

WASHINGTON STATE **OPPORTUNITY** SCHOLARSHIP

BOARD MEETING AGENDA WEDNESDAY, MARCH 16, 2022, | 2:00-4:00 P.M. IN-PERSON OR REMOTE

To join virtually: Click on the Microsoft Teams link in the meeting invitation or dial in #: 425-616-0754 / passcode: 364 779 901#

To join in person: Microsoft Campus, Building 34, Boardroom (all participants must wear a mask in the building)

Meeting open to the public via conference line above.

I.	Meeting Called to Order		Brad Smith Board Chair	2:00p
II.	Minutes from December 16, 2021, Meeting » <i>Board Action:</i> Approve minutes	[Tab A]	Brad Smith Board Chair	2:00-2:05p
III.	Mission Moment: Opportunity Scholar Story	[Tab B]	Maximum Millett Opportunity Scholar	2:05-2:15p
IV.	Program Update & 2022 GRD Selection » <i>Board Action:</i> Approve GRD selection model	[Tab C]	Johnathan Luster Programs Director	2:15-2:35p
V.	\$75 Million Campaign Update	[Tab D]	Nick Peyton Sr. Development Director	2:35-2:55p
VI.	RFP Panel Program Administrator Recommendation » <i>Board Action:</i> Approve program administrator and delegate authority to negotiate contract	[Tab E]	Javania Cross Polenska Deputy Director	2:55-3:40p
VII.	Finance & Program Administrator Update » <i>Board Action:</i> Appoint Jess Peet to F&I Committee	[Tab F]	Patrick Smith Finance & Investment Committee Chair	3:40-3:45p
VIII.	Executive Session: Executive Director Performance Review		Jane Park Board Member	3:45-4:00p
IX.	Closing		Brad Smith Board Chair	4:00p

Important Dates

- Wednesday, June 8, 2022
- Wednesday, September 28, 2022
- Wednesday, December 14, 2022

Tab A

Minutes from the December 16, 2021, Board Meeting

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING
THURSDAY, DECEMBER 16, 2021, 1-3 PM, MICROSOFT TEAMS OR DIAL IN
MEETING MINUTES**

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) convened on December 16, 2021, via Microsoft Teams and dial-in only due to COVID-19 precautions. As such, the meeting was publicized as available to the public on the WSOS website though no physical location was hosted.

Board members in attendance: Miller Adams, Diane Cecchettini, Joelle Denney, Jane Park, Gary Rubens, Julie Sandler, Patrick Smith and Mike Wilson. Members not present: Latisha Hill.

Additional attendees: Lianda Abraham, Michelle Barreto, Gina Breukelman, Jane Broom, Tori Campbell, Kimber Connors, Rebecca Ferber, Genevieve Geiger, Mesa Herman, Nicolas Khamphilom, Johnathan Luster, Jessica Monger, Joanna Moznette, Patti Nelson, Brittny Nielsen, Javana Cross Polenska, Vanesa Contreras Rodriguez, Dave Stolier, Yoko Shimomura, Aileen Tubo, Steve Walker, Nick Peyton, Irina Grubic, Rachel Wyers and Jeremy Bang.

Opening

Due to scheduling conflicts, a Board quorum was not present at the start time of the meeting. As such, Kimber Connors, WSOS Executive Director, consulted with Dave Stolier of the Attorney General's Office about the ability to move forward with the meeting. Stolier advised that we could open with the Mission Moment before formally calling the meeting to order and moving into consent agenda items.

Mission Moment: Scholar Opportunity Story

Connors introduced Genevieve Geiger, WSOS Graduate Scholarship Program Manager. Geiger then introduced Jeremy Bang, a Graduate Scholarship (GRD) recipient pursuing his degree at Seattle University to become a Psychiatric Mental Health Nurse Practitioner.

Bang currently works as a Registered Nurse (RN) on the Housing Health Outreach Team at NeighborCare Health's Pike Place Market Clinic. He cares deeply about working with medically underserved populations and after graduation plans to continue working with this patient population. Bang just finished a practicum course at Valley Cities in Kent, WA, a clinic that provides inpatient and outpatient mental health and substance abuse disorder treatment. He is particularly passionate about working with men to broaden their emotional vocabulary, normalize sensitivity and nurturing behaviors and encourage healthy and safe relationships. Bang, like all eight GRD Scholars, currently works as an RN while pursuing his advanced health care degree. Bang currently focuses on working at a permanent supportive housing facility with those transitioning from homelessness. He values psychiatric health because it is often the underlying condition leading to other health factors. Bang shared gratitude for the scholarship because being accepted made a clear statement that we believe he belongs—a feeling critical to his sense of self-worth and purpose.

Diane Cecchettini asked about the biggest challenge Bang faces. Bang responded that access to preceptors is the greatest challenge. The fact that WSOS actively seeks preceptorships in high-need areas made GRD particularly attractive to him. Accessing preceptorships in medically underserved areas is particularly challenging as those facilities are already short staffed. Miller Adams asked how Bang learned about WSOS. Bang responded that his school promoted the program to him. Once Bang convinced himself he had a chance of being accepted, he applied. Jane Broom asked about Bang's experience working with those transitioning from homelessness. Bang shared how much he has valued the opportunity to build relationships with these communities. Cecchettini asked what Bang's ideal job would be. Bang would like to work with Valley Cities in its 24-hour clinic operating out of Pike Place. This

would allow him to grow the relationships with the individuals and communities he has worked with to date while balancing in-patient and outpatient work. Connors thanked Bang for sharing his story.

Meeting Called to Order

With a quorum now present but Chair Brad Smith not yet having joined the room, Jane Park, Board member, called the Board meeting to order at 1:17 pm.

Approval of Minutes

Julie Sandler moved that the minutes of the September 16, 2021, Board meeting be approved. Mike Wilson seconded the motion, and it carried unanimously.

Baccalaureate Selection for 2022

At 1:21 pm, Brad Smith joined the meeting. Connors introduced Steve Walker, WSOS Awards Administration Director. Walker reported we compared people who were barely selected for CTS Cohort 1 to those who were nearly selected to understand the program's impact. Those who were barely selected are twice as likely to have graduated, indicating incredible program efficiency. Half of those who were selected in Cohort 1 have received their credentials. The average salary of the Scholars from Cohort 1 who were on the labor market within the first year after graduation is \$50k, a family income three times higher than when they applied.

Walker indicated the group would review and approve the selection model for CTS Cohort 3. He proposed three selection principles: 1) select Scholars who are heading into high-demand careers across Washington state; 2) select Scholars who are likely to graduate with a degree in STEM or health care; and 3) select Scholars who are more likely to complete their degree or program if they receive a scholarship. With these three principles, six factors are used to operationalize the goals. The first selection factor is to use intended major to prioritize the jobs Washington needs most. The second factor is family income which is used to prioritize applicants least likely to graduate without our support. The third factor is to use first generation status to prioritize applicants least likely to graduate without our support. The fourth factor is to use applicants' STEM essay score to prioritize applicants most likely to graduate in STEM or health care. The fifth factor is to use the resilience essay score to prioritize applicants most likely to graduate from college. The sixth and final factor is to use GPA to prioritize applicants who are most likely to graduate from college. Walker affirmed the recommended point allocations in the materials represented no change from CTS Cohort 2. Brad Smith asked for discussion. Hearing none, he asked if there was a motion to approve the selection criteria.

Board Action: Adams made a motion to approve the selection criteria. Park seconded it, and it carried unanimously.

\$75M Campaign in 2022

Connors introduced Nick Peyton, WSOS Senior Development Director. Peyton reported that the campaign is a five-year effort to transform the lives for thousand students, specifically focused on funding cohorts through 2030 and increasing cohort sizes. The goals are: 1) raise \$75M in private philanthropy by December 31, 2025; 2) position WSOS as the most effective and well-known scholarship program in the state and as a go-to organization for companies across the state to support; 3) engage highly connected and influential leaders and volunteers; 4) grow and diversify WSOS's base of support; and 5) build a best-in-class fundraising program.

Peyton shared the organization collaborated with a consultant, Jennifer Weber, to conduct follow up interviews with Jane Broom, Jane Park, Gina Breukelman and others to get input developing a case for support; Brad Smith, Joelle Denney and others provided early input on the draft case. Peyton expressed the gratitude to all for providing feedback. Peyton then presented the fundamental campaign case for support as follows: There is a talent and opportunity gap in Washington state. While Washington businesses are eager to higher people in trade, STEM and health care careers, we face a shortage of workers prepared with the skills and training for these careers. At the same time, many Washington residents are ready to earn the credentials necessary but need support to do so. WSOS is the solution to

the talent and opportunity gap. The students WSOS serves represent the diversity of Washington state. The WSOS model is proven to work—both in closing the talent and opportunity gaps. However, WSOS is currently set to end in 2025 but should extend to 2030. Additionally, we're only able to serve about one in three eligible applicants, leaving many highly qualified students unsupported. Therefore, every gift to the campaign accelerates innovation and equity for Washington state. The full case is included in the pre-read materials.

Park commented that the case for support is strong—excellent data, framing and voiceover. Julie Sandler echoed Park's comments. Sandler particularly valued the emphasis on equity and how it was elevated in this version of the case for support. Adams also echoed the praise, acknowledging that we're making a case for future support based on WSOS's historical success. Our proven track record gives us an edge when raising funds. Peyton validated and expressed appreciation for the comments. Brad Smith added that a great job was done. Connors expressed gratitude to Jennifer, our consultant, and everyone who contributed.

Peyton presented the volunteer leadership structure that will be used for the campaign. This structure includes campaign co-chairs who serve as the campaign's chief executives (3-4 people), a campaign steering committee who use their passion, connections, and influence to support the fundraising efforts (12-14 people) and a campaign honorary cabinet who endorse the campaign through their credibility, prestige and connections (18-24 people). Peyton acknowledged that this Board is not a fundraising Board, but that he wants to make it easy for Board members to opt-in as volunteers if they desire to do so. He will be offering meetings to all Board members to discuss their ideas and interest. Adams asked about the timing for finding these volunteers. Peyton shared that we are currently in the stage of identifying volunteers and will be able to finalize the timeline soon. Brad Smith called out that WSOS has made strong progress in soliciting large donations. Connors affirmed this, sharing that we are approaching \$34M today and Brad Smith shared that another \$10M is nearly ready for a formal commitment in the next year.

Peyton moved the conversation to WSOS's gift acceptance policy. Today, this includes named scholarships—a recognition benefit that allows supporters to see the impact of their philanthropy through the eyes of specific students who embody their gift. Peyton raised the question of whether these named scholarships, which are responsible for about \$850k in annual revenue, may create challenges as we raise increasingly large sums of money. Park does not believe that named scholarships dilute the brand so long as they only involve a small number of students, but that a single donor "naming" many Scholars could. Wilson asked whether named scholarship criteria can impact the selection process. Connors confirmed the donor does not influence who is selected as this is a statutorily assigned Board duty. Brad Smith asked whether the named Scholars and the donors typically develop a meaningful relationship. Connors responded that the Scholars' experience depends on the donor. Kaiser Permanente, for example, actively attempts to build a relationship with its Scholars while other donors never contact their Scholars. Sandler wondered whether we might increase the cost per named Scholar to ensure the number of Scholars who are named recipients remains manageably small. Wilson acknowledged that some corporations may want to build a relationship with specific Scholars as a recruitment tool and asked about whether and how we might support this in the named scholarship program. Connors responded that we do that work with employers through the Industry Insider program, rather than through the named scholarship program. WSOS wants to avoid the suggestion that a named scholar sponsored by a corporation might have an obligation to ultimately work there.

Program Update

Given the limited time in the meeting to discuss further, Connors encouraged Board members to review the program summary in the pre-read materials for a valuable update on the programming activities. Connors shared several highlights from that summary before turning the floor over to Javania Polenska to provide an update on the RFP process. Polenska shared that WSOS is on schedule to go live with the RFP application in mid-January and to transition to a new program administrator by September 1, 2022. In advance of the applications going live, we have initiated conversations with a range of prospective administrators and continue conversations with five promising candidates. One challenge that has been

raised is what it will mean to support an organization of our size. Polenska shared big thanks for the Washington STEM team in supporting this transition. In the months ahead, we hope to have selected the new administrator in March and finalize the transition contracts by the end of June. Connors asked whether we have a sense of how many of the five suitors might apply to become our administrator. Polenska shared that she expects three of the five to do so. Park asked how Washington STEM has been as a partner in the transition process. Polenska shared that there's a lot neither WSOS nor Washington STEM knows about what the transition will require, as the nature of the transition depends on who we'll be transitioning to. However, Washington STEM has been a strong partner in working to figure out how this will happen. Yoko Shimomura echoed this in the chat, sharing Washington STEM is absolutely committed to supporting a successful transition. Connors echoed that sentiment as well.

Polenska proposed an RFP panel for vote by the board. This panel includes three board members (Miller Adams, Joelle Denney, and Patrick Smith) and three community partners (Jane Broom of Microsoft, Heather Hudson from WSAC, and Angela Jones formerly of Washington STEM). The panel will be staffed by Connors and Polenska. The role of the panel will be to review the submissions and make a recommendation to the Board, but Connors emphasized that the full Board will have the final vote on accepting the recommendation for the next program administrator. Wilson asked what two or three of the greatest strengths we are looking for in a program administrator. Connors spoke to three things: first, we're looking for an administrator who can provide HR, IT and finance support. Second, we're seeking a partner who is open to a mutually respectful relationship where we are treated as equal partners in the arrangement. Finally, we're seeking an organization with the longevity to be a long-term partner. Brad Smith thanked volunteers who have offered to staff the RFP panel and affirmed the priorities Connors shared WSOS is looking for. Brad Smith offered that it is worth considering whether this design—that of a public-private organization dependent on a program administrator—is the right design for WSOS at all, as it would be a possibility to see a revision to the legislation to allow an alternate design.

Board action: Cecchettini moved for approval of the RFP panel. Wilson seconded it, and it carried unanimously.

Finance & Program Administrator Update

The Finance & Investment Committee meeting met on December 8. Sandler provided an update since Patrick couldn't join the last F&I Committee Meeting. We have \$119M in assets, a 6% decrease from our last quarterly update and a 3% increase from this time last year. The 6% decrease is largely due to scholarship disbursements, while the 3% increase is largely due to new revenues and investment income. Our total liabilities are just over \$25M, a 22% increase since the last quarter but a decrease since last year. This increase from the last quarter is the result of taking on a new cohort of Scholars, while the decrease since last year is the result of taking on a smaller Baccalaureate cohort size than in years past. Pledge receivables include \$10M from the Rubens Family Foundation.

Connors shared the F&I committee's recommendations about how to use our current assets and pledged funds to reassess our cohort model size. Ultimately, the committee considered how many Scholars we can support in each scholarship assuming our goal is to spend all these current and pledged funds on cohorts selected through 2030. The committee recommended increasing cohort sizes to 1,275 for BaS, 1,275 for CTS, 110 for RJI and 20 for GRD effective with our next cohorts. With these cohort sizes, the Committee projects \$13.8m will be available after funding all Scholars, assuming the campaign is successful.

Connors also reviewed the proposed 2022 budget. Non-scholarship spending is projected to increase by ~\$752K in 2022. The increase is due to salaries and benefits (COLA increase, one-time PTO payout related to the program administrator transition and an additional FTE), an assumed increase in the program administrator fee (+\$144K) and new costs related to the capital campaign. Cecchettini asked whether a 3% COLA is enough and wondered how this might impact retention. Connors acknowledged the importance of the question and named that the organization's policy currently caps a COLA increase at 3%. Adams asked how the 3% COLA compares to other organizations. Sandler shared that she is aware of many organizations who will be implementing a higher COLA increase, more in line with 5-6%.

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Brad Smith asked what steps would be required to amend the 3% restriction on the COLA increase. Connors shared this could be amended and would have an impact of perhaps \$175K to the budget. Cecchettini recommended amending the policy to increase the COLA to 5-6%, emphasizing that this feels important to stay competitive. Sandler said this would be in line with other organizations. Denney supported an increase of at least 4% and possibly 5%. Smith asked whether the Board was supportive of giving Connors the authority to raise the COLA to 5%, which brought widespread consent and no dissent.

Board action: Cecchettini moved to formally give Connors the power to raise the COLA to 5% and accept the associated impact to the budget. Sandler seconded. The motion passed unanimously.

Connors returned the conversation to the F&I committee's recommended cohort sizes. Wilson asked whether we believe we can achieve the same outcomes if we increase cohort sizes, including Scholar outcomes, the recruitment of mentors, etc. Connors shared that she is confident we can support at least 1,000 Scholars in the BaS and CTS programs, as we have supported large numbers of students before. Patrick Smith asked whether the increase in cohort sizes will impact the number of applications we get. Connors responded that when we moved from 1,860 to 750 scholarship seats for BaS, we saw a drop in the number of applications because many promotional partners were disenfranchised by the change in return on their efforts in promoting. Connors shared confidence that we will be able to select a strong BaS pool of applicants, but that we have a lot of work to do to determine how to have a strong application pool for CTS. Patrick Smith agreed with this concern for CTS, as if we do not see an increase in applications, we will have a selection rate of about 88%. Connors offered that we might consider setting a cut-off threshold in the selection process in which we advertise that we will select "up to" 1,275 CTS recipients but may select fewer based on the competitiveness of the applicant pool. The Board shared general agreement. Brad Smith proposed voting to accept the F&I committee's recommendation using the language of accepting up to the proposed cohort sizes.

