

# WASHINGTON STATE **OPPORTUNITY** SCHOLARSHIP

## **BOARD MEETING AGENDA WEDNESDAY, SEPTEMBER 11, 2024 | 1:00-3:00 P.M. IN-PERSON OR REMOTE**

*To join virtually:* Click on the Microsoft Teams link in the meeting invitation or dial in #: 323-849-4874 / Phone conference ID: 287 803 781#

*To join in person:* Microsoft Campus, Building 34

***Meeting open to the public via conference line above.***

I.	<b>Meeting Called to Order</b>		<b>Brad Smith</b> Board Chair	1:00pm
II.	<b>Minutes from June 18, 2024, and July 26, 2024, Meetings</b> » <i>Board Action:</i> Approve minutes	[Tab A]	<b>Brad Smith</b> Board Chair	1:00 - 1:05pm
III.	<b>Mission Moment: Opportunity Scholar Story</b>	[Tab B]	<b>Stephanie Ryder</b> Opportunity Scholar	1:05 - 1:15pm
IV.	<b>Public Comment</b>		<b>Public</b>	1:15 - 1:21pm
V.	<b>ED Corner: 501 Commons to WSOSF Transition and Next Steps on the ED Search</b> » <i>Board Action:</i> Approve next steps regarding the ED search including budget impacts	[Tab C]	<b>Johnathan Luster</b> Interim Executive Director	1:21 - 2:05pm
VI.	<b>Washington College Grant   WSOS Alignment</b>	[Tab D]	<b>Lyanne O'Connell</b> Awards Administration Director	2:05 - 2:20pm
VII.	<b>Academic Year 2024-25 Programs</b>	[Tab E]	<b>Hayley Schaefer</b> Associate Director of Programs	2:20 - 2:30pm
VIII.	<b>Finance &amp; Program Administrator Update</b> » <i>Board Action:</i> Reappoint Joseph Walker and Patrick Smith to F&I Committee » <i>Board Action:</i> Appoint Kendra Mathias to F&I Committee	[Tab F]	<b>Patrick Smith</b> Finance & Investment Committee Chair	2:30 – 2:45pm
IX.	<b>Executive Session</b> RCW 42.30.110(1) to obtain advice from legal counsel		<b>Brad Smith</b> Board Chair	2:45 - 3:00pm
X.	<b>Closing</b>		<b>Brad Smith</b> Board Chair	3:00pm

**Upcoming Board Meetings**  
Wednesday, November 20, 2024\*

*Attending in person? Check in at the front desk to get a nametag and give them your license plate number.  
\*Date may change*

# **Tab A**

**Minutes from June 18 and July 23  
Board Meetings**

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING  
TUESDAY, JULY 23, 2024, 2-3:15 PM, AT MICROSOFT OR MICROSOFT TEAMS  
MEETING MINUTES**

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) convened on July 24, 2024, in person and via Microsoft Teams. The meeting was publicized as available to the public on the WSOS website. The agenda was posted on the WSOS website at least 24 hours in advance of the meeting.

**Board members in person:** Brad Smith (Chair), Jane Park, Julie Sandler, Patrick Smith

**Board members virtual:** Diane Cecchettini, Miller Adams, Mike Wilson, Beth Johnson, Gary Rubens

**Additional attendees:** Gina Breukelman, Jane Broom, Jolenta Coleman-Bush, Kimber Connors, Aileen Miller, and WSOS staff

**Meeting Called to Order**

Brad Smith, Chair, called the Board meeting to order at 2:04 p.m.

Brad Smith introduced Dennis Sills. Sills discussed his background, college experience, and current work with Plymouth Housing and then shared his fundraising pitch role play. Brad asked if other companies have had Opportunity Scholars as interns. Sills said that this would be a good opportunity to partner with the donor company for internships.

Kimber Connors noted Board members could feel free to ask questions either within the role play format or just questions they had for the candidate generally. Brad Smith asked Sills what his first step would be if he got the executive director position. Sills said he would meet with the resource development team to learn what the Scholars are doing and how to position investments in WSOS as an asset to corporate donors' best interests.

Jane Park asked what Sills sees as the biggest strategic challenge for WSOS in the next five years. Sills said health care has a big need for workers, and they are not partnering with WSOS at the same level as other industries. He said we need to tap into that along with other industries like behavioral health care, which also have a shortage of workers.

Beth Johnson asked about his government experience and how he would use those skills at WSOS. She also asked how he would make requests of public partners. Sills said he is the primary fundraiser on his team at Plymouth Housing. He said that two-thirds of their funding comes from private donors. Sills said that communicating needs, the benefits of our work, and the success stories of Scholars can help get people to buy in. Sills said that he did similar public-private work to fund the operation of the FDA.

Julie Sandler asked him what he would do if our capital campaign greatly exceeded our goal. She asked him how he would use the extra capital and how he would deploy it. Sills said the first thing he would do is to look at the two-thirds of eligible applicants that we are unable to serve because of funding. He said he would continue with the mission of WSOS.

**Executive Session:** At 2:20 p.m., the chair announced that the Board was going into Executive Session until 2:30 p.m. to evaluate the qualifications of an applicant and to obtain advice from legal counsel. The open meeting reconvened at 2:32 p.m.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

Guadalupe Torres introduced herself and shared about growing up in rural Nebraska. She said that getting her college degree enabled her to do work she is passionate about. Then, she presented her fundraising pitch role play.

Sandler asked Torres what she would do if we exceeded the capital campaign goal by \$100M and how she would choose where to deploy it. Torres said that you must have a strategy and look at the data. She said financial resources need to be used smartly, in the right place, and in the right manner. Torres said we would stay student-centered and continue to do what we do as an organization that benefits students.

Johnson asked Torres what the benefit to an organization that invests in WSOS is other than the good of philanthropy. Torres said the company's model will be stronger. She said inclusivity would be gained from partnering with WSOS. Torres said she would share research and data with potential corporate partners to show that WSOS is a straight line to success because it impacts a company's bottom line.

Patrick Smith asked Torres about her experience in higher education and if anything came to her mind about what WSOS can do beyond scholarships to increase student success. Torres said WSOS is doing a lot of things right. She said WSOS is data-driven. Torres said we need to leverage assets like information, and we could better share information with partners. Torres said an article in the Washington Post today stated that students are falling even further behind. She said this is the time to engage more partners because we need champions.

**Executive Session:** At 2:50 p.m., the chair announced that the Board was going into Executive Session until 3:00 p.m. to evaluate the qualifications of an applicant and to obtain advice from legal counsel. The open meeting reconvened at 3:00 p.m. The chair announced an extension to the Executive Session to 3:10 p.m. The open meeting reconvened at 3:10 p.m.

Brad Smith stated that he did not believe that there was a clear top candidate and asked if other Board members agreed that no candidate should be selected, and there was broad consensus. There was a discussion about what action would need to be taken to have the search committee generate a recommendation for next steps to present at the September meeting. There was also discussion about whether it was possible to delegate authority to Connors to select an interim executive director and what action would need to be taken to do so.

Park made a motion to delegate authority to Connors to appoint an interim executive director starting on September 1 for up to six months with the possibility of extending the contract if needed. Patrick Smith seconded. Brad Smith called for discussion. There was discussion about the scope of authority being granted to Connors, particularly regarding setting salary. Gina Breukelman said there are firms that provide external interim executive directors and offered to help Kimber with this process.

**Board Action:** Park made a motion to delegate authority to Connors to: 1) appoint an interim executive director to start on September 1 and serve for up to six months with the ability to extend the contract if needed; and 2) set the compensation for the interim, within the limits of preapproved Board policies governing interim compensation. Patrick Smith seconded the motion, and it carried unanimously.

Brad Smith noted the Board's priority for the search committee to reconvene and make a recommendation about next steps during the September Board meeting. Patrick Smith expressed concern and asked what we would do differently to achieve a better outcome. He stated that the search had been a four-month formal process in which he had a lot of confidence. Brad Smith said we will ask the search committee for their recommendation by September on whether to pursue the search or postpone the reopening of the position until January. Park said some good candidates were not ready to move from their current roles and may be

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

ready when we repost the position. Jane Broom said we may need to consider using a different firm that has a different pool of people to go after.

Brad Smith asked Miller if any formal action was required to ask the search committee to come back with a recommendation in September, and she affirmed no formal vote was needed.

Connors asked if there is anything she needs to do to help transition this person because she is moving to her new 0.6FTE position in September but is willing to stay on full-time through December if the additional hours of her time would be valued in support of the interim as a transition support. Brad Smith said Connors's role, by definition, always supports the executive director, whether they are permanent or interim. Miller affirmed that the way the foundation is structured would allow Connors to do this. Patrick Smith said it would have to be a split role since the ways Connors would need to support the interim during the transition were quite different from (and in addition to) the job description responsibilities. Brad Smith asked Connors what she would do if we had offered the job to one of these candidates on September 3. Connors said she would have been asking the same question of the Board, whether they would want her to stay at a full-time capacity to support things like the September Board meeting, September F&I meeting, helping to transition donor relationships, etc. Brad Smith asked if WSOSF or the WSOS program would pay Connors. Connors stated there were several possible scenarios. Brad Smith asked Miller if it would be legally allowable for Connors to be employed by both WSOSF and the program at once; Miller advised it was possible but that there may be a more streamlined way to design it.

