \$20K from Columbus/Battelle Foundation, \$30K from Avista, and \$42K from Gary Rubens. The \$2.5MM pledge payment was revenue in a prior year with the initial pledge was made.
2. Revenue Public: State Match revenues accrued based on \$2.58M of private receipts between May and July.
3. Investment income: Actual YTD includes unrealized+realized gains of \$3.64M, interest & dividend income of \$98K and investment expense of \$37K. Budget does not include forecasting gains/losses.
4. Salaries and benefits; Slightly under as there was a delay in hiring new positions compared to what was expected in the budget.
5. Professional Fees, Conferences, Conventions & Meetings, and Operating Expenses lower than budget primarily due to Covid-19 quarantine measures. In professional fees, Evaluation Consulting and IT Consulting are \$18.7K and \$18.6K under budget, respectively. For conferences, conventions & meetings expenses are under budget across most GLs, notably Meals (\$9K), Mileage (\$6.5K), Hotels (\$5.6K), Catering (\$4.4K), Registration Fees (\$4.2K), Airfare (\$3.1K), Other Travel Expenses including Taxis and Car Rentals (\$4.7K). Within operating expenses the largest differences were in Printing and Collateral (\$14.2K), Staff Professional Development (\$9.4K), and Computer Equipment (\$4.1K).
6. Scholarship expense for CY 2020 for BaS will be recorded in August with any final adjustments in December. The CTS liability and adjustments are recorded in March, August, and December based on portion of students accepted into the program. The expense in the budget is net of anticipated refunds. In actuality, refunds are received throughout the year, so the difference between budget and actual is primarily due to this. CTS expense recorded in March was \$596K, and was related to final group of students in Cohort 1.

# WSOS Cash Flow

## Cash Flow Summary

Inception-To-Date

July 31, 2020

	Inception - July 31, 2020			
	Scholarship	Endowment	Notes	Total
<b><u>CASH FLOW</u></b>				
<b>Cash Inflow:</b>				
Boeing	25,110,000	-		25,110,000
Microsoft	35,000,000	-		35,000,000
Other Private	36,313,231	-	1	36,313,231
State	93,593,228	-	2	93,593,228
Investment Income*	19,200,639	5,767,630	3	24,968,269
<b>Total Cash Inflows</b>	<b>209,217,098</b>	<b>5,767,630</b>		<b>214,984,728</b>
<b>Cash Outflow:</b>				
Scholarships	(81,138,975)	-	4	(81,138,975)
Program Expenses	(19,507,606)	(5,812)		(19,513,418)
<b>Total Cash Outflows</b>	<b>(100,646,581)</b>	<b>(5,812)</b>		<b>(100,652,393)</b>
<b>Net Cash Flow Inception-To-Date</b>	<b>108,570,517</b>	<b>5,761,818</b>		<b>114,332,335</b>
<b><u>Composition of Net Cash Flow</u></b>				
KeyBank Checking Account	2,975,992	-	5	2,975,992
Investment Accounts at WSIB and KeyBank	105,594,525	5,761,818	5	111,356,343
<b>Total</b>	<b>108,570,517</b>	<b>5,761,818</b>		<b>114,332,335</b>

# WSOS Cash Flow

## Notes:

1. Cash Inflow: Other Private - \$2.58M received on cash basis between May and July, primarily \$2.5M pledge payment from Gary Rubens.
2. State - Received \$250K from WSAC between May and July. These were implementation funds, not regular State Match.
3. Investment Income - May to July investment income included unrealized/realized gains in BaS accounts of \$4.94M, CTS accounts of \$1M, and Endowment account of \$563K.
4. Scholarship disbursements were \$273K (\$40K Baccalaureate, \$233K CTS) between May and July 2020 and scholarship refunds totaled \$408K (\$266K Baccalaureate, \$142K CTS).
5. Assets are maintained in KeyBank Checking Account to meet short term cash needs, all excess dollars are invested in WSIB or KeyBank investment accounts to generate returns.

# PROPOSED CHANGES TO FINANCE & INVESTMENT COMMITTEE CHARTER

- **Non-substantive changes**
  - Changing CSF to WA STEM references
  - Changing language to match the statute regarding accounts
  - Small language tweaks
- **Substantive changes**
  - Aligning terms to begin/end aligned with WSOS Board
  - Adding that members who miss two or more consecutive meetings may be removed
  - Updating cadence from three per year to quarterly as is current practice
  - Changing charter review from annual to once every three years
  - Formalizing annual review of F&I performance
- *Approved by Finance & Investment Committee in June*

# REQUESTED BOARD ACTION

- Vote to adopt the updated Finance & Investment Committee Charter.

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**NEXT BOARD MEETING**  
**12.08.2020**