Board action: Sandler made the motion. Adams seconded. The motion passed unanimously.

Brad Smith shared his acknowledgement of the challenges and the magnitude of the work WSOS has taken on in 2021, gratitude to WSOS staff as well as an appreciation for Connors leading this work. Brad Smith also acknowledged that Dave Stolier will be retiring and shared his gratitude for his large and longstanding contributions to WSOS. Stolier graciously accepted that thanks and his appreciation for working for a unique program like WSOS.

Executive Session

The meeting went into Executive Session at 2:43 pm. The Board returned to public meeting at 2:52 pm.

Board action: Park made a motion for the 5% COLA to apply to the executive director's salary. Adams seconded. The motion passed unanimously.

The meeting adjourned at 2:54 pm.

Respectfully submitted,

Irina Grubic

Tab B

Mission Moment: Opportunity Scholar Story

SCHOLAR SPOTLIGHT



MAXIMUM MILLET
Instrumentation and Control Technology
Bellingham Technical College

ABOUT MAXIMUM

Maximum Millett is a second-year student at Bellingham Technical College (BTC) pursuing an Associate of Applied Science (AAS) degree in Instrumentation and Control Technology. This program trains students in the installation, repair and adjustment of measuring and controlling instruments so that plants operate safely. Maximum's goal is to develop these skills to utilize and outfit automation technology for a more sustainable future. He was born and raised in the greater Seattle area where he graduated from Juanita High School in Kirkland. After briefly relocating to Bozeman, Montana, he settled down in Bellingham, WA.

In addition to being in school, Maximum currently serves as a peer mentor to fellow BTC Opportunity Scholars through our inaugural CTS Ambassador Program. He also participated from January to February as a mentee in the CTS Industry Mentorship program.

IN HIS OWN WORDS

"Being a WSOS scholar has been an amazing privilege. Not only has it helped me financially, it has helped me mentally. Being given the recognition has been empowering and motivating. Without the WSOS scholarship it would've been so easy to give up."

Tab C

Program Update and 2022 GRD Selection

PROGRAM UPDATE | MARCH 2022

INTRODUCTION

Since the December 2021 Washington State Opportunity Scholarship (WSOS) Board meeting, the WSOS team has been hard at work launching the next application cycle. Opportunity Scholars finished finals and are off to a great start in the next academic term. The campaign is beginning to gain steam as we identify the volunteer leaders who will underpin our success in raising \$75 million. The legislative session is unfolding in promising ways for Opportunity Scholarship, and we're watching the Omicron wave carefully to implement our return-to-office plans. Our staff would like to express gratitude to the Board of Directors for its dedication to our Scholars and mission despite ongoing challenging circumstances due to the pandemic.

AWARDS ADMINISTRATION

The Awards team just closed the 11th Baccalaureate Scholarship application and will be moving into selecting up to 1,275 students in alignment with the Board's selection criteria in the weeks ahead. Next month, we will open the application for the fourth cohort of Career and Technical Scholars. These will be the first cohorts where the team selects up to 1,275 Scholars. At the June Board meeting, the team will recommend the selection criteria for CTS's fourth cohort. As with BaS, the team will recommend criteria that maximizes the number of applicants we select who both need the scholarship and are likely to graduate with an eligible degree if they receive it. Getting the selection criteria right will be particularly important for CTS given how substantial the maximum cohort size of 1,275 would be relative to its current size of 550.

The Awards team has disbursed \$12.6 million of the \$14.8 million anticipated to be disbursed throughout the 2021-22 academic year. WSOS will have disbursed nearly \$120 million over the program's history by the end of this academic year. With the increased cohort sizes anticipated this coming fall, the Awards team has been hard at work ensuring we have accessible application processes in place that will provide us with a highly qualified applicant pool.

SCHOLAR PROGRAMS

BACCALAUREATE SUPPORT SERVICES

Despite the challenging circumstances of the past two years, we know the Scholar Lead program has positively impacted Scholar persistence. This quarter, we analyzed the difference between Scholars who reported utilizing the Scholar Lead program compared to those who did not. For Scholars who were in their first and second years during AY 2020-21, 96% of those who utilized Scholar Leads persisted to AY 2021-22 (including those who graduated early), compared to 88% for Scholars who did not utilize their Leads. The positive difference Leads are making is also clear from Scholar feedback. During our recent mid-year assessment, 94% of Scholars reported the information and resources shared by their Lead have been helpful in navigating their college experience. Below are two compliments Scholars opted to leave for their Scholar Leads:

"Thank you for always being there and prioritizing your Scholars!"

"Thank you so much for being so kind and helpful in answering my questions. It has given me a lot of direction and inspired me to get involved on campus as early as I could."

We remain grateful to our 591 industry partners who offer their time and insights to support Scholars' career development by serving as Skills that Shine mentors. Among these mentors, 38% agreed to mentor 2+ mentees to allow as many Scholars as possible to receive the program's benefits. Despite the challenges in recent months (job changes, health concerns, enrollment changes, etc.), 97% of our pairs continue to meet. Our team is committed to supporting a strong experience for mentors and mentees by

addressing inquiries and offering guidance through monthly communications which 93% of program participants report as helpful in keeping their mentorship on track.

CAREER AND TECHNICAL SUPPORT SERVICES

The CTS Ambassador pilot program launched the week of January 10 with Ambassadors introducing themselves by email to Scholars in their assigned campus or region. Ambassadors are tasked with completing a total of 12 touchpoints between January and May, ranging from emails, phone calls and virtual check-ins. Ambassadors have been relaying responses and questions they receive from Scholars, and we've been thrilled to observe early evidence of the program's promising impact. During this pilot phase, Ambassadors are supporting over 340 new and continuing Scholars across 14 campuses. The number of supported Scholars is anticipated to grow following the selection of the spring cohort.

The winter CTS Industry Mentorship program, which runs from January through February, reached our goal to pair 30 mentees with mentors. We're assessing this program to inform how we prepare for the spring pilot which will run from April through May. An example of an improvement we're making is a more explicit indication of the time commitment as we experienced 16% attrition during the winter program based primarily on expectations misalignment.

Our goal with both the Ambassador and Industry Mentorship pilot programs remains to test, learn and prepare to operate at scale beginning in AY 2022-23. We continue to feel grateful for the grant we received from Boeing to support these and other pilot initiatives designed to help CTS Scholars persist, earn their credentials and find in-demand jobs in Washington state.

GRADUATE SCHOLAR SUPPORT SERVICES

In January, we were able to bring Cohort 1 GRD Scholars together for a virtual meet-up. Six of our eight busy Scholars attended, got to know each other, asked questions about the scholarship and gave input on Scholar programming. They want to continue connecting based on specialties, such as primary care or mental health care, and share resources, like practicum sites, DNP project sponsor connections or job prospects. The Scholars also shared helpful WSOS program suggestions such as increasing access to our travel and practicum site stipends. We are exploring how we can improve these services based on their feedback. The next GRD Scholar meet up will be in May, and we are aiming to include an educational component, per Scholars' recommendations.

The application cycle for GRD Cohort 2 is planned for April 18 through June 1. We are scaling the program to its intended yearly cohort size, aiming to select 19 Scholars. We hope to increase the percentage of eligible applications and representation of rural areas in this cycle. Students with incomes above 125% of median family income disqualified nearly 1/3 of the applicants in the pilot application cycle last year. Because Nurse Practitioner students often work full-time as Registered Nurses (RN) before starting their advanced degree, some applicants with historical financial need are disqualified because of their current salary as current RNs. In this legislative session, we have proposed an amendment to the statute that would allow WSOS to consider additional economic factors beyond income to determine financial need. We are hopeful the amendment passes so that we will be able to select from a broader range of qualified applicants who intend to work in medically underserved areas.

DEVELOPMENT UPDATE

CAMPAIGN FOR WSOS UPDATE

Campaign planning is well underway, and we are thrilled with the progress we are making toward the \$75M campaign for WSOS. As of 2/18, WSOS has raised \$33.2M for the campaign, including \$575K in the first half of Q1.

Other milestones include:

1. Jane Park, Founder & CEO of Tokki, and Jeff Peacock, CEO of Parametrix, have agreed to be co-chairs of the campaign. We are working to secure other volunteer leadership positions. Thanks to those Board members who have said yes to volunteer roles!
2. We retained Milli, a marketing and communications agency, to work with WSOS on developing the campaign name, tenets, branding and campaign assets.
3. We are currently prospecting and pursuing corporate and foundation leads with solid alignment to WSOS goals and objectives.
4. We recently submitted a proposal for \$10-15M in support of WSOS, and we are hopeful to hear about potential funding in late Q1 or early Q2.

OPPORTUNITYTALKS MOVES TO SPRING 2023

We are moving our OpportunityTalks event to spring 2023. We're doing this for a few strategic reasons. First, this move will allow the Board of Directors, WSOS' Development and Marketing and Communications team and other key WSOS stakeholders to focus on the Quiet Phase of the comprehensive campaign (heading toward the target total of \$60M before public announcement). Second, moving OpportunityTalks helps WSOS manage complexity regarding the change of the program administrator. The transition is scheduled for September 1, which coincides with peak planning and administration of OpportunityTalks. This will mitigate the additional workload and complexities of changing vendors, systems, and processes midstream. Finally, we have discussed moving the event to the spring in previous years as it would better coincide with an academic year's conclusion and align from a programmatic "celebration" perspective.

We considered a few risks with this move: 1) Supporters and partners are used to hearing from us in the fall; 2) OpportunityTalks is a predictable source of revenue for WSOS, and 3) The timing of the event aligns neatly with the tax year cycle. To mitigate these risks, we plan to engage with supporters and partners throughout the year, especially during the fall. We will be launching a first-ever annual giving campaign at the end of Q3/early Q4 to capture giving at year-end. We plan to renew sponsorships for OpportunityTalks in FY22 on their regular, predictable schedule. We also plan to host smaller VIP events to garner greater returns, advancing us to our campaign goals.

While the revenue loss of the event this calendar year is significant, we are forecasting closing \$16M in FY22 in the Quiet Phase of the campaign. We are confident that this move will help us reach our ambitious fundraising goals this fiscal year and start the year strong in 2023.

EXTERNAL AFFAIRS UPDATE **2022 LEGISLATIVE PRIORITIES**

Our bill, [HB 1805](#), is tracking toward passage in a busy legislative session. The bill makes several changes to align WSOS with the Washington College Grant and aligns the state match process for our rural jobs program with the other Opportunity Scholarship programs. It also gives us greater flexibility to define financial need for our nurse practitioner program. We shared details of these changes in the September 2021 Board report. Passage looks promising, though things can always shift last minute, especially with so many competing priorities in Olympia.

The requested state match was revised in January based on dollars received to date to a total of \$8.7 million. Of that total, ~\$8.5 million is requested for the Opportunity Scholarship match and ~\$200,000 for the Rural Jobs Initiative.

HIGHER EDUCATION POLICY AND THE FINANCIAL AID LANDSCAPE

Great concern over Washington's higher education enrollment crisis continues to be shared among education leaders, policymakers and community-based organizations. Enrollment at public, private, four-year and two-year institutions has been flat in Washington for years, and the pandemic has spiked a double-digit decrease across all higher education.

A coalition of advocates is working to reverse enrollment decline through several bills this legislative session. These bills aim to increase financial aid for Washington's lowest-income students, raise awareness of existing financial aid through marketing efforts and create a state-sponsored student loan program. Those bills, along with continued efforts to strengthen pathways from high school to careers, are top among the strategies targeted at reversing the trend.

MEDIA COVERAGE

Substantial media coverage of WSOS continued in late 2021, carrying into 2022. Our focus in the remainder of the academic year is to pivot from celebrating our impact through numbers to Scholar storytelling, gaining coverage outside of the Puget Sound and/or in new-to-us publications/outlets, and showcasing Kimber and WSOS as leaders in higher education policy, equity and access.

The most notable progress on our goals in the months since the last Board meeting is a mention on the national stage through an Inside Higher Ed article highlighting Amazon's investment in computer science education, including their \$1 million investment in WSOS. Inclusion in Microsoft's 2022 legislative priorities also landed us in 425 Business, a Bellevue-based publication where we've never been mentioned before.

Coverage summary:

- [Amazon Gift Signals Confidence in Community](#) Colleges | Inside Higher Ed, Jan. 4
- [2022 Washington State Legislative priorities](#) | Microsoft on the Issues, Jan. 13
- [Microsoft Shares Its State Legislative Priorities for New Year](#) | 425 Business, Jan. 14
- [Seattle Colleges and Amazon create new opportunity for computer science degrees](#) | Geekwire, Jan. 29

SOCIAL MEDIA COVERAGE

Our 2021-2022 organization goal for social media is to increase our followership rates on all channels. We are utilizing a content strategy that moves our followers through the customer journey from interest to trust to brand loyalty. Indicators of success are: 1) an increase in content views (impressions); 2) an increase in shares and engagement with our content; and 3) an increase in followers, especially from our target communities, including Scholars, legislators, business leaders, nonprofits, etc.

Impressions or Reach (Views): Year-over-year comparison

	January 2021	January 2022	Percent Growth
Facebook (Reach)	1,691	7,332	333.6%
LinkedIn (Impressions)	6,937	7,784	12.21%
Instagram (Reach)	3,397	8,746	90.7%
Twitter (Impressions)	8,629	8,954	3.8%
Total Impressions/Reach	20,654	32,816	58.9%

During the promotion campaign for our BaS and CTS cycles, we are being more proactive about engaging community organizations (CBOs), workforce development agencies and institutions that may work with eligible students. We are consistently engaging with over 200 of these organizations on social media with the goal of increasing organic shares of our scholarship content. Organic shares of our content have more potency, as they are generally shared from organizations that have already garnered trust with their audience. This quarter, content about the BaS and CTS application cycle was shared over 225 times! Organizations who shared our content included Washington State STEM Education Foundation, CWU Teach STEM, Actriv Healthcare, Career Connected (Okanogan, Grant and Adams Counties), Skagit Valley College bachelor's in management, Apple STEM Network, Kiona-Benton City High School Counseling and NW Washington and Skagit STEM Networks.

Engagement on each platform is growing consistently, indicating that our strategies are effective, particularly with the growth in our reach/impressions (see table on following page).

Followership: Year-over-year comparison

	January 2019	January 2020	January 2021	January 2022
Facebook	3,514	3,827	4,010	4,100
LinkedIn	140	--	814	1,342
Instagram	--	--	642	954
Twitter	1,762	1,847	1,875	1,896
Total Followers	5,416	5,674	7,341	8,292

Our organic content was shared by key leaders from our target communities, including Mayor Jenny Durkan, Rep. Drew Hansen, The Washington State Board for Community and Technical Colleges, Jenn Smith (Engagement Editor for Seattle Times Education Lab), City of Seattle Department of Education and Early Learning, Parametrix, Brad Smith, Washington's Workforce Board and Core Plus Aerospace. Our top-performing posts of the past three months are highlighted below:

Facebook: Amazon Gift Announcement



LinkedIn: Jane Park OTalks and GeekWire Podcast announcement


Washington State Opportunity Scholarship
 1,364 followers
 3mo •

Did you see WSOS Board Member Jane Park hosting our 2021 OpportunityTalks Breakfast? (If you didn't, you will want to click the link to the recorded program below.)

That same week she was also featured on the GeekWire Podcast. In the episode she talks about the future of consumer brands in the Amazon era, her own life story and her family's experience as immigrants.

Listen here: <https://lnkd.in/d3PjW7kW>

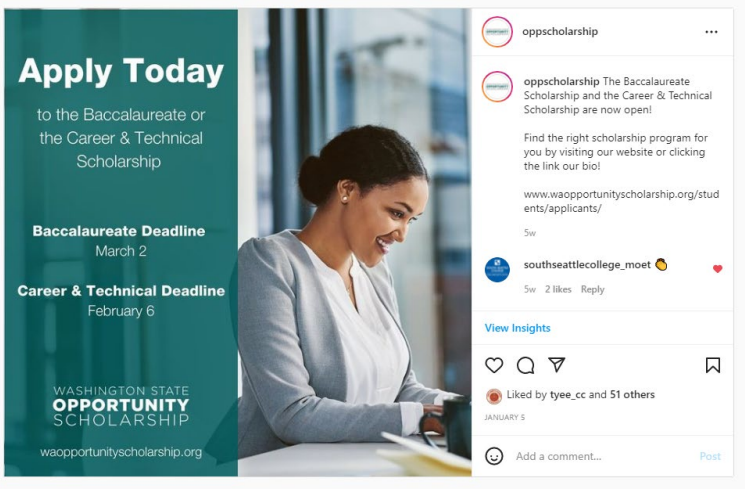
OpportunityTalks 2021: <https://lnkd.in/gj9j6Pts>



GeekWire Podcast: Jane Park on SPACs, the immigrant ethos, and brands in the Amazon era
 geekwire.com • 4 min read

You and 53 others • 1 comment

Instagram: Scholarship announcement



Apply Today
 to the Baccalaureate or the Career & Technical Scholarship

Baccalaureate Deadline
 March 2

Career & Technical Deadline
 February 6

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 SCHOLARSHIP
 waopportunitiescholarship.org

oppscholarship

The Baccalaureate Scholarship and the Career & Technical Scholarship are now open!