**Board Action:** Park moved that: 1) Kimber Connors remain employed as a full-time employee until December 31, 2024; and 2) Brad Smith be given authority to decide the details of Connors' full-time employment and where the funds come from to pay her salary. Patrick Smith seconded the motion, which carried unanimously.

Brad Smith called the meeting to a close at 3:37 p.m.

Respectfully submitted,

Dena Parmer

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING  
TUESDAY, JULY 23, 2024, 2-3:15 PM, AT MICROSOFT OR MICROSOFT TEAMS  
MEETING MINUTES**

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) convened on July 24, 2024, in person and via Microsoft Teams. The meeting was publicized as available to the public on the WSOS website at least 24 hours in advance of the meeting.

**Board members in person:** Brad Smith (Chair), Jane Park, Julie Sandler, Patrick Smith

**Board members virtual:** Diane Cecchettini, Miller Adams, Mike Wilson, Beth Johnson, Gary Rubens

**Additional attendees:** Gina Breukelman, Jane Broom, Jolenta Coleman-Bush, Kimber Connors, Aileen Miller, and WSOS staff

**Meeting Called to Order**

Brad Smith, Chair, called the Board meeting to order at 2:04 p.m.

Brad Smith introduced Dennis Sills. Sills discussed his background, college experience, and current work with Plymouth Housing and then shared his mock fundraising pitch role play. Brad asked if other companies have had Opportunity Scholars as interns. Sills said that this would be a good opportunity to partner with the donor company for internships.

Kimber Connors noted Board members could feel free to ask questions either within the role play format or just questions they had for the candidate generally. Brad Smith asked Sills what his first step would be if he got the executive director position. Sills said he would meet with the resource development team to learn what the Scholars are doing and how to position investments in WSOS as an asset to corporate donors' best interests.

Jane Park asked what Sills sees as the biggest strategic challenge for WSOS in the next five years. Sills said health care has a big need for workers, and they are not partnering with WSOS at the same level as other industries. He said we need to tap into that along with other industries like behavioral health care, which also have a shortage of workers.

Beth Johnson asked about his government experience and how he would use those skills at WSOS. She also asked how he would make requests of public partners. Sills said he is the primary fundraiser on his team at Plymouth Housing. He said that two-thirds of their funding comes from private donors. Sills said that communicating needs, the benefits of our work, and the success stories of Scholars can help get people to buy in. Sills said that he did similar public-private work to fund the operation of the FDA.

Julie Sandler asked him what he would do if our capital campaign greatly exceeded our goal. She asked him how he would use the extra capital and how he would deploy it. Sills said the first thing he would do is to look at the two-thirds of eligible applicants that we are unable to serve because of funding. He said he would continue with the mission of WSOS.

**Executive Session:** At 2:20, the chair announced that the Board was going into Executive Session until 2:30 p.m. to evaluate the qualifications of an applicant and to obtain advice from legal counsel. The open meeting reconvened at 2:30 p.m.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

Guadalupe Torres introduced herself and shared about growing up in rural Nebraska. She said that getting her college degree enabled her to do work she is passionate about. Then, she presented her mock fundraising pitch role play.

Sandler asked Torres what she would do if we exceeded the capital campaign goal by \$100M and how she would choose where to deploy it. Torres said that you must have a strategy and look at the data. She said financial resources need to be used smartly, in the right place, and in the right manner. Torres said we would stay student-centered and continue to do what we do as an organization that benefits students.

Johnson asked Torres what the benefit to an organization that invests in WSOS is other than the good of philanthropy. Torres said the company's model will be stronger. She said inclusivity would be gained from partnering with WSOS. Torres said she would share research and data with potential corporate partners to show that WSOS is a straight line to success because it impacts a company's bottom line.

Patrick Smith asked Torres about her experience in higher education and if anything came to her mind about what WSOS can do beyond scholarships to increase student success. Torres said WSOS is doing a lot of things right. She said WSOS is data-driven. Torres said we need to leverage assets like information, and we could better share information with partners. Torres said an article in the Washington Post today stated that students are falling even further behind. She said this is the time to engage more partners because we need champions.

**Executive Session:** At 3:00 p.m., the Board chair announced that the Board was going into executive session until 3:10 p.m. to evaluate the qualifications of an applicant and to obtain advice from legal counsel. The chair announced an extension to the Executive Session to 3:20. The open meeting reconvened at 3:20 p.m.

Brad Smith stated the Board had not seen a clear top candidate emerge in their discussions. He asked if other Board members were aligned that no candidate should be selected, and there was broad consensus. Brad Smith asked Aileen Miller to confirm what next steps would be necessary to ask the search committee to come back with a recommendation for next steps at the September meeting and whether it was possible to delegate authority to Connors to select an interim executive director. Aileen Miller affirmed that the Board had the authority to appoint Connors as the delegate and would want to be clear about when and the timeframe of such delegation.

Park made a motion to delegate authority to Connors to appoint an interim executive director starting on September 1 for up to six months with the possibility of extending the contract if needed. Brad Smith called for discussion. Connors said the Board currently reserves the right to set compensation for the executive director, including interim postings, and requested the Board either set the compensation for the interim or delegate the authority to her to do so. She noted the current Board policy is to pay an interim the starting salary from the internal salary band or from the most job posting or offer lump sum compensation. Gina Breukelman said there are firms that provide external interim executive directors and offered to help Kimber with this process.

**Board Action:** Park made a motion to delegate authority to Connors to: 1) appoint an interim executive director starting on September 1 for up to six months with the possibility of extending the contract if needed; and 2) set the compensation for the interim, within the limits of preapproved Board policies governing interim compensation. Patrick Smith seconded the motion, and it carried unanimously.

Brad Smith noted the Board's priority for the search committee to reconvene and make a recommendation about next steps during the September Board meeting. Patrick Smith expressed concern and asked what we would do differently to achieve a better outcome. He stated that the search had been a four-month formal process in which he had a lot of confidence. Brad Smith said we will ask the search committee for their



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

recommendation by September on whether to pursue the search or postpone the reopening of the position until January. Park said some good candidates were not ready to move from their current roles and may be ready when we repost the position. Jane Broom said we may need to consider using a different firm that has a different pool of people to go after.

Brad Smith asked Miller if any formal action was required to ask the search committee to come back with a recommendation in September, and she affirmed no formal vote was needed.

Connors asked if there is anything she needs to do to help transition this person because she is moving to her new 0.6FTE position in September but is willing to stay on full-time through December if the additional hours of her time would be valued in support of the interim as a transition support. Brad Smith said Connors's role, by definition, always supports the executive director, whether they are permanent or interim. Miller affirmed that the way the foundation is structured would allow Connors to do this. Patrick Smith said it would have to be a split role since the ways Connors would need to support the interim during the transition were quite different from (and in addition to) the job description responsibilities. Brad Smith asked Connors what she would do if we had offered the job to one of these candidates on September 3. Connors said she would have been asking the same question of the Board, whether they would want her to stay at a full-time capacity to support things like the September Board meeting, September F&I meeting, helping to transition donor relationships, etc. Brad Smith asked if WSOSF or the WSOS program would pay Connors. Connors stated there were several possible scenarios. Brad Smith asked Miller if it would be legally allowable for Connors to be employed by both WSOSF and the program at once; Miller advised it was possible but that there may be a more streamlined way to design it.

**Board Action:** Park moved that: 1) Kimber Connors remain employed as a full-time employee until December 31, 2024; and 2) Brad Smith be given authority to decide the details of Connors' full-time employment and where the funds come from to pay her salary. Patrick Smith seconded the motion, which carried unanimously.

Brad Smith called the meeting to a close at 3:37 p.m.

Respectfully submitted,

Dena Parmer



## **Tab B**

**Mission Moment: Opportunity Scholar Story**

## SCHOLAR SPOTLIGHT



### **STEPHANIE RYDER**

**Bachelor of Science in Chemistry  
Whitworth University**

#### **ABOUT STEPHANIE**

Baccalaureate Scholar Stephanie Ryder grew up in Bremerton, Washington. She graduated from Olympic High School and Olympic College in 2021 where she completed the Running Start program. After graduating, she enrolled at Whitworth University where she graduated in 2024 with her Bachelor of Science in Chemistry. During her time on campus, she was involved in on-campus research and leadership in multiple clubs including the Environmental Action Coalition and the Pre-Healthcare Club. She also served as a Scholar Lead and participated in the Skills that Shine program. After completing two summers of Biochemistry research, which she subsequently published, she changed her post-graduation plans from pursuing medical school to pursuing her PhD.

#### **IN HER OWN WORDS**

“In addition to professors, I found crucial support in my Skills that Shine mentor, and the career seminars offered by WSOS. Since starting as a Research Technician in the Ray Lab at the Benaroya Research Institute, I've been immersed in epigenetic and immunology research and have loved every moment. WSOS provided me with leadership training, career exploration opportunities, mentoring, and critical financial support, shaping me into who I am today.”

