

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

BOARD MEETING

03.16.2022

AGENDA

1. Welcome
2. Approval of Minutes from 12.16.21 Board Meeting
3. Mission Moment: Opportunity Scholar Story
4. Program Update & 2022 GRD Selection
5. \$75M Campaign Update
6. RFP Panel Program Administrator Recommendation
7. Finance & Program Administrator Update
8. Executive Session: ED Performance Review
9. Closing

REQUESTED BOARD ACTION

- Vote to approve the December 16 meeting minutes.



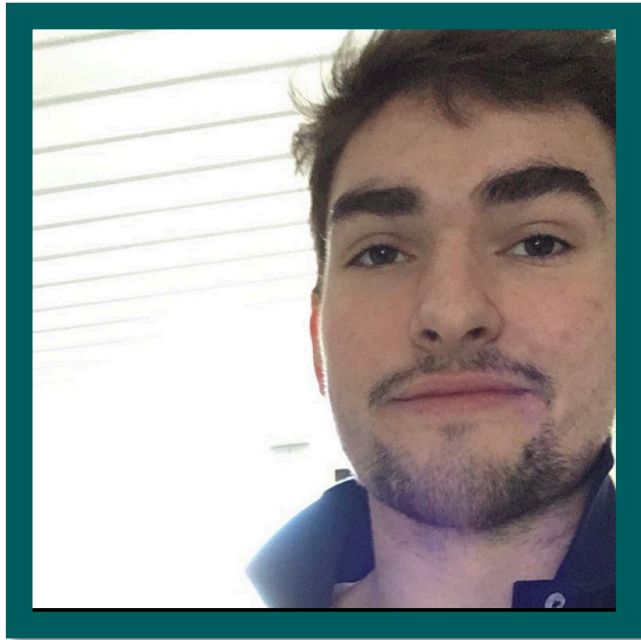
MISSION MOMENT

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MISSION MOMENT: Scholar Spotlight

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CAREER & TECHNICAL



MAXIMUM MILLETT

Instrumentation and Control Technology
Bellingham Technical College

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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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

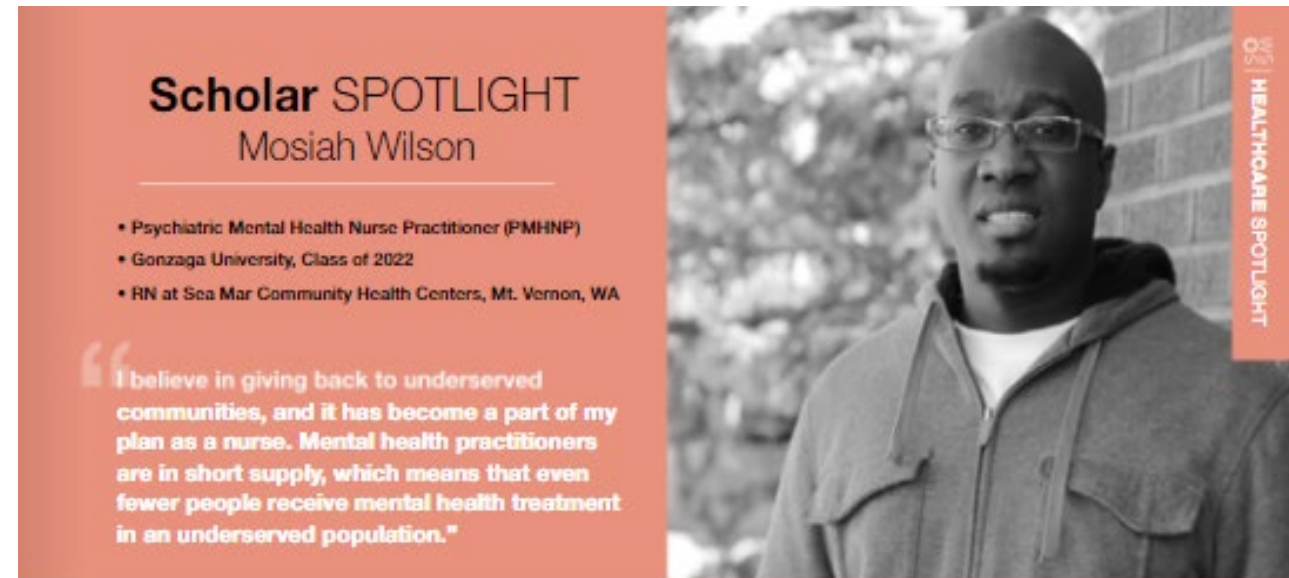
GRD: Iterating to great

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.

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

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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