Find the right scholarship program for you by visiting our website or clicking the link our bio!

www.waopportunitiescholarship.org/students/applicants/

5w

southseattlecollege_moet
 5w • 2 likes • Reply

View Insights

Liked by tyee_cc and 51 others
 JANUARY 5

Add a comment... Post

Twitter: City of Seattle Partnership press release

Washington State Opportunity Scholarship
@OppScholarship

Special thanks to the leadership of the following stakeholders who made this partnership reality:
[@ChoppRep](#), [@RepDrewHansen](#), [@MayorJenny](#), WSOS Board Chair & President of [@Microsoft](#) [@BradSmi](#), President of [@SouthSeattleCC](#) [@PresidentRosie](#) and [@SeattleDEEL](#) Director [@dwane_chappelle](#).



5:37 PM · Nov 18, 2021 · Twitter Web App

||| View Tweet activity

3 Retweets 1 Quote Tweet 15 Likes

OPERATIONS UPDATE
RFP PREPARATIONS

In collaboration with WA STEM, we are working on outlining roles and responsibilities to help us effectively manage the program administrator transition. These meetings focus on human resources, technology, finance & accounting, and grants & contracts and will be completed by March 15. The RFP has been open since January 21 and closed on February 28. The RFP selection panel met on March 8 to review and prepare a recommendation for the Board's approval. Upon selection and approval of the apparent successful bidder, we will begin the contract negotiation process with the goal of having a signed contract in place by April 30.

COVID-19 RESPONSE

On February 23, it was announced that we will return to the office on April 5 using our hybrid model. Team members will be in the office on two assigned days each week to promote team building and collaboration. People may come in more if they choose to do so. We will offer accommodations for those who need them and will implement protocols to ensure team members feel safe to return. Like all organizations, we are learning as we go. We'll continue to check in with the team and follow guidance to influence our decision-making.

PEOPLE DEVELOPMENT

We wrapped up phase one of our workplace culture enhancement effort in mid-February. In partnership with Amplify11, team members provided feedback to help identify both the positive aspects of our workplace culture as well as our areas for growth. We are actively identifying the steps necessary to improve gaps in our team members' experiences while shining lights on the bright spots of our culture.

Leadership and management training, clarification of our decision-making framework and increased opportunities for staff to provide input and collaborate on workplace changes highlight the work ahead.

STAFFING UPDATE

Like all organizations, WSOS continues to work through the challenges of the Great Resignation. We're grateful to our loyal staff for keeping the trains on the track despite the transition and personal adversity many face.

In February, [Nick Khamphilom](#) was promoted from his position as Awards Coordinator to Baccalaureate Advisor. Since coming to WSOS in March 2021, his passion for student support has been on full display through his daily communications with Scholars and partners alike. His experience with process improvement and data processing will be an asset to the Baccalaureate team as it was for the Awards team. The Programs team is excited to bring his perspective and insights to the work of our Programs team. Meanwhile, the Awards team plans to hire a new coordinator in the coming weeks and is currently progressing through the stages of grief at the loss of the talent and force of positivity Nick brought to bear.

The Awards team is also bidding farewell to its director, Steve Walker, in the coming months. Steve came to WSOS in 2018 with the hopes of bringing the Career and Technical Scholarship to life, dramatically increasing the accessibility of our applications and leaving behind a team that could run the place without him. The team and the mission kept him here long after accomplishing those things, causing him to stay well beyond the time he expected. He will remain with WSOS through the transition of a new Awards Director this spring, then step back to focus on volunteering in the criminal legal system, rebuilding community and exploring what's next.

To create a more streamlined operational data experience, we've created a new position for WSOS. The Data and Systems Manager will lead the collaborative database and data analysis needs for the organization while supervising our in-house leads for the student database, Caspio, and our constituent database. We aim to hire this individual in the next quarter.

Graduate Scholarship Eligibility Guidelines

The Opportunity Scholarship statute currently states all recipients must have “a family income at or below 125% of [Washington state median family income](#) (MFI) based on family size”. In the current legislative session, WSOS has proposed an amendment to the statute that would allow consideration of additional factors beyond MFI to determine financial need for participants in the Graduate Scholarship (GRD). In the first year of the program’s implementation, we discovered Nurse Practitioner students most often are already working full-time as registered nurses before starting their advanced degree. While this current work status puts many applicants over the income eligibility requirement, it does not acknowledge the historical family financial need that may be at play.

If the Legislature approves the amendment as is anticipated, WSOS will be given the flexibility to consider factors beyond MFI to establish financial need. In addition to MFI, we plan to consider:

- Current and expected student debt load
- Past reliance on state or federal income-based programs
- Expected income loss during the program
- Current unexpected financial circumstances

Applicants’ submissions will be scored as indicating high, moderate and low financial need. The scoring will be based, in part, on information from partner school financial aid offices about the range of financial aid packages DNP and MSN students receive.

In addition to applicants at or below 125% of MFI, students scored at high and moderate financial need will be eligible for selection. Students scored as low financial need will be ineligible. This change will give us greater flexibility to assess which applicants have financial need for this scholarship.

2022 Graduate Scholarship Selection Guidelines

The purpose of the selection guidelines for the Graduate Scholarship (GRD) is to have an objective approach to selecting applicants for Cohort 2. These guidelines align closely with those for the Baccalaureate Scholarship (BaS) and Career and Technical Scholarship (CTS) as all are created with the same foundation: WSOS's mission and values. Any differences between the selection guidelines are necessary because of differences in the applicant pools and application questions.

To maintain objectivity, our selection process will be guided by goals that align with our organization's mission and values. We aim to select applicants who:

1. Are likely to practice in a medically underserved or health professional shortage area (MUA or HPSA) in Washington state post-program completion
2. Have significant financial need
3. Are heading into high-demand behavioral and primary health care fields in Washington state

To meet these goals, we have assigned points to each related section of the application. Scholars will be selected based on the highest total number of points received until we have selected the cohort.

1. **Select applicants who are most likely to practice in Washington state post-program completion.** The proposed criteria are indicators of the likelihood an applicant will practice in an MUA after program completion. The first statutory version of the Graduate Scholarship required recipients practice in an MUA for at least two years post-graduation; if they failed to comply, they would be required to repay their scholarship. Before program launch, a subsequent statutory change removed the repayment provision because legislators realized it put recipients' eligibility for other loan repayment programs at risk. To meet the legislative intent, we propose using applicant essays and letters of recommendation to assess likelihood of service in MUAs after program completion.

Points will be determined by:

- a. Commitment (essay) section – 40 maximum points allocated
 - b. Commitment letter of recommendation – 15 maximum points allocated
2. **Select applicants with significant financial need.*** Family income is an indicator of applicants' need for this scholarship. Factors of financial need we'll consider in selection include: current and expected debt load; past use of income-based assistance programs; and median family income. Points will be determined by:
 - a. Household income at or below 125% MFI – 30 maximum points allocated
 - b. High financial need- 20 maximum points allocated
 - c. Moderate financial need- 0 maximum points allocated

** In the unlikely event the GRD amendment does not pass, household income will be the only factor. As we did last year, applicants will then be assigned 0 to 30 points based on their reported income (with more points assigned to lower incomes).*

3. **Select applicants who are heading into high-demand behavioral health and primary care fields.** This aligns the scholarship with the statutory intent to focus dollars on high-demand program track. With only two eligible program tracks that are relatively close in their demand factor, this category is weighted less than in CTS and BaS. Points will be based on program track with a preference for behavioral health (greatest need in the state):
 - a. Behavioral Health: 15 points out of 15 maximum pts
 - b. Primary Care: 0 points out of 15 maximum pts

To increase partner adoption and geographic spread of Scholars, WSOS recommends selecting an applicant from all six eligible schools. We also recommend that four out of the 19 Scholars in Cohort 2 are from the MSN program. To increase the number of Scholars in rural areas, WSOS recommends selecting 4 Scholars from Workforce Development Council (WDC) designated as rural counties. These additional recommendations will only come into play provided we have adequate eligible applicants in the pool to meet them.

At the conclusion of the selection process, our practice will be reviewed to improve for Cohort 3. The Board of Directors will be updated and given a recommendation in 2023.

PROGRAM UPDATE & 2022 GRD SELECTION

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Goals

Highlight our mission in action via the impact of WSOS programs for each scholarship program

Present proposed GRD eligibility requirements and selection principles

- We will request Board vote to approve eligibility requirements and selection principles



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SCHOLARSHIP

BaS: Refining what we already know works

Happening now

- Scholar Lead program: 978 Scholars are being supported by 111 Scholar Leads
- Skills that Shine: 578 Scholar mentees are being mentored by 572 industry partners
- 84% of Scholars have reported they've engaged their campus advisor in the development of their academic plan (goal was 70%)

Happening next

- Closing out and assessing flagship Scholar Lead and Skills that Shine programs in May
- Preparing to support a significant increase in Scholars starting in AY 2022-23

CTS: Testing and assessing programming

Happening now

- Industry mentorship program winter pilot cycle has wrapped
 - 25 out of 30 initial pairs completed the program
- Pilot Ambassador program supporting over 340 Scholars with 9 Ambassadors

Happening next

- Preparing for next pilot cycle (spring) of the industry mentorship program
 - 31 Scholars have signed up (goal was 30) to be mentees, and we are recruiting mentors to match their desired industries
- Evaluating feedback, adjusting and scaling both industry mentorship and Ambassador programs for AY 2022-23 to serve more Scholars

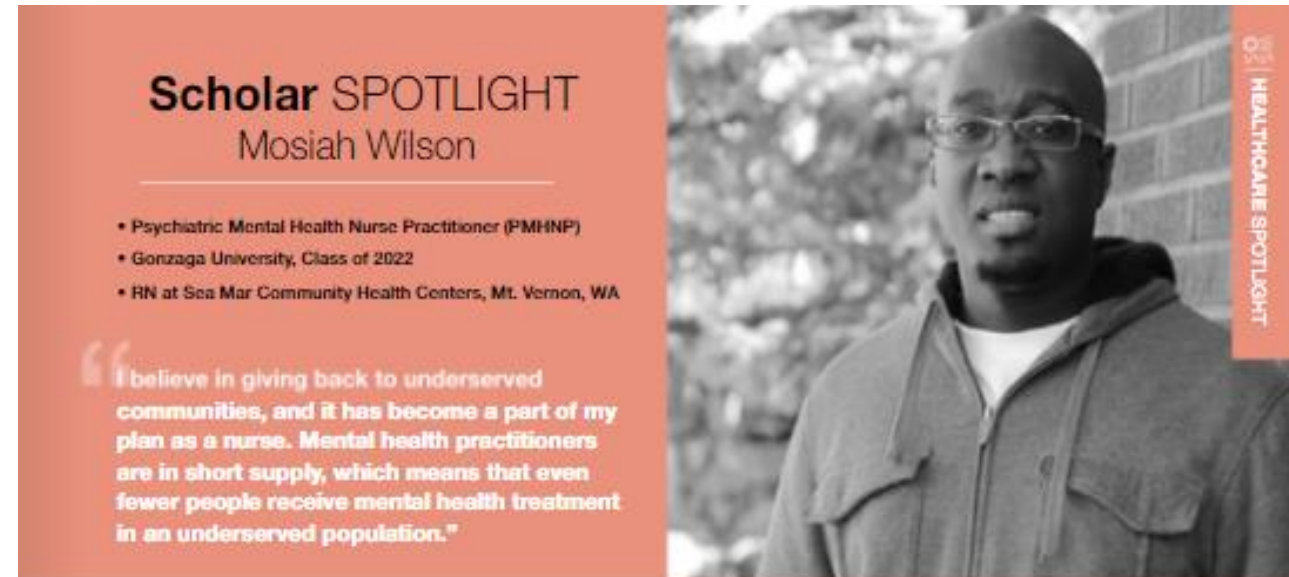
GRD: Iterating to great

Happening now

- All 8 Scholars persisted to second term
- Early success in getting clinical placements in Medically Underserved Areas (MUA) and Health Professional Shortage Areas (HPSA)
- Testing clinical site stipend process

Happening next

- Connection groups based on discipline – primary care or behavioral health
- April/May application period for Cohort 2
- Changes to income eligibility requirement



Scholar SPOTLIGHT
Mosiah Wilson

- Psychiatric Mental Health Nurse Practitioner (PMHNP)
- Gonzaga University, Class of 2022
- RN at Sea Mar Community Health Centers, Mt. Vernon, WA

“I believe in giving back to underserved communities, and it has become a part of my plan as a nurse. Mental health practitioners are in short supply, which means that even fewer people receive mental health treatment in an underserved population.”

05 | HEALTHCARE SPOTLIGHT

The graphic features a portrait of Mosiah Wilson, a Black man with glasses wearing a grey zip-up jacket, against a background of a brick wall. The text is overlaid on a dark red background.

GRD ELIGIBILITY REQUIREMENTS + SELECTION CRITERIA

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GRD Eligibility Requirement Change

- Legislative amendment under consideration that would allow use of additional economic factors to determine financial need
- Current financial need eligibility requirement states applicants must have **“a family income at or below 125% of Washington state median family income based on family size”**
- Nurse Practitioner students often work full-time as licensed RN’s before starting their DNP/MSN programs
- Applicants' current income does not reflect historical family financial need

Proposed additional financial factors to consider

- Historical financial situation
 - Current and expected student debt load
 - Past reliance on state or federal income-based programs
- Expected income loss during program
- Current unexpected financial circumstances
- If the applicant's income is within 126%-155% of MFI

Answers to above scored and categorized as high, moderate and low financial need

- **Proposed eligible applicants:**
 - **Applicants at or below 125% MFI**
 - **Applicants with moderate or high financial need**
 - High need applicants prioritized in selection

Graduate Scholarship Selection Principles

- Select Scholars who are **likely to practice in a Washington state Medically Underserved Area (MUA) or Health Professional Shortage Area (HPSA) post-program completion**
- Select Scholars who are **most likely to benefit from the financial support**
- Select Scholars who are heading into **behavioral and primary health care fields** across Washington state

Updated Selection Criteria and Additional Recommendations

Factors	Point Allocation	Purpose
Commitment Letter of Recommendation	15	Prioritize applicants most likely to practice in a medically underserved area in Washington state
Commitment Essays	40	
Family Income/Financial Questions	30	Prioritize applicants most likely to benefit from the financial support
Program Track	15	Prioritize statutory intent to focus on behavioral and primary health care

Additional Recommendations

- Select at least 4 Scholars from Workforce Development Council (WDC) designated rural counties
- Select at least one applicant from each of the six participating schools
- Select at least 4 MSN applicants out of the 19 slated for Cohort 2

*If adequate eligible applicants exist

Do we have Board approval to update economic eligibility and make selection based on the principles outlined?

- **Eligible applicants** will have a current income at or below 125% MFI or moderate or high financial need
- **Select Scholars** who are likely to practice in a Washington state Medically Underserved Area (MUA) or Health Professional Shortage Area (HPSA) post-program completion
- **Select Scholars** who are most likely to benefit from the financial support
- **Select Scholars** who are heading into behavioral and primary health care fields across Washington state

REQUESTED BOARD ACTION

- Vote to approve 2022 GRD selection criteria.

Tab D

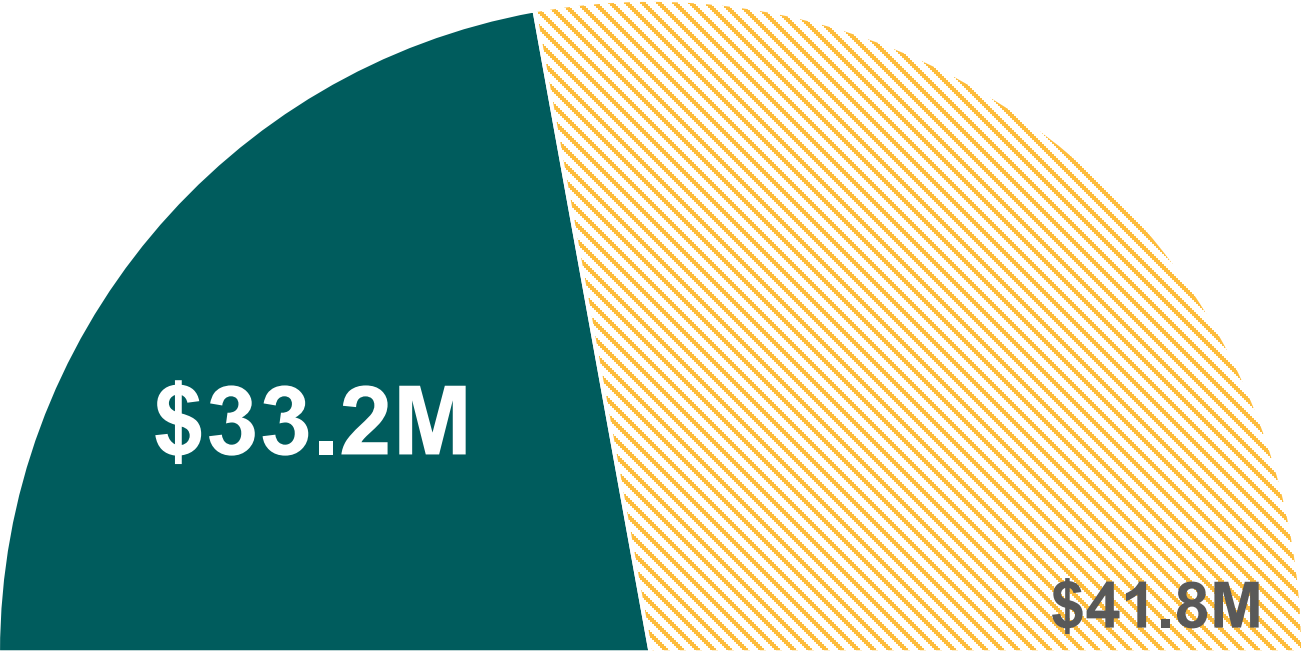
\$75 Million Campaign Update

\$75M CAMPAIGN UPDATE

Year Two, Quarter One Update

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WSOS raised \$33.2M in the first 5 quarters of the campaign.