# **Tab C**

## **Program Update**

**PROGRAM UPDATE | SEPTEMBER 2024**

**INTRODUCTION**

It's official! Washington State Opportunity Scholarship (WSOS) has a new Program Administrator: the WSOS Foundation (WSOSF). Thank you to all who were involved in making this a reality, with notable gratitude to Kimber Connors. Other updates since the June 2024 WSOS Board meeting include crossing the \$150M in scholarship funding threshold, welcoming 1,933 new Opportunity Scholars, securing a new venue for OpportunityTalks (please mark your calendars for April 1, 2025, at the Meydenbauer Center Bellevue), and onboarding three new staff members.

**AWARDS ADMINISTRATION**

The 2024-25 academic year has begun, and the Awards team welcomed 1,275 Scholars to Cohort 13 of the Baccalaureate Scholarship (BaS) and 20 Scholars to Cohort 4 of the Graduate Scholarship (GRD). We also welcomed 638 Scholars to Cohort 6 of the Career & Technical Scholarship (CTS), which included 55 Scholars who were awarded additional funds for the Rural Jobs Initiative (RJI). Please refer to the CTS Cohort 6 fall selection overview document (included in Tab C) to see the profile of these recipients.

The team has also been persistently working this summer to provide colleges with full academic year awards for Scholars. We welcomed back 41 GRD, 884 CTS, and 2,471 BaS Scholars for the 2024-25 academic year. Furthermore, we are celebrating our recent graduates, including 1 GRD, 221 CTS, and 402 BaS Scholars.

Despite the many financial aid challenges our Scholars faced this past year, many were able to complete the Free Application for Federal Student Aid (FAFSA) and have it sent to the colleges. There are a few Scholars whom the Awards team continues to work with as they navigate further challenges with the form. Additionally, the Department of Education (DOE) has announced a delay in releasing the updated FAFSA form: December 1 instead of October 1. We hope that further testing with multiple user case scenarios and preparation by the DOE will reduce the complications students faced this past year.

In addition, since WSOS is statutorily tied to the Washington State College Grant (WCG), the Awards team continues to monitor changes the state makes to the WCG program. This year, one of the significant changes was the passage of Senate Bill 5904, providing students with up to six years (previously five years) of WCG funding to align with the Federal Pell Grant program. Due to the state changes, internal analysis on award usage, and feedback from Scholars, we are exploring a new structure that simplifies BaS award levels. These new levels would move from fluctuating amounts (\$2,500, \$5,000, \$7,500, \$5,000) to flattened amounts (\$2,500, \$5,000) while maintaining the same award maximum of \$22,500. This shift would align WSOS with WCG and help Scholars create predictability in knowing which award level they will be receiving annually while creating a supportive level of funding if a sixth year or summer term is needed for completion. For the full proposal, see the memo in Tab D.

Scholarship Highlights

	BaS	CTS/RJI	GRD	Total
<b>Total Actual Disbursed (2012 – Present)</b>	\$133,845,648	\$20,050,937	\$1,100,525	\$154,997,109
<b>Scholars Enrolled 2024-25</b>	3,594	1,616	41	5,251

## **SCHOLAR PROGRAMS**

We have analyzed the impacts of our support services during the 2023-2024 academic year. Details are in the sections below, as well as a preview of our plans for the 2024-2025 academic year.

### **BACCALAUREATE SUPPORT SERVICES**

One of our goals in the 2023-24 academic year was to increase the percentage of students who persisted in their academic journeys. Among first-year Scholars, 94% persisted (goal was 90%). Among second-year Scholars, 92% persisted (goal was 85%). Among third-year Scholars, 64% persisted (goal was 65%). We were largely successful in reaching our persistence goals, and we have begun to analyze the efficacy of the Scholar Lead program in supporting persistence. Preliminary results show a strong link between Scholar Lead engagement and persistence. One Lead shared, *“My role as a Scholar Lead has been incredibly rewarding, allowing me to not only lead but also inspire and empower my peers. Through this experience, I’ve learned the importance of collaboration, resilience, and empathy in fostering a supportive academic environment. It’s been a privilege to witness the growth and achievements of fellow scholars, knowing that together, we’re making a difference in our community and beyond.”*

Another goal was for at least 55% of eligible Baccalaureate Scholars to submit an awards increase request (AIR) on time. We deployed new strategies to raise awareness of the AIR process, such as training Scholar Leads, including AIR information in Scholar newsletters, and conducting a calling campaign to all Scholars who were near their AIR deadline. As a result, 74% of Scholars submitted their AIR on time, far exceeding our goal. We were pleased with these results and will continue to build on the effective practices we have established.

Looking to the 2024-25 academic year, we will continue to iterate on our flagship Scholar Lead and Skills that Shine (StS) programs. We have welcomed 135 new Scholar Leads, who have already started supporting their caseloads of Scholars. We have increased the frequency of interactions that BaS Advisors will have with their Leads, aiming to bolster real-time support and help Leads reach even more Scholars. We are actively recruiting StS mentors. Please encourage those in your network to [sign up](#), and you are invited to serve as a mentor, too.

### **CAREER AND TECHNICAL SUPPORT SERVICES**

Similar to BaS, one of our goals in the 2023-24 academic year was to increase the percentage of Scholars who persisted. From quarter one to quarter two, 71% persisted (goal was 80%). From quarter two to quarter three, 75% persisted (goal was 80%). From quarter three to year two, 78% persisted (goal was 75%). We believe 80% persistence is within reach, and we are maintaining that goal for the 2024-25 academic year.

One strategy we are executing to reach the 80% persistence goal is adjusting the Scholar Lead program. Instead of connecting new Scholars with Leads for multiple quarters, we are laser-focused on helping Scholars have a strong start during their first quarter by offering early, relevant, accessible peer support. We already know the Lead program is having a positive influence on persistence, and we look forward to amplifying that influence. One Scholar shared this with their Lead: *“I would just like to say thank you for all the hard work that you do helping people build the future.”*

We are also making significant updates to the CTS Skills that Shine (StS) program. The reimagined mentorship program will offer greater flexibility and accessibility for Scholars. Instead of matching Scholars with one mentor for several months, Scholars can sign up for a one-time meeting with an industry professional for specialized, targeted support. We are piloting this new model with healthcare and IT professionals later in the academic year.

### **GRADUATE SCHOLAR SUPPORT SERVICES**

As mentioned in the June 2024 update, we have adjusted the GRD Program Manager role. This position has a stronger emphasis on the application, selection, and eligibility functions and now reports to the Awards Administration Director (Lyanne O’Connell). We will continue to offer select services that have had a high impact, such as the clinic stipends, travel stipends, and presentation by the Washington State Department of Health. We are pleased to note that 100% of GRD Scholars persisted to their second year (goal was 95%). Moving forward, most GRD updates will be in the Awards Administration section.

**CLOSING OPPORTUNITY GAPS**

In academic year 2023-24, we prioritized engaging Scholars who were furthest from opportunity. Across all three scholarship programs, our goal was for at least 60% of Scholars from each of the following categories to complete programming for which they were eligible:

- Scholars with racial/ethnic identities that have been historically excluded (BIPOC)
- Scholars who are categorized as low income at application
- Scholars who live in rural counties

The outcomes were:

	<b>BIPOC</b>	<b>Low Income</b>	<b>Rural</b>
BaS	69%	67%	73%
CTS	47%	42%	42%
GRD	87%	89%	71%

We were pleased with the BaS and GRD results. For CTS, the data do not include Scholars who accessed the job board as we could not adequately track individual users. Based on the high number of Scholars who utilized this service, it is likely that CTS met the 60% goal for each category. For the 2024-25 academic year, we have identified a method to track job board users so that we can include these Scholars in the closing opportunity gaps analysis.

**DEVELOPMENT UPDATE**

**REVENUE TARGETS**

As of June 3, 2024, we have raised \$50,869,667 of our \$75M campaign goal. We aim to secure \$60M to be ready for public launch at the end of 2025. For calendar year 2024, we’ve secured \$1,684,302. As discussed in the June board meeting, we have revised team goals to focus on recruiting, hiring, and onboarding key roles to build a sustainable fundraising team.

**DONOR RETENTION AND ACQUISITION**

In addition to raising revenue, the goal of the campaign is to ensure stronger donor retention and to broaden our scope of supporters. Key metrics we’re tracking on these measures are below:

	<b>YTD (as of 8/19/2024)</b>	<b>2024 CY Goal*</b>
<b>Donor retention 2023 to 2024</b>	31%	42%
<b>Donor loyalty</b>	45	50
<b>\$25k to \$1M gifts secured CY 2025</b>	5	25

**CAMPAIGN MILESTONES**

We’ve had a venue change for OpportunityTalks, due to a scheduling conflict made by Sheraton Grand Seattle. Please mark your calendars for Tuesday, April 1, 2025, at the Meydenbauer Center Bellevue. We are excited to host our event at this new venue.

We hosted a donor appreciation and Scholar celebration event with the Connell Family in July. We welcomed over 100 guests, including 40 Scholars, WSOS staff, and Connell Family members. Scholars appreciated the opportunity to network, and the Connell Family appreciated the opportunity to connect with Scholars.

We've hired two key fundraising positions. Mc Erl Dave Andres (he/she) joined in July as Major Gifts Officer and will lead and invigorate our campaign work. Jacque Clinton (she/her) joined in September as Corporate Partnerships Manager and will lead on corporate engagement, stewardship and securing sponsorship. We've also hired Madylin Lai, a Digital Media and Design Officer, to support marketing and communications. We are still hiring for two open roles: Events Officer and Development Officer.