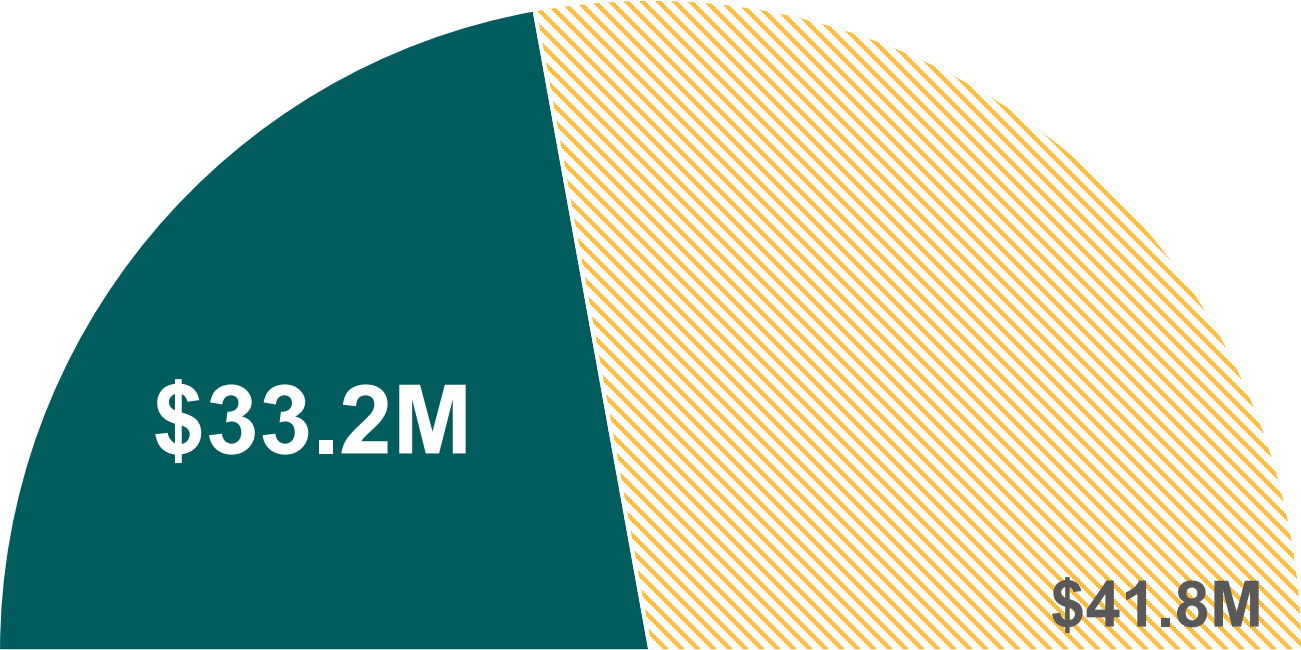
- Vote to approve 2022 GRD selection criteria.

\$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

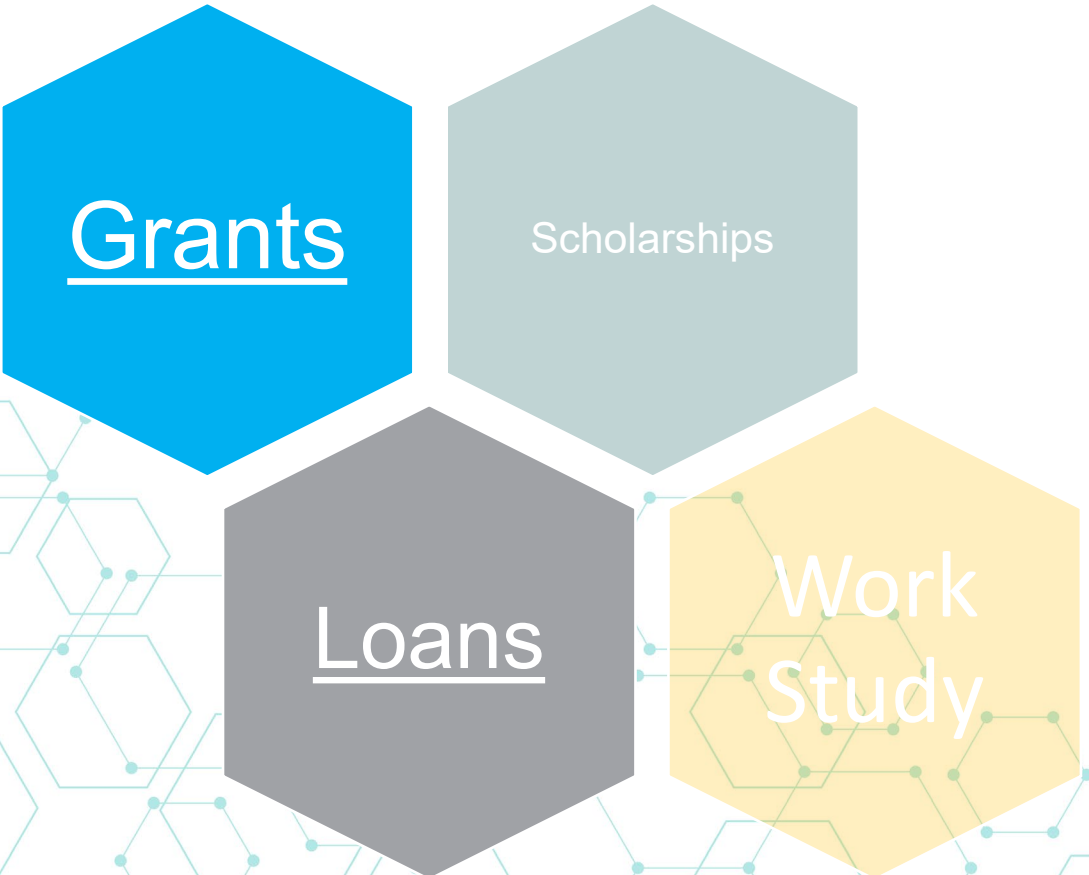
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Scholarships, grants, loans and work study are the main sources of financial aid available to students.



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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**

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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

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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
 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



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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



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Advocacy Orgs



Nonprofits



RFP PANEL PROGRAM ADMINISTRATOR RECOMMENDATION

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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">• 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

FINANCE & PROGRAM ADMINISTRATOR UPDATE

December 31, 2021

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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 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 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)

PROPOSED NEW MEMBER

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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REQUESTED BOARD ACTION

- Vote to appoint Jess Peet to the committee.

EXECUTIVE SESSION:

Executive Director performance review

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NEXT BOARD MEETING

June 8, 2022