Key Donors To Date:

- Microsoft (\$15M)
- Gary and Jennifer Rubens (\$10M)
- Boeing (\$5M)
- Amazon (\$1M)

We have closed gifts large and small since the last Board meeting in December 2021.

- \$475K BECU Foundation
- \$125K Think Forward Foundation (FY21)
- \$20K Car Pros
- \$12.5K Battelle
- \$5K WSOS Alumnus, Cohort 2

\$515K has been raised in Q1 of 2022.

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We are on track to close \$16M in gifts in CY22, and we have increased our cultivation and stewardship activities.



- \$10-15M proposal submitted
- Multiple foundation prospects \$250K-\$1M identified and in portfolio management
- Annual giving solicitation in early Q4
- Increased marketing & communication
 - 10-year impact report
 - Quarterly newsletter launched

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**We are currently recruiting Campaign
Volunteer Leadership; Jane Park and Jeff
Peacock are co-chairs.**



Jane Park, Tokki



Jeff Peacock,
Parametrix

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We have retained Milli (a PR agency) to design campaign assets like the name, tenets, theme and collateral.



Quarters 1 and 2

- Develop campaign name, tenets, theme and the look & feel
- Integrate campaign brand elements throughout WSOS channels and collateral

Quarters 3 and 4

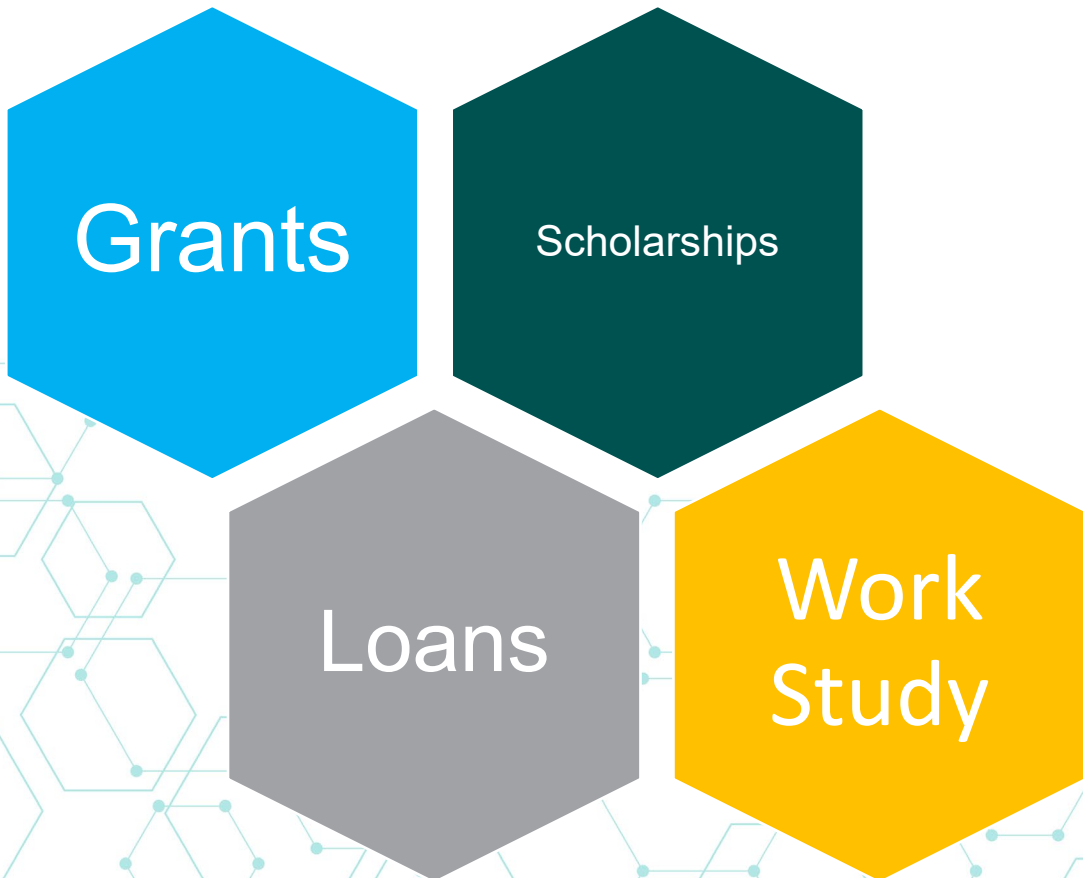
- Develop statewide public relations strategy

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WSOS Landscape Analysis

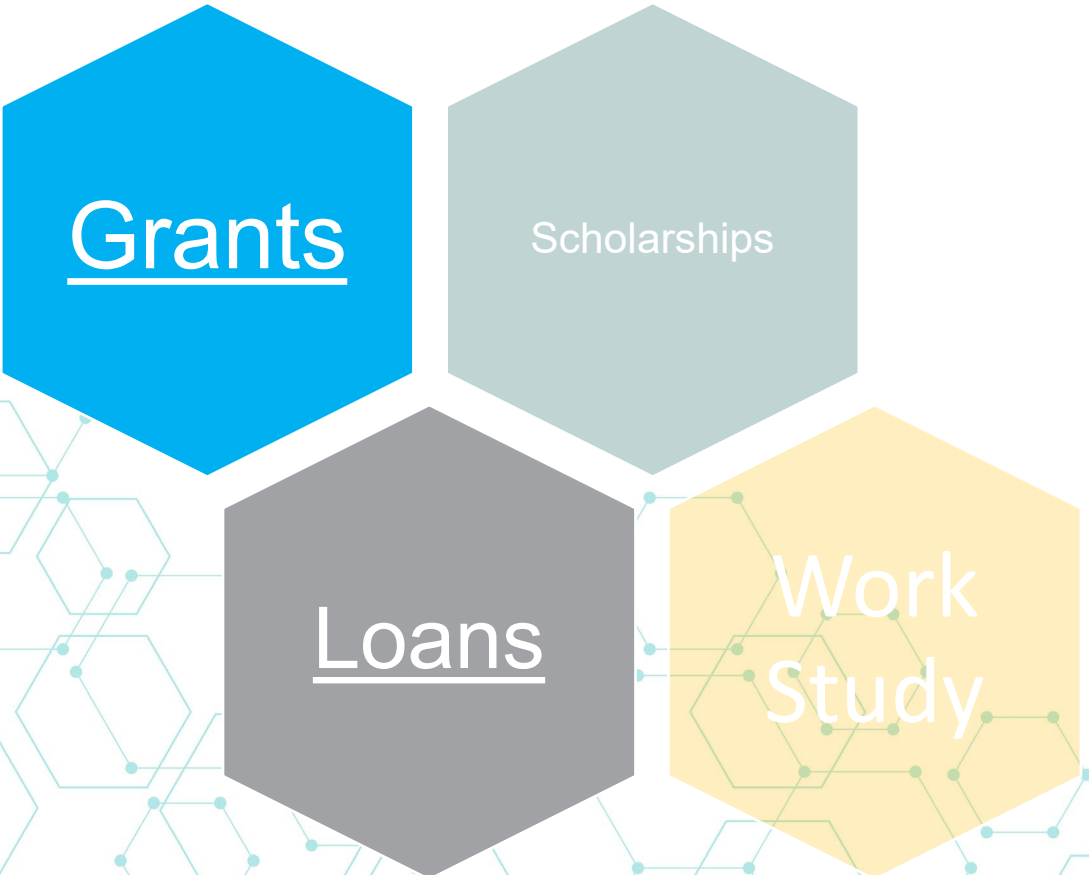
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Scholarships, grants, loans and work study are the main sources of financial aid available to students.



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Grants provide money for college that does not need to be paid back. Loans, often federally backed, must be paid back.



Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Washington
College Grant

**FEDERAL
PELL
GRANT**

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

Scholarships provide money that isn't paid back, often based on merit or financial need.

Grants

Scholarships

Loans

Work
Study

HUSKY PROMISE



**SEATTLE
PROMISE**




**College Bound
Scholarship**
WASHINGTON

WASHINGTON STATE
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Let's look at an example.

Total COA: \$30,640

TRUE COST OF COLLEGE Eva's COA at UW	
Resident tuition	\$12,076
Housing and food	\$14,871
Personal expenses	\$2,316
Transportation	\$477
Books and supplies	\$900
Unmet need over five years	\$64,030

FINANCIAL AID STACKED Eva's financial aid award package	
Maximum Pell Grant	\$6,495
Maximum Washington College Grant	\$11,339
Seattle Promise*	\$0*
Husky Promise*	\$0*
Unmet need per year	\$12,806
 BACCALAUREATE	
Up to \$22,500 over five years	

Total grant and scholarship aid: \$17,834

*tuition covered by WCG/Pell Grant

WSOS lowers Eva's unmet need by a third and gives her access to mentorship.

Washington
College Grant



FEDERAL
PELL
GRANT



WASHINGTON STATE
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- Flexible
- Up to cost of attendance
- Peer & industry mentorship

WSOS is a critical player among many others aiming to close the education and talent gaps.

Intermediary Bodies



WASHINGTON STATE
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Advocacy Orgs



Nonprofits





Pictured: Alejandra, WSOS mentee & Mireya, WSOS mentor

FILLING A CRITICAL GAP WSOS IN THE HIGHER EDUCATION AND FINANCIAL AID LANDSCAPE

Higher education is expensive. Average college tuition and fees have increased by 1200% since 1980 which is five times greater than inflation. Yet, higher education is more important than ever with most living-wage jobs expected to require some postsecondary credential by 2030.

Finding money to pay for college is complicated. Most aid requires students meet financial or academic requirements. Some, like the Washington College Grant (WCG) or College Bound Scholarship, guarantee coverage up to the cost of tuition but don't cover other expenses necessary to attend college. This "true cost of college" is referred to as the cost of attendance (COA) and includes tuition and fees plus an estimate of living expenses such as housing, transportation, food, supplies and books. To get the most financial support, students stack aid through a combination of:

Grants:

Money that isn't paid back.



The Washington College Grant (WCG) award amount varies depending on income, family size and school or program cost.



The maximum Pell Grant is roughly \$6,500 but varies according to a student's COA.

Loans:

Money that must be paid back, often with interest.

Work study:

Part-time work offered by the government or a college/university.



Seattle Promise covers any remaining tuition balance for up to two years at one of the Seattle community colleges after other grants or scholarships are applied.



The College Bound Scholarship covers average tuition at public college rates, some fees and a small book allowance for income-eligible students. It combines or can be replaced by other state financial aid.

Scholarships:

Money that isn't paid back, often based on merit or financial need.



Income-eligible students may have any remaining tuition and standard fees covered by the UW, after federal or state grants are applied, through the Husky Promise.

Especially in recent years, Washington students have access to more aid than ever. But it's still not enough for many students. Eva comes from a low-income family making under \$56,000 a year. Despite being eligible for the maximum award of state and federal grants, she'll need to look to other sources to make college possible.

TRUE COST OF COLLEGE Eva's COA at UW		FINANCIAL AID STACKED Eva's financial aid award package	
Resident tuition	\$12,076	Maximum Pell Grant	\$6,495
Housing and food	\$14,871	Maximum Washington College Grant	\$11,339
Personal expenses	\$2,316	Seattle Promise*	\$0*
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Books and supplies	\$900	Unmet need per year	\$12,806
Unmet need over five years	\$64,030	+ WS OS BACCALAUREATE	Up to \$22,500 over five years

Total COA: \$30,640

Total grant and scholarship aid: \$17,834

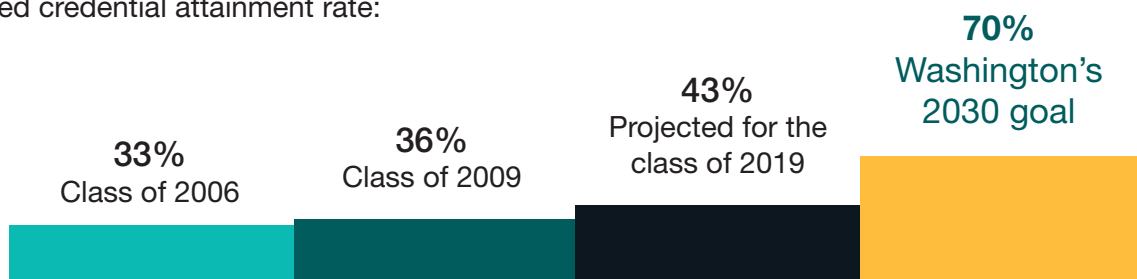
*tuition covered by WCG/Pell Grant

WSOS gives Eva an additional \$22,500 over five years to cover her living expenses, lowering her unmet need by a third. Plus she can access additional supports such as mentoring and industry connections that will increase her odds of an on-time graduation, higher wages and job offers in Washington state.

WSOS within Washington's Workforce Development Landscape

Washington state is taking a systems-level approach to building more robust pathways for students from education to careers. The barriers are highest for Washington's low-income students and students of color who are disproportionately less likely to enroll and complete. WSOS is vital to our state's credential attainment goals as seven in ten Opportunity Scholars are students of color and all come from low- or middle-income families. Baccalaureate Scholars are twice as likely to graduate in four years as compared to their peers, driving Washington toward its goals faster.

Projected credential attainment rate:





Nonprofits work directly with target communities to increase higher education and STEM access.



Career Connect Washington creates work-based and academic programs that better integrate careers and education, particularly for underrepresented communities.



Washington STEM's regional networks connect organizations and individuals working to increase STEM access through building programs, sharing ideas and policy change.

nonprofits and community-based organizations to promote the scholarship to eligible applicants statewide scale.

intermediary bodies when their programs or policy work can better connect Scholars with education, opportunities and the workforce.

WASHINGTON STATE OPPORTUNITY SCHOLARSHIP

COLLABORATES WITH...

advocacy organizations to understand rising issues impacting Scholars and higher education more broadly. When necessary, we rely on partner support to advance our legislation, or we support their efforts if it poses harm or benefit to our Scholars.



The College Promise Coalition convenes higher education stakeholders, students, business leaders and more to expand postsecondary opportunities.



The Washington Round Table is a policy center that provides policy and education research and analyses.

While Washington has taken a systems-level approach to dismantling the opportunity and talent gaps, students still struggle to cover the rising cost of college. Because our funding is **flexible** and applies **up to cost of attendance**, our dollars stack on top of state or federal grants to pay for rent, groceries or childcare. That provides students like Eva with the stability they need to focus in highly competitive programs, graduate faster and launch careers in the fields where our economy needs talent. Our support programs like **peer and industry mentorship** give students the extra support they need to reach the finish line of their programs and launch their careers. Despite the many other players in the higher education and financial aid landscape, **WSOS fills a critical gap.**

Tab E

RFP Panel PA Recommendation

RFP PANEL PROGRAM ADMINISTRATOR RECOMMENDATION

WASHINGTON STATE
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Today, we are seeking your approval of a new program administrator.

Pathway to Decision



Guiding principles for program administrator selection

1. Provide **transparency** for the Board & staff
2. Keep **employees whole** in the transition (benefits/salary/work environment)
3. Maintain the strong, **collaborative** relationship with WA STEM
4. Balance **maintaining our autonomy** while addressing areas where **we need stronger support**
5. Prioritize finding a **long-term** fit

RFP Process



Information Detailed:

Who We Are:

Statute, Structure, Strategic Priorities

What We Need:

Employer of Record & Back-office Support:
Human Resources, IT, Finance & Accounting

Contract Value:

\$600,000 per year

Performance Period:

September 2022 to August 2024
July 2022 to August 2022 (Transition Period)

Support Materials:

Internal Policies and Tools

RFP Process

What we share:

Who We Are: Statute, Structure, Strategic Priorities
What We Need: Employer of Record; Back-office support: Human Resources, IT, Finance & Accounting
Contract Value: \$600,000 per year
Performance Period: September 2022 to August 2024 July 2022 to August 2022 (transition period)
Support Materials: Internal policies and tools



What we want to learn:

Technical

- Do you understand the opportunity?
- What will you do to deliver on the opportunity?
- How will we know if the partnership is successful?
- What are the risks?

Management

- Who will staff the work? What are their qualifications?
- What internal controls will be/are in place to support the work?
- Are our workplace policies aligned?
- What demonstrated experience do you have...
 - providing back-office support?
 - supporting public-partnerships?
 - understanding WSOS mission and goals?
 - advancing equitable workplace practices?

Cost

- What will it cost to execute the work?

Other Information:

- References, Financial Health

RFP Evaluation Framework

How we evaluate each submission:

Section	Subsection	Points
Technical Proposal	Project Approach & Methodology	5 points
	Work Plan, Outcomes, & Risks	35 points
Management Proposal	Project Management: <ul style="list-style-type: none">• Internal Controls• Staff Qualifications & Experience• Workplace Alignment	30 points
	Experience of the Bidder	10 points
	EO 18-03 Certification	5 points
Cost Proposal	(up to \$600k/year)	15 points

Bidder: 501 Commons

Subsection	Points
Project Approach and Methodology	●
Work Plan, Outcomes, and Risks	●
Project Management: <ul style="list-style-type: none">• Team Structure/Internal Controls• Staff Qualifications & Experience• Workplace Alignment	● ● ●
Experience of the Bidder	●
EO 18-03 Certification	●
Cost	●

Green: ≥75% of pts.