We also completed a major email platform transition from Constant Contact to Campaign Monitor. This will increase efficiency and allow better tracking for donor and Scholar communications.

**EXTERNAL AFFAIRS UPDATE**

It's been a quiet season for the external affairs team with our director on family leave and the quiet season for promotion over the summer. We're geared up with a strong promotion strategy to support academic year 2024-25 based on learnings from the last year,

**DIGITAL MARKETING AND MEDIA COVERAGE**

Org Outcomes	Starting audience	End of academic year goal (June 2025)	Progress towards goal
WSOS media mentions	N/A	32 earned media pieces	47% of goal
ED/Directors appearances in articles/panels/speaking	N/A	15 for ED and 7 for other leadership	20% for ED and 85% for leadership
Facebook audience	4,478	4,589 (111 new followers)	5% of goal
LinkedIn audience	2,624	2,903 (279 new followers)	12% of goal
Instagram audience	1,301	1,374 (73 new followers)	7% of goal
TOTAL social media	8,403	8,866 (463 new followers)	9% of goal

**Top Performing Posts**

Facebook: [Joey's story](#)





Washington State Opportunity Scholarship

July 10 · 🌐



Meet Opportunity Scholar Joey!

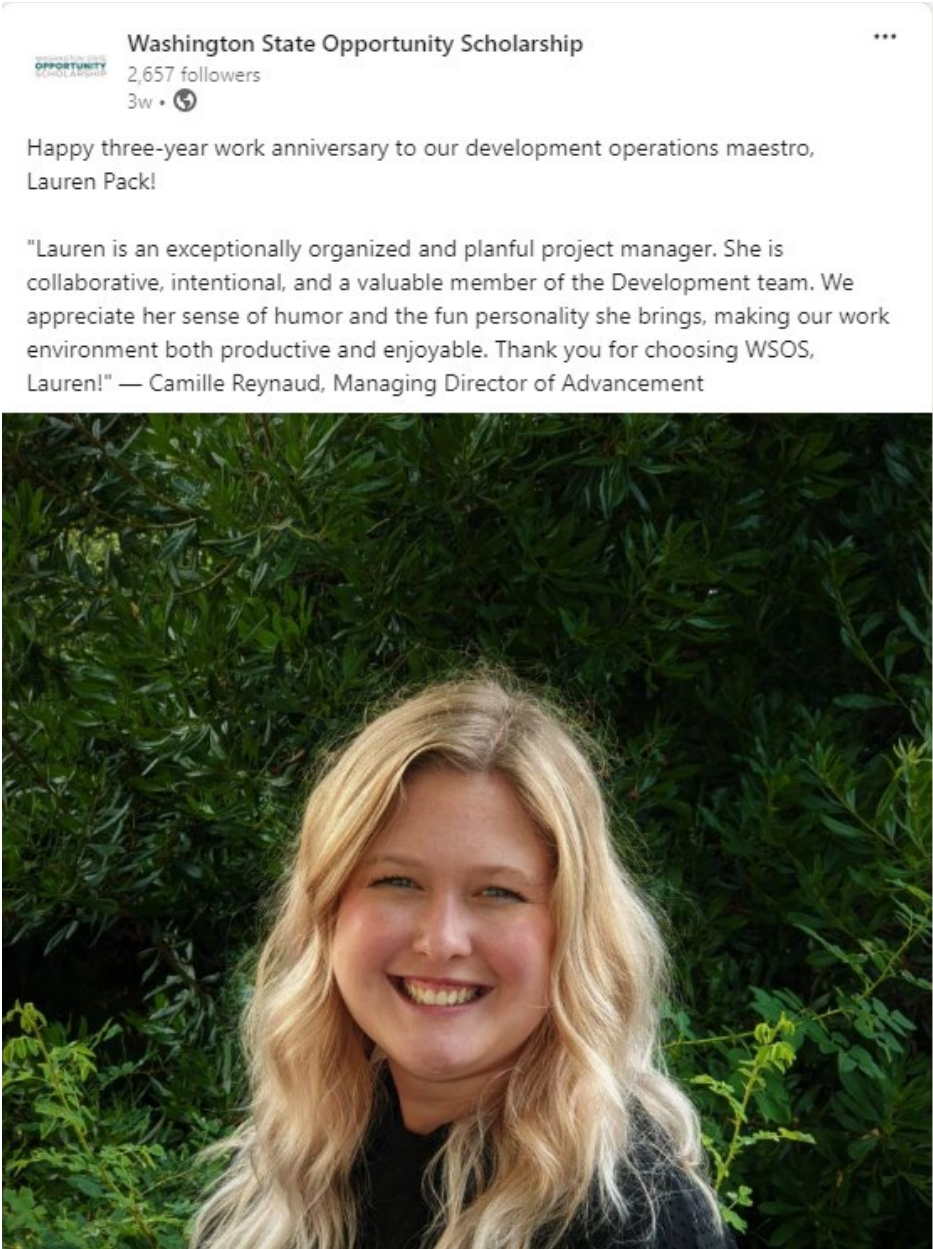
"I am a mechanical engineer working in the tech field designing high-speed test fixtures. I've always wanted to be an engineer and receiving the Washington State Opportunity Scholarship helped relieve the financial stress and burden of college so I can focus on what truly matters: my education.

Receiving the WSOS meant a lot because I was able to not take out student loans and truly focus on just my school work instead of working long work hours. I was able to work part-time while attending school due to my scholarships.

I had a great experience with WSOS since they were always able to support me financially and through different workshops/programs throughout college. I felt like I always had a support system to help me when needed."



LinkedIn: [Lauren's anniversary celebration](#)



Instagram: [Connell Family Event](#)



oppsscholarship • Following

oppsscholarship 2w  
We were honored to host the Connell Opportunity Scholars and their family and friends alongside the Connell Family for a celebration and networking event!

Thank you to the Connell Family and the Connell Opportunity Scholars who attended!

## OPERATIONS UPDATE

### PROGRAM ADMINISTRATOR TRANSITION

The program administrator contract between WSOSF and WSOS has officially been signed; WSOSF is slated to be the program administrator from September 1, 2024. Key activities this past quarter have been focused on creating as seamless of a transition as possible for the WSOS staff as we move into this new operational support model. This has included human resources (HR), finance, technology (IT), and other operations work streams.

Under HR, the top priorities have been securing benefits, designing the HR information system to be ready to make first payroll, and ensuring a strong handbook was crafted and in place. All legacy employees who will transition to WSOSF have received and signed conditional offer letters and begun the critical onboarding steps such as completing I-9 verifications and filling out enrollment forms. Employees have already participated in an HR onboarding session focused on policies and will complete several required trainings (discrimination, sexual harassment, etc.) in September.

In the Finance stream, our focus has been on ensuring our new Enterprise Resource Planning (ERP) system is designed, tested, and live while putting into place the systems and processes to support making and receiving payments to our key constituents: Scholars, staff, donors, vendors, and the state. WSOSF has established a banking partnership with JP Morgan Chase, has the documentation in place to take over signatory authority on the WSOS investment accounts held with WSIB, established a WSOSF Benevity account, and has collected the necessary payment information to ensure Scholars Leads and colleges are prioritized in receiving payments without interruption. We've engaged a partner to complete the Form 990 for WSOSF's first year of operations and have bid requests out for auditors. The biggest challenge we are currently facing is in ensuring our opening balance sheet has strong validity so we can receive an unqualified audit opinion in summer 2025.

The IT work has largely been focused on securing a great-fit third-party partner to manage organization-wide technology needs. We've engaged ExecuTech to provide in-office support for physical assets, software support for configuring laptops for new hires and providing helpdesk troubleshooting, and administration of key technology tools (such as Microsoft 365, Keeper password management, a virtual private network or VPN, and other various subscriptions). We are working with Executech to finalize an IT roadmap, and all IT support functions are active and have been transitioned as of 9/1. We've also

obtained the www.wsosf.org domain name and will be updating email addresses for staff to that domain. We will not be changing our website address or our support email addresses at this time.

Finally, other key operational tasks have been concluded or are concluding such as securing insurance to meet the requirements of the program administrator contract, registering the business with the state and city, establishing all necessary tax accounts, and updating our template legal contracts and re-entering new contracts with existing vendors.

### **ED SEARCH**

As you all know, Johnathan Luster, Managing Director of Impact, has agreed to serve as the Interim Executive Director for WSOS from September 1 through the end of December. We will discuss critical next steps regarding the Executive Director search during the meeting. The Search Committee prepared a document outlining their recommendation which can be viewed in Tab C.

### **DATA & SYSTEMS**

We completed the Case Management implementation for our Scholar, Promotions, and Donor support activities. This means that almost all emails sent to WSOS for support for the Awards, Programs, External Affairs, or Development teams are tracked and managed in our Donor CRM. We've had a staged rollout, starting with the Awards team in March and ending with the Programs team in August. As of late August, the teams have processed over 4,000 cases and can now view detailed reports and dashboards with case metrics such as average days to close a case (0.5 days) and average initial response time (2.2 hours), as well as grouped reports showing case type and reason, which allow us to track trends. The teams are using case trends to improve our external communication.

### **STAFFING UPDATE**

Mc Erl Dave Andres (he/she) joined the Development team as Major Gifts Officer on July 15. Mc Erl is from Waipahu, HI, and moved to Washington to attend Saint Martin's University in Lacey. He got his bachelors in English with a minor in Gender and Identity Studies and a Master of Education in Advanced Teaching and Learning. As a first-generation college graduate, Mc Erl is passionate about access to education for those furthest from opportunity. He comes to WSOS from his alma mater, where he served as the sole Advancement Officer, closing gifts from \$25,000-\$1,000,000. While in college, Mc Erl worked in the same office where he was the student lead providing support for all advancement staff and projects. Mc Erl brings a wealth of knowledge in many aspects of advancement and is excited to work at WSOS

Jacque Clinton (she/her) joined the Development team as Corporate Partnerships Manager on September 3. She started her education career as a program manager and instructor at Highline College, where she helped students navigate transfers and apply for scholarships. For the last seven years, she's worked in edtech, developing programs and partnerships for the nonprofit Khan Academy and for Adobe's Education team. She is excited to join the WSOS team.

Madylin Lai (she/her) joined the Development team as the Digital Media & Design Officer on June 17. Madylin has a strong background in digital media, brand strategy, design, and marketing! Over the past few years, she has been working as a digital marketing manager at an agency, and she volunteers for the nonprofit BobaTalks. She is excited to join WSOS to help address the talent shortage in Washington state through scholarships and support services for high-potential students.



**To:** WSOS Board of Directors  
**From:** WSOS Executive Director Search Committee  
**Date:** September 1, 2024  
**Subject:** Recommended next steps for reopening executive director search

---

The Washington State Opportunity Scholarship (WSOS) Board engaged in a search process to secure its next executive director during its March 2024 Board meeting. With support from a search committee and search firm, about 175 potential candidates were engaged resulting in about 80 applications. During the July 2024 meeting, the WSOS Board interviewed two candidates but ultimately decided to make no offer. At the same time, the Board directed the search committee to make a recommendation for next steps during the September 2024 meeting. After debriefing the process and outcomes, the search committee submits the following proposal for the Board's consideration.

**Considerations.** The search committee determined it was important to change aspects of the search approach to produce a meaningfully different result. They discussed whether the job announcement appropriately described the opportunity. They do not recommend reimagining the job announcement as they feel it accurately captures the nuances of the role. The search committee also discussed whether the salary range was adequate to attract the quality of candidates desired. Given the potential staff morale implications of drastically increasing the salary and perceived lack of importance for the "right" candidate, they decided the existing salary range was appropriate. Two key areas for reimagining the process were identified: 1) outsourcing the recruiting to a firm specializing in corporate and outside-of-Washington hires; and 2) reimagining the interview process to be more relationally based.

**Recommendation.** The proposal from the search committee is to:

1. Reconvene the search committee to continue in its capacity and role. Replace Camille Reynaud with Johnathan Luster as the staff representative given his new role as interim executive director.
2. Engage with a search firm that specializes in corporate recruitment and outside-of-Washington-state work.
3. Repost the role shortly after the September Board meeting. Execute on an interview process that leads to a Board presentation at the Q4 meeting.
4. Direct the search firm to focus its recruitment efforts on non-traditional hires (e.g., corporate to nonprofit transitioners or out-of-state executive leaders).
5. Revisit the list of 175 potential candidates; identify the top twenty prospects who were promising but did not apply. Assign Patrick Smith, Jane Park, Jolenta Coleman-Bush, Jane Park, and Julie Sandler to each have intentional follow ups with ~3-4 candidates to encourage them to reconsider applying. Request Brad email or call 1 or 2 very top prospects, as appropriate.
6. Reformat the interviewing process with the new search firm including moving to using an interview loop approach, more in-person interviews, and creating a more relationship-based interview experience.

# WASHINGTON STATE OPPORTUNITY SCHOLARSHIP

## CAREER & TECHNICAL

### Cohort 6 fall Selection Overview

This document describes the selection criteria for and profile of the fall recipients of the 2024-25 Career and Technical Scholarship cohort. This fall brought 871 applicants, of whom we selected 638 for CTS and 42 for Rural Jobs.

#### Selection Criteria

Based on the Board's directive, the selection criteria below were used.

Category	Factor	Target Weight	Final Weight
Economic Impact	Program	50%	50%
Likelihood of Completion	Essay	15%	15%
Financial Need	Income	20%	15%
Equity of Access	First Generation Status	7.5%	10%
	Single Parent Status*	7.5%	10%

\*Single parent status did not apply to applicants who graduated from high school in 2024.

#### Profile of Selected Scholars

These Scholars have a median family income of \$26,600 and represent 32 of 34 colleges, 31 of 39 counties and 49 of 49 legislative districts. The top 5 colleges they're heading to are: Tacoma Community College, Lake Washington Institute of Technology, Wenatchee Valley College, Grays Harbor College, and Centralia College. In terms of programs, the table below shows how the proportion of Scholars selected (% of Selects) compares to the share job openings across the state led to by industry (% of Job Openings).

Industry	% of Eligible Applicants	% of Selects	% of Job Openings
A/V Technology	2%	2%	2%
Accounting and Logistics	6%	5%	4%
Agriculture	1%	1%	1%
Criminal Justice	0.5%	1%	0.4%
Education	8%	10%	3%
Engineering / Manufacturing	4%	4%	23%
Health Care	52%	52%	23%
Information Technology	9%	11%	19%
Natural Resources	0.2%	0.3%	3%
Other	0.4%	0.5%	0.2%
Physical Sciences	1%	1%	1%
Trade	17%	14%	19%

## Cohort 6 fall Selection Overview

---

The table below shares additional demographic data about Scholars by first generation status, single parent status, race / ethnicity, gender and age. The acceptance rate reflects the percentage of eligible applicants whom we selected.

Category	% of Eligible Applicants	% of Selects	Acceptance Rate
<b>First Generation</b>			
Yes	57%	63%	89%
No	32%	24%	61%
Unknown	7%	7%	80%
Zero Parents	5%	6%	92%
<b>Single Parent</b>			
Yes	22%	26%	94%
No	78%	74%	75%
<b>Race / Ethnicity</b>			
American Indian / Alaska Native	2%	2%	93%
Asian	5%	6%	93%
Black or African American	10%	11%	88%
Latinx	28%	30%	84%
Native Hawaiian or Other Pacific Islander	1%	1%	80%
Two or More Races	4%	4%	86%
Unknown (did not report)	7%	7%	73%
White	42%	39%	72%
<b>Gender</b>			
Gender non-conforming	1%	1%	80%
Genderqueer	1%	1%	100%
Man	30%	28%	74%
Non-binary	1%	2%	92%
Prefer not to say	2%	2%	73%
Two or more	3%	3%	78%
Unknown (did not report)	10%	9%	72%
Woman	53%	56%	83%
<b>Age</b>			
18 or under	20%	19%	73%
19-22	13%	11%	69%
23-29	22%	23%	80%
30-39	27%	29%	87%
40+	18%	18%	81%



## Cohort 6 fall Selection Overview

---

### Rural Jobs Initiative Cohort 6 - fall

This fall we selected 42 of 42 eligible applicants. All of these recipients were also selected for the Career and Technical Scholarship.

### Selection Criteria

Based on the Board's directive, we select Rural Jobs recipients based on two criteria:

1. The applicant's points for the Career and Technical Scholarship
2. The applicant's distance from campus

To ensure an equitable geographic distribution of recipients, we included a "regional cap" that limited selects per eligible workforce development region to 1.5 times its share of the state's rural population.