Yellow: ≤ 74% of pts.

Red: ≤ 50% of pts.

Bright Spots:

- Service orientation
- Depth of in-house expertise
- Serving WSOS will serve their mission

Wonderings:

- Is there enough understanding of the WSOS ecosystem and operations?
- What does it look like to support each other in accelerating workplace practices, particularly DEI?

501 Commons is the recommended successful apparent bidder.

Reasons to Believe

1. Customer service orientation
2. Strong balance of autonomy to support
3. Service model includes finance/accounting, technology services and human resources

REQUESTED BOARD ACTION

➤ Vote to:

Accept the RFP panel's recommendation to appoint 501 Commons as the Apparent Successful Bidder for WSOS program administrator contract

-and-

Grant authority to WSOS staff to negotiate the final terms of the program administrator contract with the Apparent Successful Bidder

Tab F

Finance & Program Administrator Update

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

**FINANCE & INVESTMENT COMMITTEE
MEETING AGENDA
IN-PERSON OR REMOTE**

To join virtually: Click on the Microsoft Teams link in meeting invitation or dial in #: +1 323-488-2391 / passcode: 621 245 765#

To join in person: Washington STEM Office, Conference Room Create East (all participants must wear a mask in the building)

I.	Meeting Called to Order & Introductions		Patrick Smith Board Member Committee Chair	1:00p-1:10p
II.	Approval of Minutes from December 8 Meeting	[Tab A]	Patrick Smith Board Member Committee Chair	1:10-1:15p
III.	WSIB Quarterly Performance Report	[Tab B]	Chris Phillips WSIB	1:35-1:55p
IV.	Program Administrator Report	[Tab C]	Matt Poth WA STEM	1:55-2:15p
V.	Program Update » <i>Committee Action:</i> Recommend Jess Peet join F&I Committee	[Tab D]	Kimber Connors WSOS	2:15-2:30p
VI.	Meeting Adjourned		Patrick Smith Board Member Committee Chair	2:30p

UPCOMING MEETINGS:

June 1 at 1-2:30 p.m.
September 21 at 1-2:30 p.m.
December 7 at 1-2:30 p.m.

Committee Questions for Consideration:

- » Which of these focus areas feel most relevant? How should we pursue them?
- » What goals might we want to create for recruiting membership?

Tab A

Approval of December 8, 2021 Minutes

**FINANCE & INVESTMENT COMMITTEE MEETING MINUTES |
WEDNESDAY, DECEMBER 8, 2021**

Members present via Microsoft Teams: Julie Sandler, Elisa La Cava, Brad Faulhaber, Matt Rubright, Bo Lee, Joseph Walker. **Members not present:** Patrick Smith, Jennifer Daquiz Hare.

Other participants present via Microsoft Teams: Kimber Connors (WSOS Executive Director), Irina Grubic (WSOS), Chris Hanak (WSIB), Chris Phillips (WSIB), Javana Cross Polenska (WSOS), Matt Poth (Washington STEM), Yoko Shimomura (Washington STEM) and Blair Peterson (Washington STEM).

Meeting Called to Order

Julie Sandler called the meeting of the Washington State Opportunity Scholarship (WSOS) Finance and Investment Committee to order at 1:02 pm. She noted she would host the meeting as the Chair, Patrick Smith, was not able to attend.

Approval of Minutes from September 9, 2021 Finance and Investment Committee

Joseph Walker moved to approve the minutes of the September 9, 2021, meeting. Matt Rubright seconded the motion, and it carried unanimously.

WSIB Quarterly Performance Report

Chris Phillips, WSIB's Director of Institutional Relations, delivered the quarterly performance report. The market stalled last quarter which was not unexpected given the relentless growth previously. Returns were essentially flat for the quarter. The endowment with its more aggressive allocation was down one point for the quarter. Phillips shared unofficial numbers for October. Both the Career and Technical Scholarship (CTS) and Baccalaureate Scholarship (BaS) accounts rebounded by a percent and the endowment came back 3.8% in October alone. Phillips stated that inflation, Covid variant uncertainties and supply chain disruptions are all top concerns in the market. Phillips noted that the Consumer Price Index has significantly risen year-over-year.

Brad Faulhaber asked if the WSIB team thinks inflation will continue to be an issue. Chris Hanak, from WSIB's Risk Management and Asset Allocation Team, confirmed he believes it will continue to be an area of concern. Hanak stated there are many similarities between the market conditions today and the late 1970s and early 1980s that may suggest a similar trajectory for inflation. Ultimately, it is too much money chasing after too few goods, so Hanak expects a bumpy year or so ahead.

Bo Lee requested a summary of underlying fees on a regular basis. Phillips stated that WSIB fees are generally low compared to the market and are posted in the annual report on the WSIB website. Phillips said he would provide fees specific to the WSOS portfolio as a follow up to the members. All reporting is net of fees. Hanak added the fixed income part of the portfolio is managed internally, so WSIB fees aren't a separate fund fee. The equity portion is externally managed, but it is indexed (a very low fee instrument).

Faulhaber asked if WSIB as part of its internal portfolio management directs trades to diverse brokers. Phillips shared it has been a hot topic as of late for WSIB. The WSIB audit committee discussed this topic just last week and aims to create a Diversity, Equity and Inclusion (DEI) Blueprint. It's currently being formulated but will not be finalized until sometime in 2022. Currently, these decisions are handled individually by portfolio management teams, and WSIB is trying to bring common standards across asset classes while better defining DEI parameters.

Program Administrator Report

Matt Poth, Director of Finance at Washington STEM, delivered a program administrator update. Poth overviewed the balance sheet change from the beginning of August through the end of September. Total

WASHINGTON STATE **OPPORTUNITY** SCHOLARSHIP

assets as of 9/30/2021 are \$119.2M which is a 6% decrease from 7/31/2021 and a 3% increase from 9/30/2020. The decrease in large part is due to net scholarship disbursements in August and September of \$6M (BaS \$5.1M, CTS/RJI \$896K, GRD \$42K). We experienced net investment unrealized losses of \$917K plus we utilized money from the CTS account to cover scholarship disbursements.

Private receipts were collected from Costco-\$100K, Boeing - \$90K among others. However, much of the OpportunityTalks receipts were received after 9/30/2021 so are not included in the update. Kimber Connors added that neither Microsoft's \$15M nor Boeing's \$5M commitment are reflected as we are waiting to get confirmation in writing before accruing the gifts. Connors added WSOS has a \$1M donation from a confidential donor that will be realized before year-end. Walker asked how revenue was budgeted across the year since it had jumped so much from June to September. Connors responded that revenue is budgeted month-by-month across the year according to our best guess of when the revenue will be realized. In 2021, more revenue was anticipated in the latter months of year, hence the increase between June and September.

Total liabilities as of 9/30/2021 are \$25.5M which is a 22% increase since 7/31/2021 and a 15% decrease since 9/30/20. The increase since July 31 is largely explained by the recording of scholarship liabilities associated with the most recent cohorts for the scholarship totaling \$10.25M (BaS \$7.57M, CTS/RJI \$2.49M, and GRD \$196K). The decrease since 9/30/2020 is due to the smaller BaS cohort compared to years past where additional funding was present. Total net assets are \$93.7M which is an 11% decrease from the period end 7/31/2021 due to the reasons explained above.

Poth reported that spending on salaries and benefits is under for the year as previously reported. Elisa La Cava asked why the conferences, conventions and meetings budget was less than actual. Connors explained the budget was built anticipating business being conducted in person starting in June but that didn't happen due to continuing impacts of the pandemic. Blair Peterson added that OpportunityTalks also falls on those line items and had been held virtually rather than in-person. Walker requested a view of quarterly cash flows at the operations level to get a feel for seasonality, particularly across a few more years to show trends. Poth committed to building this in following reports.

Program Update

Connors reported key programmatic accomplishments since the last meeting: 1) the Baccalaureate program is running smoothly with only small tweaks; 2) CTS support services are being launched and expanded with a new CTS Ambassador program rolling out in January; and 3) the new Graduate Scholarship is off and running with its first recipients selected this fall.

Connors reported that the Committee annually evaluates its own performance in the fourth quarter per its charter rules. She reminded the Committee members to take the survey which was sent before the F&I Committee meeting so the results could be shared with the Board. La Cava asked if there are any scope changes to the F&I Committee's role in the new year and asked if there is interest in recruiting new members to bring additional skills. Connors stated there are no anticipated changes to the Committee's scope in 2022 but committed to follow up regarding recruitment of new members.

Proposed Cohort Model. Connors presented the proposed scholarship cohort model. Connors explained that the goal of today's discussion is to select a model for cohort sizes that creates a comfortable spend-down of the \$75M campaign. Connors reported that today our scholarship cohort model assumes we are designed to sunset and excludes an active campaign. Without the campaign and a change in our cohort model, we'd sunset GRD in 2022, RJI in 2023, BaS in 2025 and CTS in 2029. Connors outlined that with just today's financial position (includes first \$60M of the campaign goal having already been met, representing \$30M private plus the state match), we need to make some decisions about our cohort sizes to serve our mission. If we make no changes to our current approach (and raise no more money with the campaign), we will still have almost \$100M of ending balance by 2035. The WSOS Board's goals for the \$75M campaign are two-fold and prioritized in order. The first goal is to extend all scholarships to 2030; the second goal is to create more seats today. With just the funds already raised, if we meet the first goal only and extend to 2030 with the current cohort sizes, we'll end with \$31M balance by 2035.

WASHINGTON STATE **OPPORTUNITY** SCHOLARSHIP

Given this task, Connors asked the Committee to determine how many additional seats we can create annually, starting with cohorts in 2022, if we assume campaign success beyond this first \$30M raised. She requested the Committee recommend the appropriate level of risk to accept and an appropriate timeline to formally revisit the model. Connors emphasized that the goal of the campaign is not only to raise \$75M but to create an enduring partnership with donors so we can raise about \$10M privately each year starting in 2026. Connors outlined key assumptions used in the model: 1) We used historical per student costs to estimate the cost per selected students; 2) Revenues assume campaign success (raising \$75M by 2025); 3) GRD and RJJ are constant at operational maximum cohort sizes; 4) Model assumes releasing funds held in the endowment to BaS in 2025; and 5) Market returns & expense growth were built in conservatively, using modest annual returns and year-over-year inflation for expenses. Walker asked to clarify what historical cost per student is. Poth responded that for BaS they used 4-5 years of actual data and took the average of the actual cost per student. CTS doesn't have this data as it is a young program, but the model uses retention rates of similar programs to estimate liability per recipient. Walker asked what the fixed income assumption is. Hanak explained he had provided an estimate to the team using capital market assumption prospects, around 3.5%. Connors reviewed three possible options with estimated ending balances of -\$1.7M (Option A), \$24.2M (Option B) and \$13.8M (Option C). Connors recommended Option C with a commitment to formally review with the Committee in three years. Walker suggested the Committee exclude the endowment from the modeling to ensure we still have adequate funds if the money is not released for use. Connors affirmed she would confirm Option C was still appropriate even with the endowment excluded.

Committee Action: Faulhaber made a motion to approve Option C for the recommendation to the Board. The motion was seconded by Walker, and it carried unanimously.

Proposed 2022 Budget. Connors reviewed the proposed 2022 budget (included in the materials). She reported that the ongoing campaign leads to high revenues expected in 2022 (\$24.6M). The 2022 budgeted revenues include securing two additional cornerstone gifts (\$5M+) and securing a state match of \$8.5M. She noted scholarship spending budgeted increases significantly as it is projected using Option C as our new cohort model sizes (\$10.7M in 2021 to \$20.7M expected in 2022). Non-scholarship spending is expected to grow by ~\$752K. Notably, this includes a growth in salaries + benefits of \$401K. This is inclusive of: 1) a 3% COLA given Covid impacts on inflation; 2) a one-time PTO pay-out anticipated due to program administration transition; and 3) one additional FTE. The program administration fee is expected to increase by \$144K due to the program administrator transition. There will be transition costs incurred, and we anticipate ~5% increase over current fee given inflation. Additional cost increases include campaign costs of \$210K which includes rebranding work with a PR firm (\$80K), campaign counsel (\$100K) and a contract grant writer (\$30K). Walker requested more context around the program administration shift. Connors explained the program administration costs generally cover IT, HR and finance support. Sandler commented 3% COLA is lower than other companies. Other members of the Committee affirmed a 3% COLA may be inadequate in comparison to inflation. Connors stated it was current policy but noted she would bring to the WSOS Board. Walker commented it is unusual to see an unbalanced budget. Connors noted the WSOS spend-down model using major giving to fund multiple years at a time is the cause. She gave the example of 2021 in which WSOS secured \$30M + the state match but spent less than a third of those dollars. Connors noted she may come back to the Committee in March to request some additional funding support for FTE in our programs and awards teams. In the original modeling, we were expecting to land on cohorts of 1,000 each in BaS and CTS. With Option C, our team will be absorbing an even bigger growth next fall than we'd anticipated. The WSOS team believes there may be need for one additional baccalaureate advisor (to support more Scholar Leads for the greater cohort size) and one additional awards team member (to handle the inquiries to our 1-800 number and info@ email about disbursements) in AY2022-23. However, we aren't confident enough yet to have included these in our budget request.

Committee Action: Faulhaber made a motion to approve the proposed 2022 budget. The motion was seconded by Walker, and it carried unanimously.

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

The meeting didn't go into Executive Session and adjourned at 2:30pm.

Respectfully submitted,
Irina Grubic

Tab B

WSIB Quarterly Performance Report

WSOS INVESTMENT AND FINANCE COMMITTEE PERFORMANCE REVIEW 4Q21

MARCH 15, 2022

Chris Phillips

Director of Institutional Relations



WSOS INVESTMENT PROGRAM SUMMARY

- Strong equity performance (18.4%) offset weak fixed income returns (-1.3%) for 2021:
 - BaS and CTS funds (5% cash/25% equity/70% fixed income) returned 1.3% for the quarter. BaS earned 3.5% and CTS earned 3.8% for the one-year time period
 - Endowment (80% equity/20% fixed income) earned 4.9% for the quarter and 14.7% for the one-year period
 - State-match cash remained at zero for the quarter
- Global equity funds returned 6.2% for the quarter and 18.4% for the year
- Fixed income funds returned -0.4% for the quarter and -1.3% for the year
- Inflation gets real: CPI at 7% for 12 months ending January 31, 2022
- Investor resolve is being tested: Volatility source shifts from pandemic/supply chains to geopolitical conflict due to Russia's attack on Ukraine

WSIB has completed the following transactions in support of WSOS program:

- December 2021: \$3.5 million deposited based on receipt of two grants
- December 2021: Three withdrawals (\$5.2 million from BaS, \$1 million from CTS, \$40K from GRD) to keep cash balances aligned with scholarship funding models
- March 2022: \$3.5 million withdrawn from BaS account to fund spring scholarships (raised cash by selling \$2.6 million from fixed income; \$600,000 from public equity)

CAPITAL MARKETS SUMMARY

REPORTED AS OF DECEMBER 31, 2021

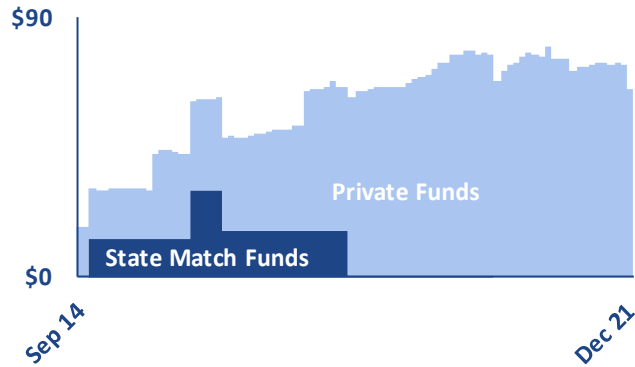
- Global equity markets rallied in Q4, ending 2021 with strong returns for the third consecutive calendar year
- MSCI's developed markets index was up 7.1% for the quarter and up 21.0% for the calendar year
- In December, the CPI jumped to 7.1% year-over-year, its highest reading in 39 years
 - Unemployment fell to 4.2%
- Inflation and a tightening labor market pushed the Fed to adopt a more hawkish stance
- In fixed income, the broad Bloomberg index was flat for the quarter and down 1.1% for the year
- U.S. 10-year Treasuries ended the year at 1.5%, up 60 basis points for the year
- In commodities, oil dropped 0.9% in Q4 but for the year its return was 27.1%