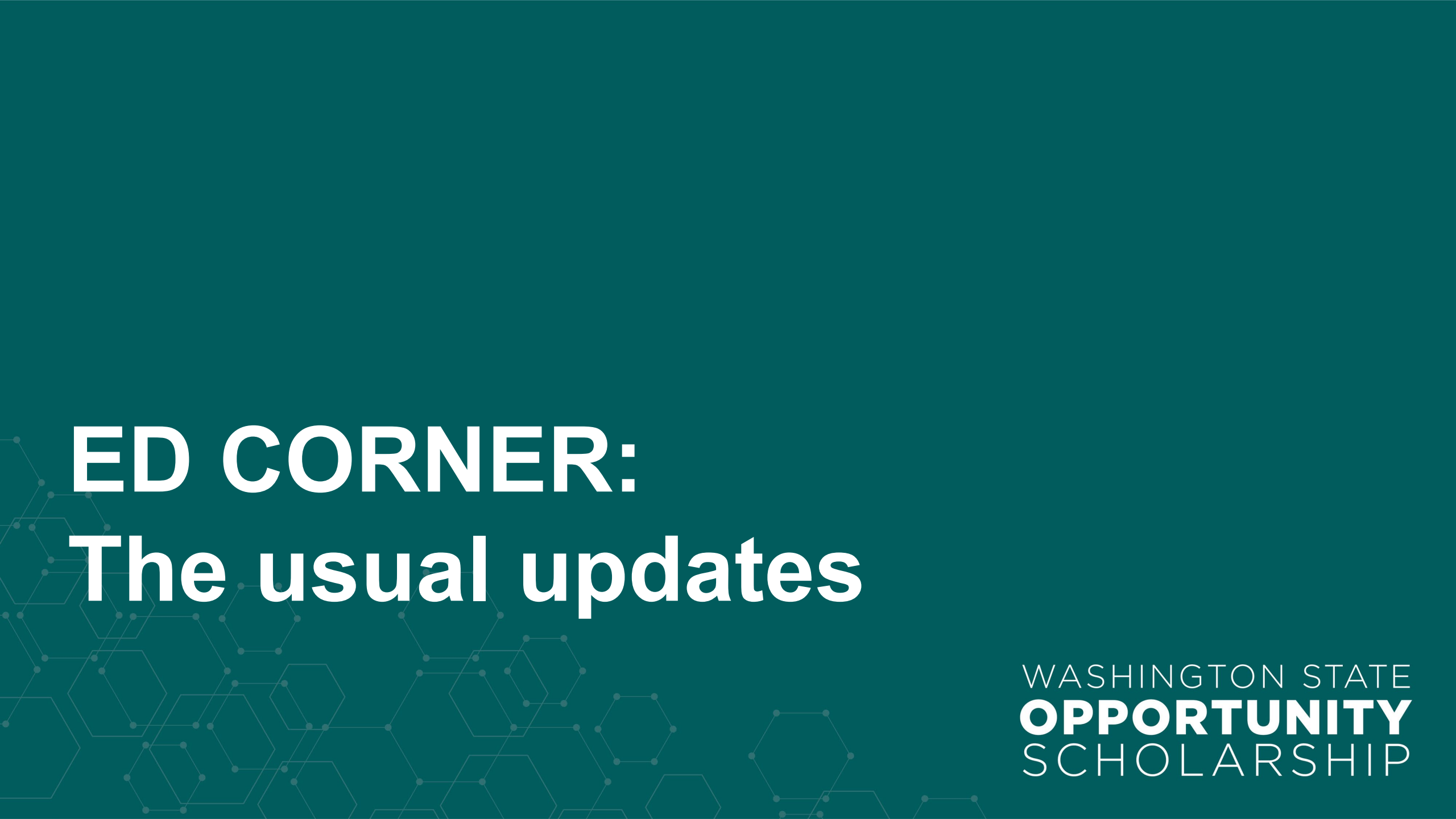
### Profile of Selected Scholars

These Scholars have a median family income of \$31,903, live an average of 21 miles from campus, and represent 7 of 9 eligible regions and 11 of 14 eligible colleges. The table below details selects by [workforce development region](#).

Region	% of Eligible Applicants	% of Selects
Benton-Franklin	2%	2%
Eastern	12%	12%
North Central	33%	33%
Northwest	19%	19%
Pacific Mountain	21%	21%
South Central	10%	10%
Southwest	2%	2%

In terms of programs, the table below shows how the proportion of applicants compares to selects by industry. At the Board's directive, a targeted list of programs for each region was developed with the guidance of local workforce development and education officials.

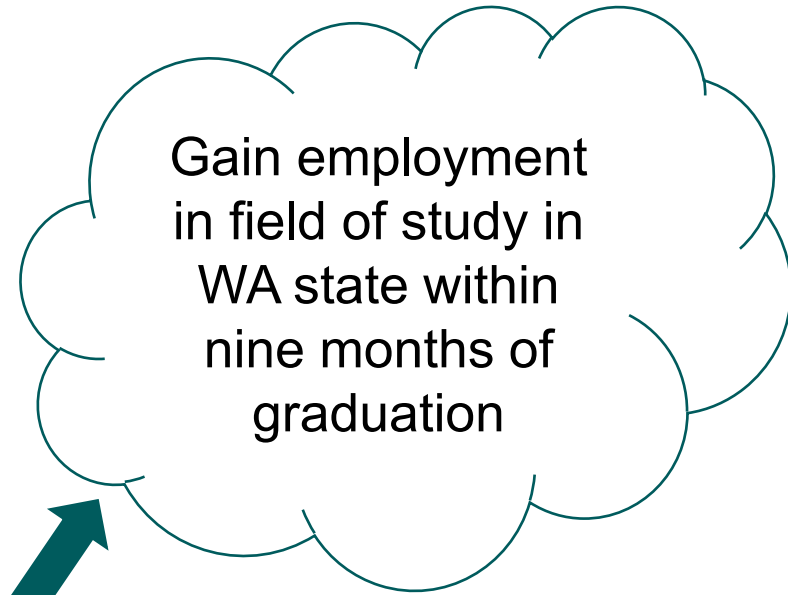
Industry	% of Eligible Applicants	% of Selects
Accounting and Logistics	2%	2%
Agriculture	10%	10%
Education	76%	76%
Health Care	5%	5%
Information Technology	2%	2%
Trades	5%	5%



# ED CORNER: The usual updates

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**INTENDED  
IMPACT #1**



**INTENDED  
IMPACT #2**

**THEORY OF CHANGE** | Scholarships + Continuum of Support Services

# STRATEGIC PRIORITIES

**Design scalable, statewide programs.**

**Build the brand.**

**Fund to 2030.**

**Be a preferred workplace.**



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# Org Strategic Priorities: AY2025-26 metrics

Ensuring scalable, statewide scholarship accessibility and financial aid impact	Ensuring scalable, statewide support services	Build awareness of the WSOS brand	Fund to 2030 and beyond	Be a preferred workplace																
AWARDS	PROGRAMS	EXTERNAL AFFAIRS	DEVELOPMENT	OPERATIONS																
80% of applicants are eligible	65%, 45%, 95% graduate in eligible program for BaS, CTS, GRD	At least 33 earned media pieces per year	\$75M raised January 1, 2021, through December 31, <b>2026</b> , with <b>25</b> \$25K to \$1M gifts secured in CY25	Regrettable separation rate below 15%; first year separation rate below 30%; average staff tenure of 36 months																
90% of Scholars complete renewal	Opportunity gaps are less than 10%, 5% by income, race	23 speaking engagements for WSOS leadership per year	<b>75</b> donors loyal ( <b>3+</b> years) with 50% donor retention rate by end of <b>CY26</b>	90% of staff agree: “I believe the work I do advances our mission”																
90% work fewer hours because of WSOS	95%, 85% of graduates employed full-time within 9 months in any field, in high-demand field	Social media audience size of 4,800 (FB) 2,900 (LI) and 2,700 (IG)	<b>350</b> new donors acquired in <b>CY26</b> with 100 total from WA outside of Puget Sound	90% of staff agree: “I would recommend WSOS as a great place to work”																
90% attend full-time because of WSOS	95% of employed in-high demand graduates work in WA	Applicant targets: <table border="1"> <thead> <tr> <th></th> <th>BaS</th> <th>CTS</th> <th>GRD</th> </tr> </thead> <tbody> <tr> <td><b>BIPOC</b></td> <td>85%</td> <td>60%</td> <td>55%</td> </tr> <tr> <td><b>First-gen</b></td> <td>64%</td> <td>68%</td> <td>70%</td> </tr> <tr> <td><b>Rural</b></td> <td>34%</td> <td>40%</td> <td>10%</td> </tr> </tbody> </table>		BaS	CTS	GRD	<b>BIPOC</b>	85%	60%	55%	<b>First-gen</b>	64%	68%	70%	<b>Rural</b>	34%	40%	10%	At least 15% (by #) of donors in CY25 from health care, (S)TEM	90% of staff agree: “I would recommend my supervisor to future employees”
	BaS	CTS	GRD																	
<b>BIPOC</b>	85%	60%	55%																	
<b>First-gen</b>	64%	68%	70%																	
<b>Rural</b>	34%	40%	10%																	

# Org Strategic Priorities: AY2024-25 metrics

Ensuring scalable, statewide scholarship accessibility and financial aid impact	Ensuring scalable, statewide support services	Build awareness of the WSOS brand	Fund to 2030 and beyond	Be a preferred workplace																
AWARDS	PROGRAMS	EXTERNAL AFFAIRS	DEVELOPMENT	OPERATIONS																
75%, 85% and <b>75%</b> of BaS, CTS and GRD applicants, respectively, are eligible	BaS: 90%, 85%, <b>70%</b> , Y1-Y2-Y3-Y4 with <b>65%</b> increasing  CTS: <b>80%</b> each quarter	At least <b>32</b> earned media pieces	<b>\$4M</b>   <b>\$6M</b> (CY24   CY25) with <b>10</b>   25 \$25K to \$1M gifts secured	Regrettable separation rate below 15%; first year separation rate below 30%; average staff tenure of <b>28 months</b>																
90% ( <b>85%</b> ) of BaS (CTS) Scholars renew; <b>65%</b> of BaS Scholars increase on time	60% of historically excluded Scholars based on race, income & rural participate in programming	Elevate WSOS thought partnership: 15 (7) engagements for ED (Directors)	At least 50   75 (CY24   CY25) donors will be loyal (3+ years)	83% of staff agree: “I believe the work I do advances our mission”																
90% work fewer hours because of WSOS	<b>60%</b> participate in career resources	Social media audience size of <b>4,589</b> (FB), <b>2,903</b> (LI) and <b>1,374</b> (IG)	At least <b>42%</b>   <b>50%</b> (CY24   CY25) donors will be retained	83% of staff agree: “I would recommend WSOS as a great place to work”																
90% attend full-time because of WSOS	90% report being more prepared	Applicant targets: <table border="1"> <thead> <tr> <th></th> <th>BaS</th> <th>CTS</th> <th>GRD</th> </tr> </thead> <tbody> <tr> <td>BIPOC</td> <td>75%</td> <td>60%</td> <td>50%</td> </tr> <tr> <td>First-gen</td> <td>64%</td> <td>67%</td> <td>65%</td> </tr> <tr> <td>Rural</td> <td>34%</td> <td>40%</td> <td>19%</td> </tr> </tbody> </table>		BaS	CTS	GRD	BIPOC	75%	60%	50%	First-gen	64%	67%	65%	Rural	34%	40%	19%	<b>100% retention of staff by CY25</b>	83% of staff agree: “I would recommend my supervisor to future employees”
	BaS	CTS	GRD																	
BIPOC	75%	60%	50%																	
First-gen	64%	67%	65%																	
Rural	34%	40%	19%																	