WSOS GROWTH OF ASSETS

DECEMBER 31, 2021

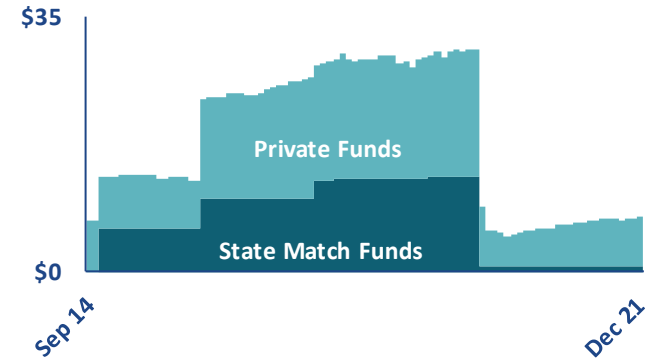
BaS

- Total assets: \$65.3 million
- 100% private funds



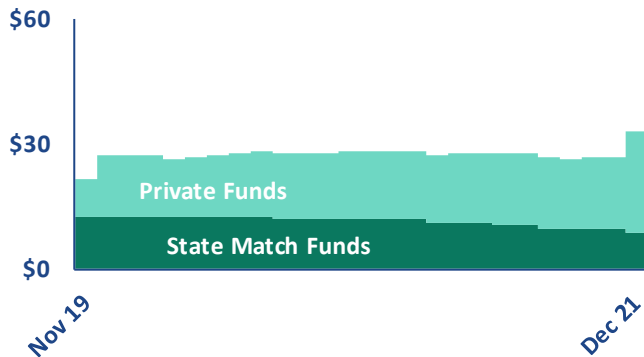
Endowment

- Total assets: \$7.4 million
- 92% private funds and 8% state match funds



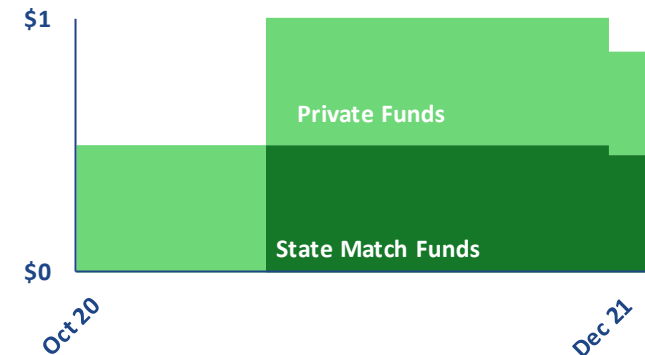
CTS

- Total assets: \$33.2 million
- 74% private funds and 26% state match funds



GRD

- Total assets: \$0.9 million
- 47% private funds and 53% state match funds



MARKET VALUES AND ASSET ALLOCATION

DECEMBER 31, 2021

Private Funds

Equity

- Passive equity strategy managed by BlackRock
- Expected to closely track the MSCI All Country World Investable Market Index

Fixed Income

- Actively managed by WSIB staff
- Expected to meet or exceed the Barclays U.S. Intermediate Credit Index

	BaS	Endowment	CTS	GRD
Private	Cash 4.98%	Fixed Income 18.89%	Cash 4.93%	Cash 100.00%
	Fixed Income 69.74%	Equity 81.11%	Fixed Income 68.98%	
	Equity 25.28%	Equity 26.09%		
	\$65,344,878	\$6,860,591	\$24,382,121	\$408,788
State Match	\$0	\$585,221	\$8,768,976	\$460,122

State Match Funds

- Both target and current allocations are 100% cash
- Cash is invested in a money market fund managed by BlackRock

FUND PERFORMANCE UPDATES

ALL COLUMNS SHOW PERFORMANCE CALCULATED AS OF DECEMBER 31, 2021

	Annualized				
	4th Qtr. 2021	1 Year	3 Year	5 Year	Since Inception
BaS					
Private	1.33%	3.54%	8.85%	7.66%	6.12%
Private Benchmark	1.16%	3.69%	8.81%	7.55%	6.13%
State Match	0.00%	0.00%	0.78%	0.96%	0.72%
State Match Benchmark	0.01%	0.04%	1.00%	1.15%	0.87%
Private Funds Benchmark: 25% Equity, 70% Fixed Income, and 5% Cash. State Match Benchmark: 100% Cash					
Endowment					
Private	4.86%	14.66%	16.22%	11.70%	9.02%
Private Benchmark	4.83%	14.41%	17.51%	12.41%	9.45%
State Match	0.01%	0.02%	0.83%	1.00%	0.74%
State Match Benchmark	0.01%	0.04%	1.00%	1.15%	0.87%
Private Funds Benchmark: 80% Equity, 20% Fixed Income. State Match Benchmark: 100% Cash.					
CTS					
Private	1.34%	3.80%	N/A	N/A	7.48%
Private Benchmark	1.16%	3.69%	N/A	N/A	6.83%
State Match	0.01%	0.02%	N/A	N/A	0.26%
State Match Benchmark	0.01%	0.04%	N/A	N/A	0.42%
Private Funds Benchmark: 25% Equity, 70% Fixed Income, and 5% Cash. State Match Benchmark: 100% Cash.					
GRD					
Private	0.01%	0.02%	N/A	N/A	0.02%
Private Benchmark	0.01%	0.04%	N/A	N/A	0.06%
State Match	0.01%	N/A	N/A	N/A	0.02%
State Match Benchmark	0.01%	N/A	N/A	N/A	0.02%
Private Funds Benchmark: 100% Cash. State Match Benchmark: 100% Cash.					

Note: All program benchmarks use the MSCI ACWI IMI w/U.S. Gross, Bloomberg Barclays Intermediate Credit, and the 90 Day Tbill

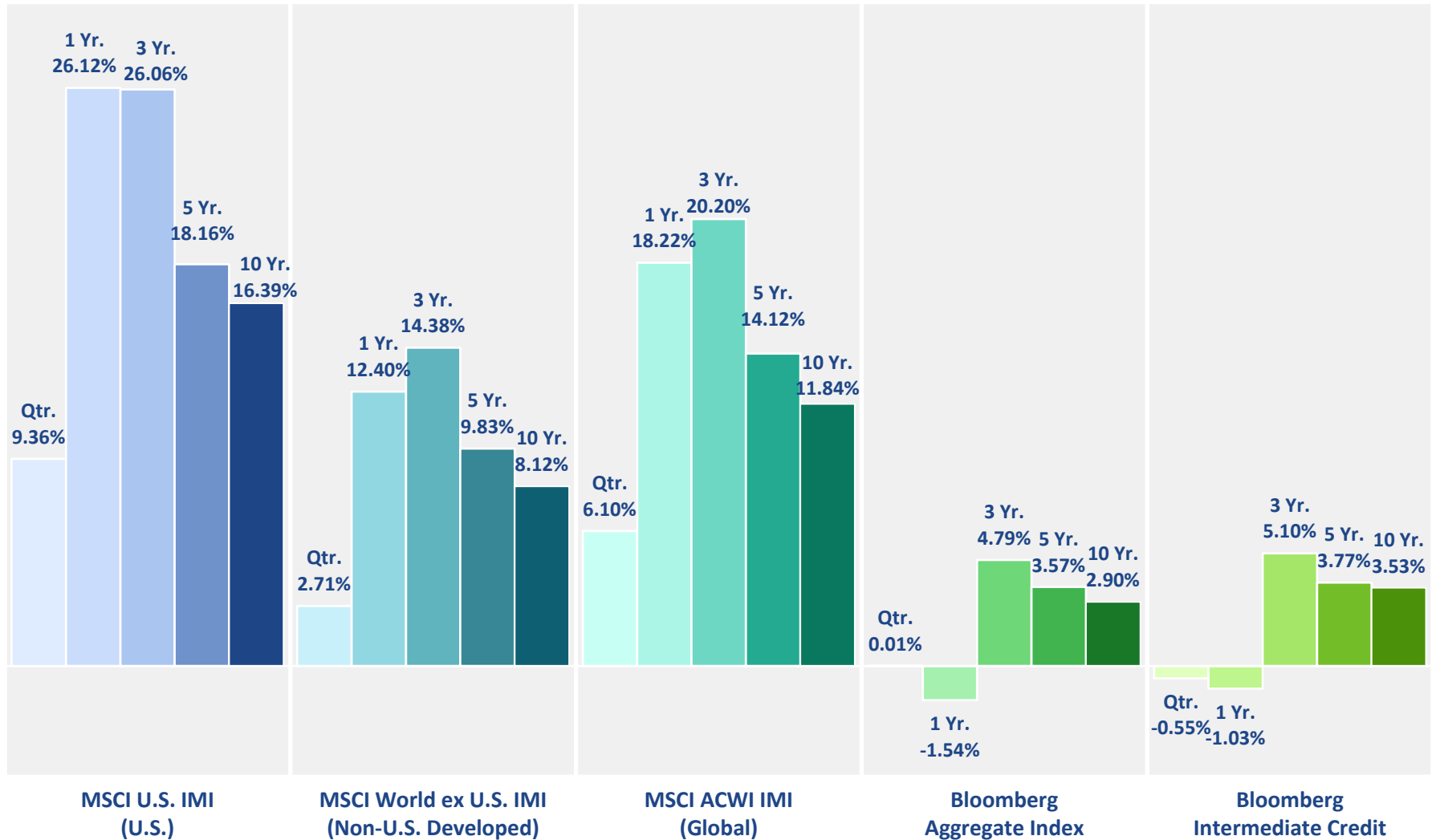
FUND PERFORMANCE UPDATES

ALL COLUMNS SHOW PERFORMANCE CALCULATED AS OF DECEMBER 31, 2021

	Annualized				
	4th Qtr. 2021	1 Year	3 Year	5 Year	Since Inception
Equity					
BaS	6.19%	18.48%	20.44%	14.74%	10.94%
Endowment	6.15%	18.44%	20.76%	14.59%	10.92%
CTS	6.15%	18.44%	N/A	N/A	19.91%
MSCI ACWI IMI w/ U.S. Gross	6.17%	18.50%	20.54%	14.45%	
Fixed Income					
BaS	-0.37%	-1.31%	5.33%	4.08%	3.63%
Endowment	-0.36%	-1.29%	5.35%	4.09%	3.64%
CTS	-0.32%	-1.25%	N/A	N/A	3.48%
BB Intermediate Credit	-0.55%	-1.03%	5.10%	3.77%	

CAPITAL MARKETS AT A GLANCE

DECEMBER 31, 2021



CONTACT INFORMATION

Website: <http://www.sib.wa.gov>

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

Phone: (360) 956-4600

The screenshot shows the Washington State Investment Board website. At the top, the logo features three stylized upward-pointing arrows. The text reads "Washington State Investment Board" and "Investing with integrity, prudence, and skill". A search bar is located in the top right corner. The main content area is divided into three sections: "INVESTING" (with links for Investment Reports, Asset Classes, and Asset Stewardship/ESG), "INFORMING" (with links for Board & Committees, Policies, WSIB Staff, InfoBits & News, and Contact Us), and "EMPLOYING". A large central banner image shows silhouettes of people in a modern office setting, with the text "Delivering investment results for retirement plans & public trusts". Below the banner are four promotional boxes: "POPULAR PICKS" (Investment Reports, Policies), "WSIB ESG REPORT" (with a leaf icon), "INFOBITS" (Asset Classes, Funds Managed, Investment Beliefs, & More), and "WSIB STORY" (with a bar chart icon).

Tab C

Program Administrator Report

FINANCE & PROGRAM ADMINISTRATOR UPDATE

December 31, 2021

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

WSOS Balance Sheet

Washington State Opportunity Scholarship

Comparative Balance Sheets

December 31, 2021

	Comparison to Last Reported Period			Notes	Comparison to Same Period LFY		
	9/30/21	% Change	12/31/21		12/31/20	% Change	12/31/21
Assets							
Cash	953,117	-57%	409,914	1	518,940	-21%	409,914
Investments	108,036,297	-1%	106,810,697	2	111,345,130	-4%	106,810,697
Accounts Receivable	75	183897%	137,998		404	34058%	137,998
Pledges and Grants Receivable, net	10,051,171	175%	27,615,333	3	2,560,863	978%	27,615,333
State match receivable, net	126,600	-6%	118,687	4	734,155	-84%	118,687
Unbilled State match revenue	134,104	2919%	4,048,643	4	506,345	700%	4,048,643
Unbilled State match receivable, offset	(134,104)	2919%	(4,048,643)	4	(506,345)	700%	(4,048,643)
Prepaid Expenses	56,562	-19%	45,589		72,583	-37%	45,589
Property and equipment, net	12,053	-8%	11,058		19,868	-44%	11,058
Total Assets	119,235,875	13%	135,149,276		115,251,943	17%	135,149,276
Liabilities and Net Assets							
Accounts Payable	76,673	66%	127,561		126,863	1%	127,561
Payroll Related Liabilities	99,869	69%	168,648		150,716	12%	168,648
Scholarship Commitments Bacc., net	21,430,904	-21%	16,824,758	5	22,609,625	-26%	16,824,758
Scholarship Commitments CTS, net	3,515,709	-3%	3,399,761	5	3,057,990	11%	3,399,761
Scholarship Commitments RJJ, net	183,380	6%	194,023	5	55,479	250%	194,023
Scholarship Commitments GRD, net	152,126	-26%	113,209	5	-		113,209
Total Liabilities	25,458,661	-18%	20,827,960		26,000,673	-20%	20,827,960
Net Assets							
Temporarily Restricted Net Assets	93,777,214	22%	114,321,316		89,251,270	22%	114,321,316
Permanently Restricted Net Assets	-	0%	-		-	0%	-
Total Net Assets	93,777,214	22%	114,321,316		89,251,270	28%	114,321,316
Total Liabilities and Net Assets	119,235,875	13%	135,149,276		115,251,943	17%	135,149,276

WSOS Balance Sheet

Notes:

1. Decrease in cash between October and December primarily due to net scholarship disbursements net of refunds of \$6M (BaS \$5.1M, CTS/RJI \$851K, GRD \$39K). This was offset by private receipts of \$3.9M, which included \$2.5M from Boeing, \$1M from Amazon, \$125K from Think Forward Foundation, \$45K from Bristol Myers Squibb, \$40K from CWU/Hanson, \$25K from Jim Sinegal, \$15K from Parametrix, and \$10K from Diane Cecchettini. Additionally, there were state match receipts of \$65K. Additionally there were transfers of \$5.2M, \$1M, and \$40K to cover scholarship payments for BaS, CTS, and GRD respectively, as well as a transfer of \$3.5M from checking to investment accounts for the Boeing and Amazon gifts.
2. Investment balance as of 12/31/21 includes WSIB BaS Scholarship \$65.34M, WSIB CTS Scholarship \$33.15M, WSIB Endowment \$7.45M, and WSIB GRD Scholarship \$869K. During the period of Oct. - Dec. 2021 net investment gains across all accounts totaled ~\$1.51M. Decrease primarily due to transfers of \$5.2M, \$1M, and \$40K to cover scholarship payments for BaS, CTS, and GRD respectively, this was partially offset by a transfer of \$3.5M from checking to investment accounts for the Boeing and Amazon gifts.
3. Pledges receivable increased during the period of October through December, primarily due to \$15M pledge from MSFT, and \$5M pledge from Boeing (of which \$2.5M was paid in the period), remaining difference due to other smaller pledges.
4. After payment by WSAC of the January and February State Match invoices, WSAC depleted all matching funds for the FY ending 06.30.21. WSAC received additional appropriations at the beginning of their fiscal year starting 07.01.21 which were largely expended by invoicing of March through July private receipts, as invoicing was delayed due to lack of appropriations. In September WSOS invoiced WSAC for the final round of resubmission receipts related to CSF program administration period, this was received in December. Current balance in receivable account is made up of July and August activity capped at the current amount of appropriations in WSAC accounts, these amounts were invoiced to WSAC upon receipt of resubmission payment, WSOS received payment for the \$119K in January of 2022. Unbilled balance represents amounts in excess of what has been appropriated, but will be invoiced July 2022 when new appropriations are available.
5. Changes in scholarship liabilities during the period Oct. - Dec. were primarily due adjustment of BaS liability with most recent student count information, as well as acceptance of new CTS/RJI students for Winter Cohort, this totaled \$1.43M (\$845K BaS, \$587K CTS/RJI). This was offset by scholarship disbursements of \$6.48M (BaS \$5.43M, CTS/RJI \$1.04M, and GRD \$39K).

WSOS Income Statement

Income Statements

Actual vs. Budget

Twelve Months Ending December 31, 2021

	Twelve Months Ending December 31, 2021			December 31, 2021	
	Actual	Budget	Variance Fav (Unfav)	Notes	Annual Budget
Revenue					
Private	32,287,291	23,860,000	8,427,291	1	23,860,000
Public	3,869,211	3,850,000	19,211	2	3,850,000
Investment Dividends & Interest	39,791	48,180 *	(8,389)	3	48,180
Investment Unrealized/Realized Gains	3,988,481	1,720,387 *	2,268,094	3	1,720,387
Investment Fees	(60,371)	(64,800) *	4,429	3	(64,800)
Total Revenue	40,124,403	29,413,767	10,710,636		29,413,767
Program Expense					
Salaries and Benefits	2,504,039	2,730,772	226,733	4	2,730,772
Professional Fees - Program Admin fees	573,942	573,942	-		573,942
Professional Fees - Contractors & Lobbying	630,528	544,460	(86,068)	5	544,460
Conferences, Conventions & Meetings	14,841	229,075	214,234	6	229,075
Operating Expenses	205,595	292,706	87,111		292,706
	3,928,945	4,370,955	442,010		4,370,955
Income (Loss) before Scholarship Exp	36,195,458	25,042,812	11,152,646		25,042,812
Scholarship Expense	11,125,412	10,704,170	(421,242)	7	10,704,170
Net Income (Loss)	25,070,046	14,338,642	10,731,404		14,338,642

WSOS Income Statement

Notes:

1. New revenues between October and December totaled \$21.55M which included \$15M from Microsoft (\$3M to be received each year 2022-2026), \$5M from Boeing (\$2.5M received 2021 and \$2.5M to be received 2022), \$1M from Amazon (received 2021), \$125K from Think Forward Foundation, \$95K from Bristol Myers Squibb, \$40K from CWU/Hanson, \$25K from Jim Sinegal, \$25K from Brad & Kathy Smith, \$22.5K from Providence St. Joseph, and \$10K from Diane Cecchetti.
2. Revenue Public: In July WSOS was able to bill and record revenues for March through June, after a delayed appropriations were received in July, following this WSOS was able to record revenue for July and a portion of August 2021 private receipts but was limited by lack of appropriations. WSOS expects similar delays going forward, and expects next appropriation to occur in July of 2022. For the period Oct. - Dec. WSOS was able to record a portion of state match (\$65.4K) from the time of the prior Program Administrator that had not been submitted, and which had been fully allowed for but which was ultimately collectible in December.
3. Investment Returns: Actual YTD includes realized gains of \$4.74M, unrealized losses of \$707K (Q4 saw tough market conditions), interest & dividend income of \$40K and investment expense of \$60K. The approved budget included only Investment, Dividends & Interest as well as fees. We've added a budgeted for unrealized/realized gains that is based on the scholarship modelling workbook, including actuals for Q1 and projection for Q2-Q4. This workbook uses a conservative rate of return for equities and fixed income for each scholarship.
4. Personnel expenses yielded budget savings of ~\$227K for the year even after providing \$60K in bonuses to staff in December. The savings were due to gaps from departures of the Development Director (hired new Director in July), Development Coordinator (hired new Coordinator in July), and Scholar Placement Manager (will not rehire). Additionally, there were delays in hiring a GRD Manager that was budgeted for the full year. Development Director was backfilled with a consultant before hiring of the new director, cost of interim development director consulting totaled which cost \$73K, other fundraising consulting described on the next line.
5. Professional Fees - Contractors & Lobbying; Overage primarily due to contracting of interim development director (\$73K), other fundraising consulting of \$63K. These were offset by savings in other categories (Scholar Leads, IT, & Board and Staff Consulting, to name a few).
6. Conferences, Conventions, and Meetings costs were under budget due to covid quarantining measures. Budget assumptions included assumption of end of quarantine procedures partway through the year which did not ultimately occur, as such, in person events (such as OTalks) did not occur, and travel for non-event reasons was very limited.
7. Scholarship expense for CY 2021 for BaS were recorded in August with any final adjustments happening in December. The CTS/RJI liability and adjustments are recorded in March, August, and December based on portion of students accepted into the program. GRD liability was also recorded in August.

WSOS Cash Flow

Cash Flow Summary

Inception-To-Date

December 31, 2021

	Inception - December 31, 2021				Comparison to September 30, 2021		
	Scholarship	Endowment	Notes	Total	Scholarship Variance	Endowment Variance	Total Variance
<u>CASH FLOW</u>							
Cash Inflow:							
Boeing	27,700,000	-	1	27,700,000	2,500,000	-	2,500,000
Microsoft	35,000,000	-		35,000,000	-	-	-
Other Private	42,929,550	-	1	42,929,550	1,406,626	-	1,406,626
State Match	101,356,574	-	2	101,356,574	65,431	-	65,431
State Implementation Funds	500,000	-		500,000	-	-	-
Investment Income*	27,699,414	7,451,624	3	35,151,038	1,191,947	317,913	1,509,860
Total Cash Inflows	235,185,538	7,451,624		242,637,162	5,164,004	317,913	5,481,917
Cash Outflow:							
Scholarships	(110,364,917)	-	4	(110,364,917)	(6,003,264)	-	(6,003,264)
Program Expenses	(25,045,822)	(5,812)		(25,051,634)	(1,247,456)	-	(1,247,456)
Total Cash Outflows	(135,410,739)	(5,812)		(135,416,551)	(7,250,720)	-	(7,250,720)
Net Cash Flow Inception-To-Date	99,774,799	7,445,812		107,220,611	(2,086,716)	317,913	(1,768,803)
<u>Composition of Net Cash Flow</u>							
KeyBank Checking Account	409,914	-	5	409,914	(543,203)	-	(543,203)
Investment Accounts at WSIB and KeyBank	99,364,885	7,445,812	5	106,810,697	(1,543,513)	317,913	(1,225,600)
Total	99,774,799	7,445,812		107,220,611	(2,086,716)	317,913	(1,768,803)

WSOS Cash Flow

Notes:

1. Cash Inflow: Between October and December WSOS received private receipts of \$3.9M, which included \$2.5M from Boeing, \$1M from Amazon, \$125K from Think Forward Foundation, \$45K from Bristol Myers Squibb, \$40K from CWU/Hanson, \$25K from Jim Sinegal, \$15K from Parametrix, and \$10K from Diane Cecchetti.
2. State - In the period between October and December WSOS received \$65K in state match receipts related to resubmission of private receipts from during CSF program administration period.
3. Investment Income – Q4 2021 investment income included unrealized+realized gains of \$1.5M, interest & dividend income of \$9K and investment expense of \$14K.
4. Scholarship disbursements between October and December were \$6.48M (BaS \$5.43M, CTS/RJI \$1.04M, and GRD \$39K), while scholarship refunds totaled \$512K (\$322K Baccalaureate, \$191K CTS/RJI).
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.

**Washington State Opportunity Scholarship (WSOS)
Statement of Cash Flows
2021**

*Note: State Match to WSAC reflected in A/R, net once invoice submitted.

	2021 Oct	2021 Nov	2021 Dec	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2021 YTD
OPERATING ACTIVITIES								
Change in net assets	1,171,374	(837,022)	20,209,749	(426,068)	16,250,878	(11,298,866)	20,544,101	25,070,045
Adjustments to reconcile change in net assets to net cash used by operating activities-								
Add: Depreciation & Amortization	773	801	801	2,749	2,604	2,462	2,375	10,190
Add: Loss (Subtract: Gain) on disposal of fixed assets	-	-	-	-	-	-	-	-
Add: Loss (Subtract: Gain) on realized/unrealized investments	(1,146,716)	790,366	(1,158,051)	251,562	(2,998,151)	255,442	(1,514,401)	(4,005,548)
Add: Accretion of prepaid loan fees	-	-	-	-	-	-	-	-
Add: Loss on extinguishment of debt	-	-	-	-	-	-	-	-
Changes to balance sheet accounts:								
Accounts receivable, net	-	(67)	(137,856)	299	70	(40)	(137,923)	(137,594)
Prepaid expenses & other assets	3,886	(2,920)	10,007	3,833	(3,982)	16,170	10,973	26,994
Pledges receivable	(50,000)	(23,990)	(17,490,171)	6,933	(7,508,742)	11,500	(17,564,161)	(25,054,470)
State match receivable	-	7,913	-	581,362	(3,317,107)	3,343,300	7,913	615,468
Accounts payable	(10,717)	(19,292)	85,061	(10,987)	(8,755)	(30,321)	55,052	4,989
Scholarship commitments	(224,155)	(97,412)	(4,428,800)	(4,554,383)	(506,693)	4,620,102	(4,750,367)	(5,191,341)
Accrued expenses and other	(3)	(8,748)	73,366	(40,829)	(16,793)	6,648	64,615	13,641
Net Cash (used) provided by operations	(255,558)	(190,371)	(2,835,894)	(4,185,529)	1,893,329	(3,073,603)	(3,281,823)	(8,647,626)
INVESTING ACTIVITIES								
Purchases of property & equipment	-	(1,380)	-	-	-	-	(1,380)	(1,380)
Proceeds from sale of property & equipment	-	-	-	-	-	-	-	-
Proceeds from sale of investments	-	-	6,240,000	5,000,000	350,000	950,000	6,240,000	12,540,000
Purchases of investments	-	-	(3,500,000)	(500,020)	-	-	(3,500,000)	(4,000,020)
Proceeds from sale of subsidiary	-	-	-	-	-	-	-	-
Other investing activities	-	-	-	-	-	-	-	-
Net Cash (used) by investing activities	-	(1,380)	2,740,000	4,499,980	350,000	950,000	2,738,620	8,538,600
FINANCING ACTIVITIES								
Cash contributions and pledges collected for endowment purposes	-	-	-	-	-	-	-	-
Payments on capital leases	-	-	-	-	-	-	-	-
Net Cash (used) provided by financing activities	-	-	-	-	-	-	-	-
Cash Flow	(255,558)	(191,751)	(95,894)	314,451	2,243,329	(2,123,603)	(543,203)	(109,026)
Cash at Beginning of Period	953,117	697,559	505,808	518,940	833,391	3,076,720	953,117	518,940
Cash at End of Period	697,559	505,808	409,914	833,391	3,076,720	953,117	409,914	409,914

Tab D

Program Update

PROGRAM UPDATE | MARCH 2022

INTRODUCTION

Since the December 2021 Washington State Opportunity Scholarship (WSOS) Board meeting, the WSOS team has been hard at work launching the next application cycle. Opportunity Scholars finished finals and are off to a great start in the next academic term. The campaign is beginning to gain steam as we identify the volunteer leaders who will underpin our success in raising \$75 million. The legislative session is unfolding in promising ways for Opportunity Scholarship, and we're watching the Omicron wave carefully to implement our return-to-office plans. Our staff would like to express gratitude to the Board of Directors for its dedication to our Scholars and mission despite ongoing challenging circumstances due to the pandemic.

AWARDS ADMINISTRATION

The Awards team just closed the 11th Baccalaureate Scholarship application and will be moving into selecting up to 1,275 students in alignment with the Board's selection criteria in the weeks ahead. Next month, we will open the application for the fourth cohort of Career and Technical Scholars. These will be the first cohorts where the team selects up to 1,275 Scholars. At the June Board meeting, the team will recommend the selection criteria for CTS's fourth cohort. As with BaS, the team will recommend criteria that maximizes the number of applicants we select who both need the scholarship and are likely to graduate with an eligible degree if they receive it. Getting the selection criteria right will be particularly important for CTS given how substantial the maximum cohort size of 1,275 would be relative to its current size of 550.

The Awards team has disbursed \$12.6 million of the \$14.8 million anticipated to be disbursed throughout the 2021-22 academic year. WSOS will have disbursed nearly \$120 million over the program's history by the end of this academic year. With the increased cohort sizes anticipated this coming fall, the Awards team has been hard at work ensuring we have accessible application processes in place that will provide us with a highly qualified applicant pool.

SCHOLAR PROGRAMS

BACCALAUREATE SUPPORT SERVICES

Despite the challenging circumstances of the past two years, we know the Scholar Lead program has positively impacted Scholar persistence. This quarter, we analyzed the difference between Scholars who reported utilizing the Scholar Lead program compared to those who did not. For Scholars who were in their first and second years during AY 2020-21, 96% of those who utilized Scholar Leads persisted to AY 2021-22 (including those who graduated early), compared to 88% for Scholars who did not utilize their Leads. The positive difference Leads are making is also clear from Scholar feedback. During our recent mid-year assessment, 94% of Scholars reported the information and resources shared by their Lead have been helpful in navigating their college experience. Below are two compliments Scholars opted to leave for their Scholar Leads:

"Thank you for always being there and prioritizing your Scholars!"

"Thank you so much for being so kind and helpful in answering my questions. It has given me a lot of direction and inspired me to get involved on campus as early as I could."

We remain grateful to our 591 industry partners who offer their time and insights to support Scholars' career development by serving as Skills that Shine mentors. Among these mentors, 38% agreed to mentor 2+ mentees to allow as many Scholars as possible to receive the program's benefits. Despite the challenges in recent months (job changes, health concerns, enrollment changes, etc.), 97% of our pairs continue to meet. Our team is committed to supporting a strong experience for mentors and mentees by

addressing inquiries and offering guidance through monthly communications which 93% of program participants report as helpful in keeping their mentorship on track.

CAREER AND TECHNICAL SUPPORT SERVICES

The CTS Ambassador pilot program launched the week of January 10 with Ambassadors introducing themselves by email to Scholars in their assigned campus or region. Ambassadors are tasked with completing a total of 12 touchpoints between January and May, ranging from emails, phone calls and virtual check-ins. Ambassadors have been relaying responses and questions they receive from Scholars, and we've been thrilled to observe early evidence of the program's promising impact. During this pilot phase, Ambassadors are supporting over 340 new and continuing Scholars across 14 campuses. The number of supported Scholars is anticipated to grow following the selection of the spring cohort.

The winter CTS Industry Mentorship program, which runs from January through February, reached our goal to pair 30 mentees with mentors. We're assessing this program to inform how we prepare for the spring pilot which will run from April through May. An example of an improvement we're making is a more explicit indication of the time commitment as we experienced 16% attrition during the winter program based primarily on expectations misalignment.

Our goal with both the Ambassador and Industry Mentorship pilot programs remains to test, learn and prepare to operate at scale beginning in AY 2022-23. We continue to feel grateful for the grant we received from Boeing to support these and other pilot initiatives designed to help CTS Scholars persist, earn their credentials and find in-demand jobs in Washington state.

GRADUATE SCHOLAR SUPPORT SERVICES

In January, we were able to bring Cohort 1 GRD Scholars together for a virtual meet-up. Six of our eight busy Scholars attended, got to know each other, asked questions about the scholarship and gave input on Scholar programming. They want to continue connecting based on specialties, such as primary care or mental health care, and share resources, like practicum sites, DNP project sponsor connections or job prospects. The Scholars also shared helpful WSOS program suggestions such as increasing access to our travel and practicum site stipends. We are exploring how we can improve these services based on their feedback. The next GRD Scholar meet up will be in May, and we are aiming to include an educational component, per Scholars' recommendations.

The application cycle for GRD Cohort 2 is planned for April 18 through June 1. We are scaling the program to its intended yearly cohort size, aiming to select 19 Scholars. We hope to increase the percentage of eligible applications and representation of rural areas in this cycle. Students with incomes above 125% of median family income disqualified nearly 1/3 of the applicants in the pilot application cycle last year. Because Nurse Practitioner students often work full-time as Registered Nurses (RN) before starting their advanced degree, some applicants with historical financial need are disqualified because of their current salary as current RNs. In this legislative session, we have proposed an amendment to the statute that would allow WSOS to consider additional economic factors beyond income to determine financial need. We are hopeful the amendment passes so that we will be able to select from a broader range of qualified applicants who intend to work in medically underserved areas.

DEVELOPMENT UPDATE

CAMPAIGN FOR WSOS UPDATE

Campaign planning is well underway, and we are thrilled with the progress we are making toward the \$75M campaign for WSOS. As of 2/18, WSOS has raised \$33.2M for the campaign, including \$575K in the first half of Q1.

Other milestones include:

1. Jane Park, Founder & CEO of Tokki, and Jeff Peacock, CEO of Parametrix, have agreed to be co-chairs of the campaign. We are working to secure other volunteer leadership positions. Thanks to those Board members who have said yes to volunteer roles!
2. We retained Milli, a marketing and communications agency, to work with WSOS on developing the campaign name, tenets, branding and campaign assets.
3. We are currently prospecting and pursuing corporate and foundation leads with solid alignment to WSOS goals and objectives.
4. We recently submitted a proposal for \$10-15M in support of WSOS, and we are hopeful to hear about potential funding in late Q1 or early Q2.

OPPORTUNITYTALKS MOVES TO SPRING 2023

We are moving our OpportunityTalks event to spring 2023. We're doing this for a few strategic reasons. First, this move will allow the Board of Directors, WSOS' Development and Marketing and Communications team and other key WSOS stakeholders to focus on the Quiet Phase of the comprehensive campaign (heading toward the target total of \$60M before public announcement). Second, moving OpportunityTalks helps WSOS manage complexity regarding the change of the program administrator. The transition is scheduled for September 1, which coincides with peak planning and administration of OpportunityTalks. This will mitigate the additional workload and complexities of changing vendors, systems, and processes midstream. Finally, we have discussed moving the event to the spring in previous years as it would better coincide with an academic year's conclusion and align from a programmatic "celebration" perspective.

We considered a few risks with this move: 1) Supporters and partners are used to hearing from us in the fall; 2) OpportunityTalks is a predictable source of revenue for WSOS, and 3) The timing of the event aligns neatly with the tax year cycle. To mitigate these risks, we plan to engage with supporters and partners throughout the year, especially during the fall. We will be launching a first-ever annual giving campaign at the end of Q3/early Q4 to capture giving at year-end. We plan to renew sponsorships for OpportunityTalks in FY22 on their regular, predictable schedule. We also plan to host smaller VIP events to garner greater returns, advancing us to our campaign goals.

While the revenue loss of the event this calendar year is significant, we are forecasting closing \$16M in FY22 in the Quiet Phase of the campaign. We are confident that this move will help us reach our ambitious fundraising goals this fiscal year and start the year strong in 2023.

EXTERNAL AFFAIRS UPDATE **2022 LEGISLATIVE PRIORITIES**

Our bill, [HB 1805](#), is tracking toward passage in a busy legislative session. The bill makes several changes to align WSOS with the Washington College Grant and aligns the state match process for our rural jobs program with the other Opportunity Scholarship programs. It also gives us greater flexibility to define financial need for our nurse practitioner program. We shared details of these changes in the September 2021 Board report. Passage looks promising, though things can always shift last minute, especially with so many competing priorities in Olympia.

The requested state match was revised in January based on dollars received to date to a total of \$8.7 million. Of that total, ~\$8.5 million is requested for the Opportunity Scholarship match and ~\$200,000 for the Rural Jobs Initiative.