# Today's Snapshot

Ensuring scalable, statewide scholarship accessibility and financial aid impact  <b>AWARDS</b>	Ensuring scalable, statewide support services  <b>PROGRAMS</b>	Build awareness of the WSOS brand  <b>EXTERNAL AFFAIRS</b>	Fund to 2030 and beyond  <b>DEVELOPMENT</b>	Be a preferred workplace  <b>OPERATIONS/DATA &amp; SYSTEMS</b>
<b>Improving eligibility of applicants:</b> <ul style="list-style-type: none"> <li>AY 23-24 eligibility goals: 75%, 85%, 80% (BaS, CTS, GRD)</li> <li>Results: 69%, 81%, 65%</li> <li>FAFSA had notable impact</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Improving persistence:</b> <ul style="list-style-type: none"> <li>AY 23-24 BaS goals: 90%, 85%, 65% (Y1-Y2-Y3-Y4)</li> <li>Results: 94%, 92%, 64%</li> <li>AY 23-24 CTS goals: 80%, 80%, 75% (Q1-Q2-Q3-Y2)</li> <li>Results: 71%, 75%, 78%</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Media coverage/speaking engagements:</b> <ul style="list-style-type: none"> <li>15 earned media pieces (goal of 32)</li> <li>Directors have already engaged in 6 speaking events (goal of 7)</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Campaign revenue:</b> <ul style="list-style-type: none"> <li>\$1.6M raised in CY24</li> <li>Brings campaign total to \$50.8M</li> <li>Goal to raise \$60M by end of CY25</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Staffing:</b> <ul style="list-style-type: none"> <li>Headcount: 30</li> <li>Open: 5 (WSOS: ED, Development Officer, Events Officer   WSOSP: HR, Sr. Accountant)</li> <li>New hires last Q: 3 FTE</li> </ul> <p style="text-align: right;">★★★☆☆</p>
<b>Successfully completing processes (increase, renewal):</b> <ul style="list-style-type: none"> <li>BaS Scholars increase their award when they get into their major</li> <li>Our goal was 55% for AY 23-24, and we reached 74%</li> </ul> <p style="text-align: right;">★★★★</p>	<b>Closing opportunity gaps:</b> <ul style="list-style-type: none"> <li>AY 23-24 goal: 60% of historically excluded Scholars participate in programming</li> <li>Results: BaS and GRD exceeded goal in each category</li> <li>CTS likely did as well, data was limited</li> </ul> <p style="text-align: right;">★★★★</p>	<b>Social/owned media growth:</b> <ul style="list-style-type: none"> <li>On track with LinkedIn audience growth – 33 new followers</li> <li>Email platform transition from Constant Contact to Campaign Monitor</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Donor loyalty:</b> <ul style="list-style-type: none"> <li>Successful donor appreciation and Scholar celebration with Connell family</li> <li>45 donors loyal in CY24 (goal is 50 by end of CY24)</li> </ul> <p style="text-align: right;">★★★★</p>	<b>Culture enhancements:</b> <ul style="list-style-type: none"> <li>Building one shared culture with WSOSP and WSOSF</li> <li>Summer celebration in July (thanks Jane Park for hosting!)</li> <li>Shared org culture survey results with clear action plan</li> </ul> <p style="text-align: right;">★★★★</p>
<b>Attend school full-time and work less:</b> <ul style="list-style-type: none"> <li>AY 23-24 was first time reaching 90% (goal was 90%) of CTS Scholars working fewer hours</li> <li>97% of BaS Scholars attended full-time (goal was 90%)</li> </ul> <p style="text-align: right;">★★★★</p>	<b>Improving career outcomes:</b> <ul style="list-style-type: none"> <li>For AY 24-25, iterating on flagship Skills that Shine</li> <li>Amplifying impact by partnering with industry leaders to offer career development tools</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Scholarship promotion:</b> <ul style="list-style-type: none"> <li>Preparing for many fall promo opportunities</li> <li>Exploring working with Scholar Leads to help support promotion</li> </ul> <p style="text-align: right;">★★★★</p>	<b>Donor acquisition:</b> <ul style="list-style-type: none"> <li>Slow progress on major gifts: 5 in CY24 (goal is 10)</li> <li>New Major Gifts Officer joined WSOS in July</li> </ul> <p style="text-align: right;">★★★☆☆</p>	<b>Data &amp; Systems:</b> <ul style="list-style-type: none"> <li>Rolling out Case Management for nearly all shared inboxes: avg. response time is 2.2 hours</li> <li>Propping up IT functions for WSOSF, like engaging ExecuTech</li> </ul> <p style="text-align: right;">★★★★</p>



# Key wins of the quarter



- It's official – WSOSF is our Program Administrator!
- Awarding over \$150M to Scholars to date
- Exceeded nearly all closing opportunity gap goals
- Successful donor appreciation and Scholar celebration event with Connell family
- Date and new venue set for Opportunity Talks: April 1 at Meydenbauer Center Bellevue

# Challenges of the moment



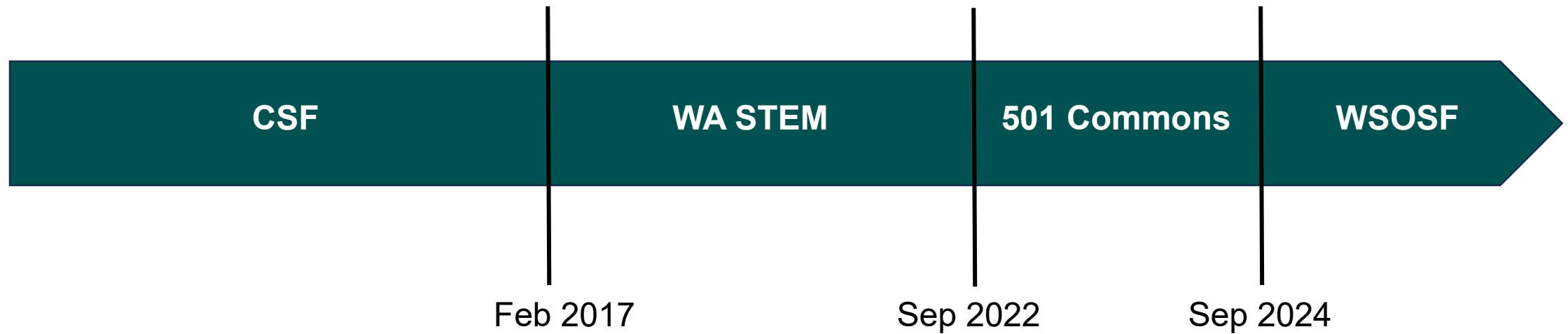
- Impact of 501C-WSOSF transition on staff time (albeit comparatively small)
- Trying new strategies to increase Scholar engagement
- Recognizing we need to adjust our pace for Campaign targets
- Scaled learning with WSOSF systems

# ED CORNER:

501 Commons to WSOSF Transition and  
Next Steps on the ED Search

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# Program Administrator Transitions



# 501C to WSOSF Transition

## Long-term solution

- One client, shared goals
- Cohesive culture
- Integrated policies and procedures
- Right-fit tools (more on this later)



# 501C to WSOSF Transition



## Contract

- Substantively similar to prior PA contracts
- Strengthened areas where there was risk and bolstered areas of alignment
- Three-year term with extension options
- WSOSF ED: Visitor to WSOSP Board Meetings
- WSOSP ED: Ex-Officio Member of WSOSF Board
- Monthly fee may be adjusted if it was set too high or low

# 501C to WSOSF Transition

## 2024 Monthly Fee to WSOSF



- **Slightly higher** than projected
- \$85K monthly (we projected \$55K)
  - Due to approval for WSOSF ED to support WSOSP and WSOSF start-up costs, like incoming balance sheet audit