HIGHER EDUCATION POLICY AND THE FINANCIAL AID LANDSCAPE

Great concern over Washington's higher education enrollment crisis continues to be shared among education leaders, policymakers and community-based organizations. Enrollment at public, private, four-year and two-year institutions has been flat in Washington for years, and the pandemic has spiked a double-digit decrease across all higher education.

A coalition of advocates is working to reverse enrollment decline through several bills this legislative session. These bills aim to increase financial aid for Washington's lowest-income students, raise awareness of existing financial aid through marketing efforts and create a state-sponsored student loan program. Those bills, along with continued efforts to strengthen pathways from high school to careers, are top among the strategies targeted at reversing the trend.

MEDIA COVERAGE

Substantial media coverage of WSOS continued in late 2021, carrying into 2022. Our focus in the remainder of the academic year is to pivot from celebrating our impact through numbers to Scholar storytelling, gaining coverage outside of the Puget Sound and/or in new-to-us publications/outlets, and showcasing Kimber and WSOS as leaders in higher education policy, equity and access.

The most notable progress on our goals in the months since the last Board meeting is a mention on the national stage through an Inside Higher Ed article highlighting Amazon's investment in computer science education, including their \$1 million investment in WSOS. Inclusion in Microsoft's 2022 legislative priorities also landed us in 425 Business, a Bellevue-based publication where we've never been mentioned before.

Coverage summary:

- [Amazon Gift Signals Confidence in Community](#) Colleges | Inside Higher Ed, Jan. 4
- [2022 Washington State Legislative priorities](#) | Microsoft on the Issues, Jan. 13
- [Microsoft Shares Its State Legislative Priorities for New Year](#) | 425 Business, Jan. 14
- [Seattle Colleges and Amazon create new opportunity for computer science degrees](#) | Geekwire, Jan. 29

SOCIAL MEDIA COVERAGE

Our 2021-2022 organization goal for social media is to increase our followership rates on all channels. We are utilizing a content strategy that moves our followers through the customer journey from interest to trust to brand loyalty. Indicators of success are: 1) an increase in content views (impressions); 2) an increase in shares and engagement with our content; and 3) an increase in followers, especially from our target communities, including Scholars, legislators, business leaders, nonprofits, etc.

Impressions or Reach (Views): Year-over-year comparison

	January 2021	January 2022	Percent Growth
Facebook (Reach)	1,691	7,332	333.6%
LinkedIn (Impressions)	6,937	7,784	12.21%
Instagram (Reach)	3,397	8,746	90.7%
Twitter (Impressions)	8,629	8,954	3.8%
Total Impressions/Reach	20,654	32,816	58.9%

During the promotion campaign for our BaS and CTS cycles, we are being more proactive about engaging community organizations (CBOs), workforce development agencies and institutions that may work with eligible students. We are consistently engaging with over 200 of these organizations on social media with the goal of increasing organic shares of our scholarship content. Organic shares of our content have more potency, as they are generally shared from organizations that have already garnered trust with their audience. This quarter, content about the BaS and CTS application cycle was shared over 225 times! Organizations who shared our content included Washington State STEM Education Foundation, CWU Teach STEM, Actriv Healthcare, Career Connected (Okanogan, Grant and Adams Counties), Skagit Valley College bachelor's in management, Apple STEM Network, Kiona-Benton City High School Counseling and NW Washington and Skagit STEM Networks.

Engagement on each platform is growing consistently, indicating that our strategies are effective, particularly with the growth in our reach/impressions (see table on following page).

Followership: Year-over-year comparison

	January 2019	January 2020	January 2021	January 2022
Facebook	3,514	3,827	4,010	4,100
LinkedIn	140	--	814	1,342
Instagram	--	--	642	954
Twitter	1,762	1,847	1,875	1,896
Total Followers	5,416	5,674	7,341	8,292

Our organic content was shared by key leaders from our target communities, including Mayor Jenny Durkan, Rep. Drew Hansen, The Washington State Board for Community and Technical Colleges, Jenn Smith (Engagement Editor for Seattle Times Education Lab), City of Seattle Department of Education and Early Learning, Parametrix, Brad Smith, Washington's Workforce Board and Core Plus Aerospace. Our top-performing posts of the past three months are highlighted below:

Facebook: Amazon Gift Announcement



LinkedIn: Jane Park OTalks and GeekWire Podcast announcement


Washington State Opportunity Scholarship
1,364 followers
3mo • 🌐

Did you see WSOS Board Member Jane Park hosting our 2021 OpportunityTalks Breakfast? (If you didn't, you will want to click the link to the recorded program below.)

That same week she was also featured on the GeekWire Podcast. In the episode she talks about the future of consumer brands in the Amazon era, her own life story and her family's experience as immigrants.

Listen here: <https://lnkd.in/d3PjW7kW>

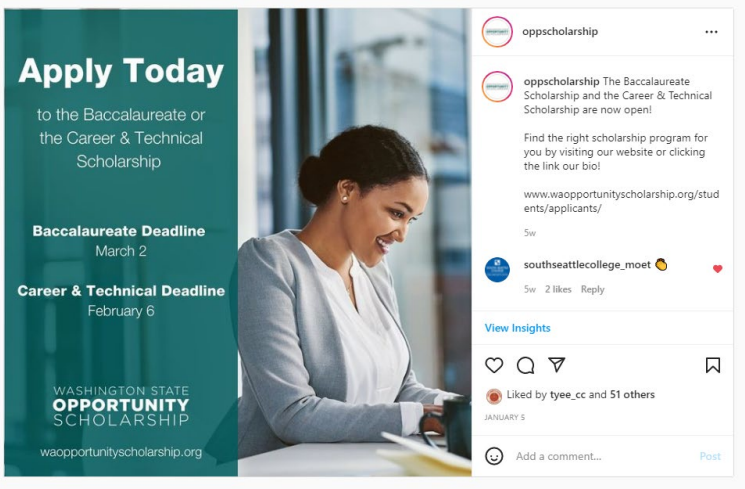
OpportunityTalks 2021: <https://lnkd.in/gj9j6Pts>



GeekWire Podcast: Jane Park on SPACs, the immigrant ethos, and brands in the Amazon era
geekwire.com • 4 min read

You and 53 others • 1 comment

Instagram: Scholarship announcement



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JANUARY 5

Add a comment... Post

Twitter: City of Seattle Partnership press release

Washington State Opportunity Scholarship
@OppScholarship

Special thanks to the leadership of the following stakeholders who made this partnership reality:
[@ChoppRep](#), [@RepDrewHansen](#), [@MayorJenny](#), WSOS Board Chair & President of [@Microsoft](#) [@BradSmi](#), President of [@SouthSeattleCC](#) [@PresidentRosie](#) and [@SeattleDEEL](#) Director [@dwane_chappelle](#).

5:37 PM · Nov 18, 2021 · Twitter Web App

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OPERATIONS UPDATE
RFP PREPARATIONS

In collaboration with WA STEM, we are working on outlining roles and responsibilities to help us effectively manage the program administrator transition. These meetings focus on human resources, technology, finance & accounting, and grants & contracts and will be completed by March 15. The RFP has been open since January 21 and closed on February 28. The RFP selection panel met on March 8 to review and prepare a recommendation for the Board's approval. Upon selection and approval of the apparent successful bidder, we will begin the contract negotiation process with the goal of having a signed contract in place by April 30.

COVID-19 RESPONSE

On February 23, it was announced that we will return to the office on April 5 using our hybrid model. Team members will be in the office on two assigned days each week to promote team building and collaboration. People may come in more if they choose to do so. We will offer accommodations for those who need them and will implement protocols to ensure team members feel safe to return. Like all organizations, we are learning as we go. We'll continue to check in with the team and follow guidance to influence our decision-making.

PEOPLE DEVELOPMENT

We wrapped up phase one of our workplace culture enhancement effort in mid-February. In partnership with Amplify11, team members provided feedback to help identify both the positive aspects of our workplace culture as well as our areas for growth. We are actively identifying the steps necessary to improve gaps in our team members' experiences while shining lights on the bright spots of our culture.

Leadership and management training, clarification of our decision-making framework and increased opportunities for staff to provide input and collaborate on workplace changes highlight the work ahead.

STAFFING UPDATE

Like all organizations, WSOS continues to work through the challenges of the Great Resignation. We're grateful to our loyal staff for keeping the trains on the track despite the transition and personal adversity many face.

In February, [Nick Khamphilom](#) was promoted from his position as Awards Coordinator to Baccalaureate Advisor. Since coming to WSOS in March 2021, his passion for student support has been on full display through his daily communications with Scholars and partners alike. His experience with process improvement and data processing will be an asset to the Baccalaureate team as it was for the Awards team. The Programs team is excited to bring his perspective and insights to the work of our Programs team. Meanwhile, the Awards team plans to hire a new coordinator in the coming weeks and is currently progressing through the stages of grief at the loss of the talent and force of positivity Nick brought to bear.

The Awards team is also bidding farewell to its director, Steve Walker, in the coming months. Steve came to WSOS in 2018 with the hopes of bringing the Career and Technical Scholarship to life, dramatically increasing the accessibility of our applications and leaving behind a team that could run the place without him. The team and the mission kept him here long after accomplishing those things, causing him to stay well beyond the time he expected. He will remain with WSOS through the transition of a new Awards Director this spring, then step back to focus on volunteering in the criminal legal system, rebuilding community and exploring what's next.

To create a more streamlined operational data experience, we've created a new position for WSOS. The Data and Systems Manager will lead the collaborative database and data analysis needs for the organization while supervising our in-house leads for the student database, Caspio, and our constituent database. We aim to hire this individual in the next quarter.

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

JESS PEET

Microsoft
SENIOR DIRECTOR OF PM



Jess Peet is Senior Director of Industry Cloud Solutions at Microsoft, creating industry solutions that are grounded in product truth, ready to be delivered, and ratified by validated customer voice. Prior to Microsoft, Jess was a senior manager in various roles across Amazon managing multi-billion-dollar P&Ls.

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WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

PROGRAM UPDATE

03.15.2022

BaS: Refining what we already know works

Happening now

- Scholar Lead program: 978 Scholars are being supported by 111 Scholar Leads
- Skills that Shine: 578 Scholar mentees are being mentored by 572 industry partners
- 84% of Scholars have reported they've engaged their campus advisor in the development of their academic plan (goal was 70%)

Happening next

- Closing out and assessing flagship Scholar Lead and Skills that Shine programs in May
- Preparing to support a significant increase in Scholars starting in AY 2022-23

CTS: Testing and assessing programming

Happening now

- Industry mentorship program winter pilot cycle has wrapped
 - 25 out of 30 initial pairs completed the program
- Pilot Ambassador program supporting over 340 Scholars with 9 Ambassadors

Happening next

- Preparing for next pilot cycle (spring) of the industry mentorship program
 - 31 Scholars have signed up (goal was 30) to be mentees, and we are recruiting mentors to match their desired industries
- Evaluating feedback, adjusting and scaling both industry mentorship and Ambassador programs for AY 2022-23 to serve more Scholars

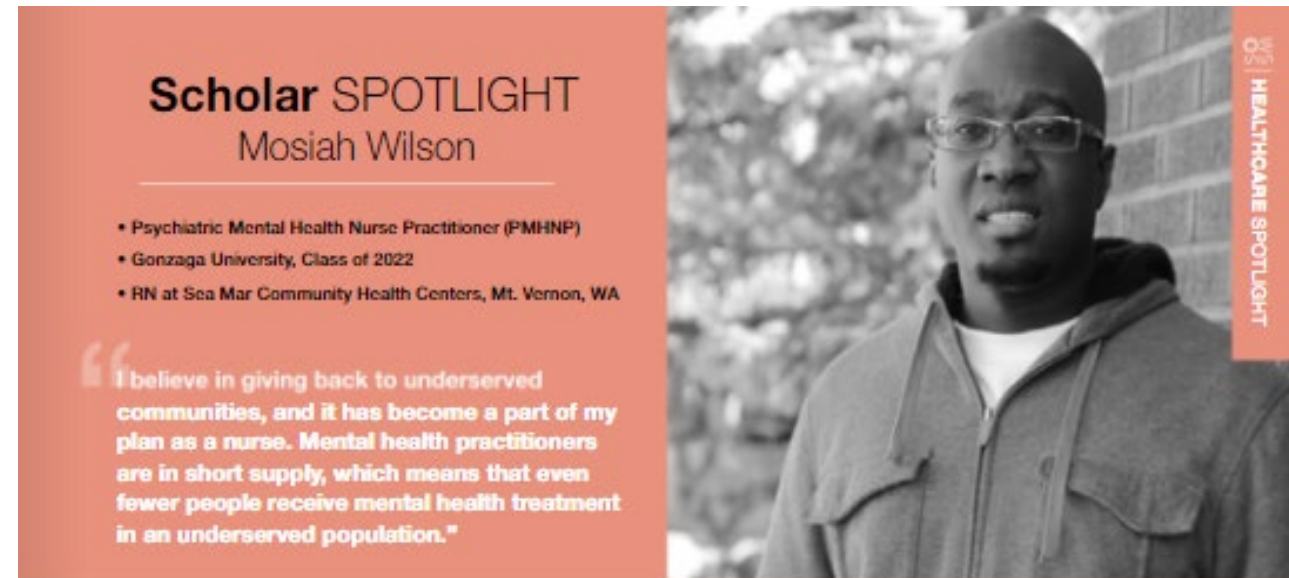
GRD: Iterating to great

Happening now

- All 8 Scholars persisted to second term
- Early success in getting clinical placements in Medically Underserved Areas (MUA) and Health Professional Shortage Areas (HPSA)
- Testing clinical site stipend process

Happening next

- Connection groups based on discipline – primary care or behavioral health
- April/May application period for Cohort 2
- Changes to income eligibility requirement



Scholar SPOTLIGHT
Mosiah Wilson

- Psychiatric Mental Health Nurse Practitioner (PMHNP)
- Gonzaga University, Class of 2022
- RN at Sea Mar Community Health Centers, Mt. Vernon, WA

“I believe in giving back to underserved communities, and it has become a part of my plan as a nurse. Mental health practitioners are in short supply, which means that even fewer people receive mental health treatment in an underserved population.”

W5 | HEALTHCARE SPOTLIGHT

The graphic features a portrait of Mosiah Wilson, a Black man with glasses wearing a grey zip-up jacket, against a brick wall background. The text is overlaid on a dark red background.

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PROPOSED NEW MEMBER

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REQUESTED COMMITTEE ACTION

- Vote to recommend Jess Peet join the committee.

COMMITTEE 2021 SELF-EVALUATION

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KEY POINTS

Members were asked to rate on a scale of 1 to 5 (1=not at all; 5=completely) the extent to which a series of statements were true. We reported the following average scores:

- We understand the committee's purpose & responsibilities: 4.71
- The actions taken by the committee align with its purpose & responsibilities: 4.57
- Meeting agendas support the committee's purpose & responsibilities: 4.57
- Pre-read materials support the committee's purpose & responsibilities: 4.71
- The WSOS Board of Directors supports and endorses the committee: 4.14

BRIGHT SPOTS

Members also shared reflections on what's working well. Phrases of interest from these open-ended responses include:

- “Right people on the committee”
- “Pre-read materials and guiding questions help us understand where to focus”
- “Working relationship between staff and the committee is really strong”
- “Strong leadership and engagement from the WSOS team”
- “Fairly conservative and responsible mindset”

GROWTH EDGES

Members shared constructive feedback for ways the committee can continue to evolve in its performance. Phrases of interest from these open-ended responses include:

- “Utilize the rich resources in the room for their expertise”
- “We probably don’t need quite that much time” (90-minute meetings quarterly)
- “Would appreciate a more detailed look at budget and models perhaps delivered as an appendix”

FOCUS IN 2022

Members shared their recommendations for the committee's focus in 2022. We suggested the group could prioritize:

- Tracking campaign progress
- Sharing their network with WSOS to advance the campaign and mission
- Enhancing the cohort modeling tool with sensitivity analyses
- Revisiting the asset allocation with the new cohort model sizes
- Exploring impacts of higher sustained inflation
- Revisiting the scope/expectations of the F&I committee with the Board given the shift from sunset approach
- Recruiting diverse membership that reflects the Scholars we serve

MEMBER MATRIX

	Skills, Experience, Characteristics
WSOS-Specific	Workforce or Economic Development
	Higher Education
	Local or State Politics
	Education Equity
	Washington Pride (Centered/Passionate about WA)
	Scholarships or Student Development
	Other (please specify)
Industry Experience	Accounting
	Financial-General
	Financial-Technical
	Investments-General
	Investments-Technical
	Investments-Asset Allocation
	Investor Relations
	Market Specific Experience
	Corporate
	Private Company
	Academic/Education
	C-Suite/Leader Roles
	Governance
	Government Policy
Other (please specify)	
Region	Puget Sound
	Eastern WA
	Other (please specify)
Demographics	Race or Ethnicity
	Black or African American
	Asian
	Hispanic or Latinx
	Native America or Alaska Native
	Native Hawaiian or Other Pacific Islander
	Two or More Races
	White
	Prefer not to say
	Gender
	Man
	Woman
	Non-binary
Prefer not to say	

DISCUSSION

- Which of these focus areas feel most relevant? How should we pursue them?
- What goals might we want to create for recruiting members?

EXECUTIVE SESSION

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NEXT COMMITTEE MEETING

June 1, 2022