# 501C to WSOSF Transition

## 2025 Annual Fee to WSOSF



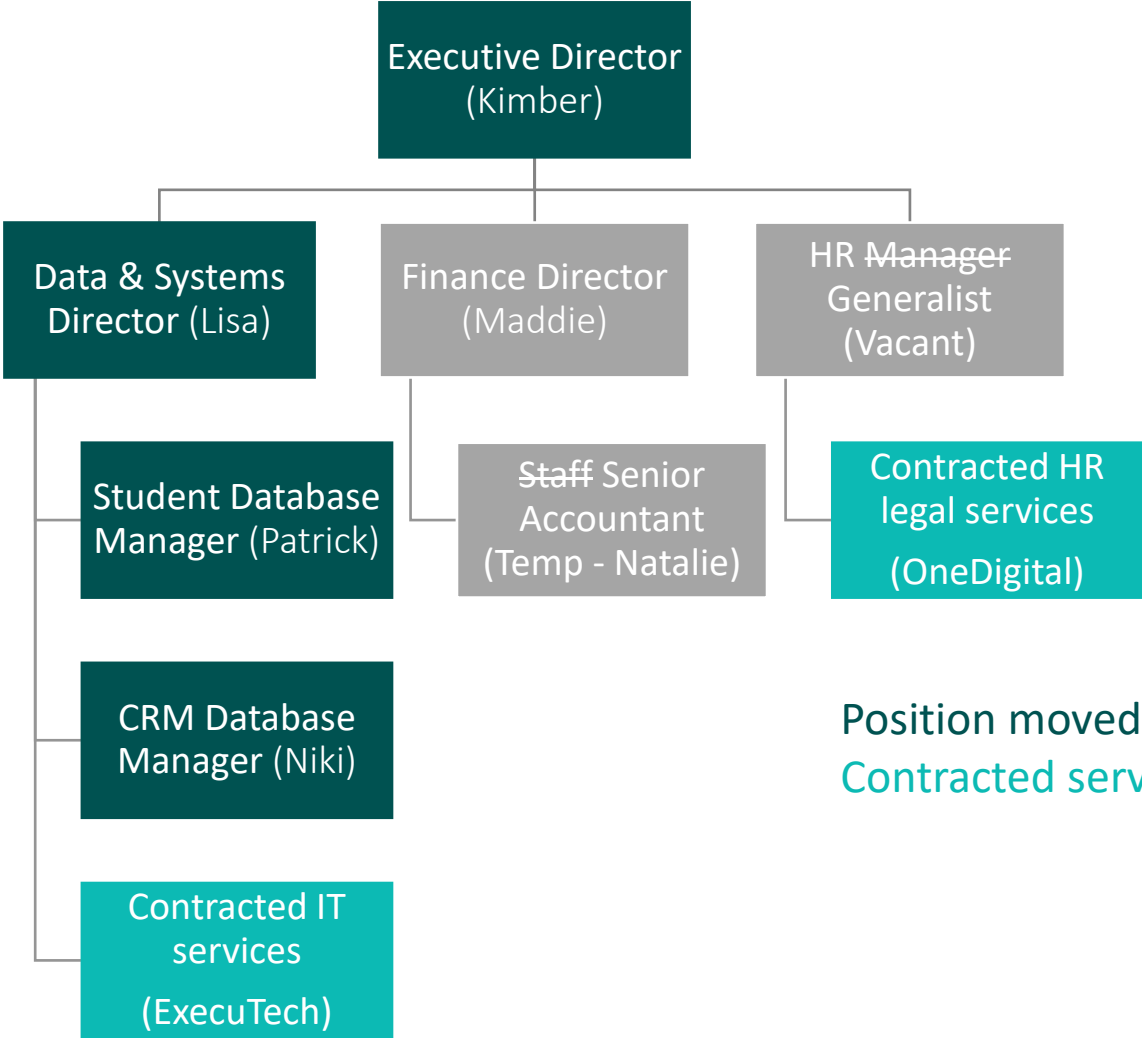
- **Lower** than we projected
- \$1.34M annual
  - \$600K is inclusive of existing WSOSP staff
  - Minus this amount, fee is **\$740K** (we projected \$800K)

# WSOSF Updates

Introducing the new WSOSF ED, Kimber  
Connors

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# WSOSF PERSONNEL



Position moved from WSOSP to WSOSF  
Contracted services, not FTE

# Human Resources:

## Current projects

- **Best-fit, ongoing systems:**
  - Collapsed about two dozen separate policies into handbook
  - Moved employee tracking from about six different sources into HRIS
  - Benefits secured (health, dental, vision, disability, life, EAP, FSA)
  - 401(k) set up complete (enrollment happens week 1)
  - Payroll testing ongoing; direct deposit information captured
  - Selecting key training providers ongoing (participation happens in September)
  - Secured HR consulting support
- **One-time-only transition tasks:**
  - Employee communication ongoing; HR onboarding training 1 complete
  - Offer letters signed, benefits forms shared with employees, plan design & systems links with various providers mostly complete
  - Hiring for HR Generalist ongoing
  - Week 1 tasks mostly calendared/ready: handbook and JD acknowledgement, I-9 verifications

# Finance:

## Current projects

- **Stabilize and audit:**
  - Clark Nuber audit paused until completion of 501C's external audits for 2022 and 2023
  - Turning focus to building confidence in opening balance sheet
- **Design best-fit, ongoing systems:**
  - JP Morgan Chase Bank setup with multiple accounts (brokerage, WSOS, WSOSF)
  - Sage Intacct as WSOSF's ERP going live 9/1; finalizing testing in early September
  - Developing finance onboarding for all staff on new systems
- **One-time-only transition tasks:**
  - Final invoice to 501C for transition fees has been sent
  - Scholar Leads have been established for payment (W9 and ACH collection complete)
  - Colleges are completing enrollment process for payment
  - Corporate cards are delayed (likely to November); using a small number of prepaid cards and ACH

# Information Technology:

## Current projects

- **Identify and mitigate risk:**
  - SharePoint audit completed by staff
  - Handbook incorporates extensive data security and new requirements
  - VPN roll out planned for September
  - Cyber training to be launched in September
- **Design best-fit, ongoing systems:**
  - ExecuTech secured for ongoing support and asset management
  - Redefined roles internally
- **One-time-only transition tasks:**
  - Planned audit of all access and lists in September
  - ExecuTech granted admin access to systems which are already separate to minimize disruption

# Other Operations:

## Current projects

- **Finalize creation of legal entity:**
  - 990 preparer identified, 990 filing extension to May 15 submitted, auditor identified
  - Registered as business in Washington and City of Seattle
  - All insurance requirements secured
- **Calendar of recurring to-dos:**
  - Created organization project plan with known tasks as a starting place
  - Ongoing addition of legal compliance
  - Updating on/offboarding Smartsheets
- **Assess operations tasks to transition to WSOSF**
  - Contract template reviewed by legal counsel and updated
  - Ongoing transition of contracts to WSOSF

# ED CORNER:

## Next Steps on the ED Search

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP



# WSOS Executive Director Search

- **Recommended next steps from Search Committee**
  - Reconvene the committee; replace Camille with Johnathan
  - Engage a search firm that specializes in corporate recruitment and outside-of-Washington state work
  - Report the role shortly after the September Board meeting
  - Conduct interview process that leads to presentation at Q4 meeting
  - Direct search firm to focus on non-traditional hires
  - Revisit list of 175 potential candidates
    - Identify top 20 prospects who did not apply; assign Board members to have intentional follow-ups
  - Use an interview loop approach to create a more relationship-based experience

# WSOS Executive Director Search

- **Pros of recommended steps**
  - Casts a wide net in case known prospects do not pan out
  - Extends our reach, inclusive of corporate and non-profit candidates
  - Outsources the administrative work of running a search when staff time is already pinched
- **Cons of recommended steps**
  - Price tag: \$75K may be outsized, especially if we hire a known prospect

# WSOS Executive Director Search

## Discussion

- How would the Board like to move forward with the search having reviewed the SC's recommendations and understanding the pros and cons of the approach?

# REQUESTED BOARD ACTION

- Vote to replace Camille Reynaud with Johnathan Luster on the Executive Director Search Committee and **authorize up to \$75K to retain a search firm (pending discussion)**

# **Tab D**

## **Washington College Grant WSOS Alignment**

## MEMORANDUM

**To:** WSOS Board of Directors

**From:** Lyanne O'Connell, Awards Administrative Director

**Date:** September 11, 2024

**Subject:** Washington College Grant | WSOS Alignment

---

### Introduction

Baccalaureate Scholarship (BaS) award levels were designed ten years ago to incentivize Scholars, focusing on early acceptance into an eligible major and graduating on time (4 years). In addition, there was an assumption that due to the increasing cost of college, WSOS needed to provide more funding, but Scholars continue to report otherwise. The reality is that our award levels have created barriers for Scholars, resulting in them underutilizing scholarship funds and being withdrawn before entering their majors.

This year, the Legislature amended the Washington State College Grant (WCG) through Senate Bill 5904, adding an additional year of support: "(6) Washington college grant eligibility may not extend beyond six years or 150 percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent" (SB 5904, 2024). Due to our statutory ties to WCG (RCW 28B.145.030(2(i))), which states "Distribute scholarship funds to selected participants...as defined in the Washington college grant program)," we aligned offering summer funding and a sixth year of support, which has complicated the award level structure further, creating confusion and frustration among Scholars trying to plan how they will pay for college. With these changes, feedback, and data, it is imperative to reassess BaS award levels to meet the evolving needs of our Scholars.

### Current Award Levels and Challenges

In 2014, the Board approved amending the Baccalaureate Scholarship (BaS) to an incremental award structure to incentivize students to enter their major as early as possible and graduate within four years. All Scholars receive an annual award of \$2,500 before submitting documentation of acceptance into an eligible major (called an Award Increase Request), at this point, their award doubles to \$5,000 annually for one year before increasing one final time the following year to \$7,500. Scholars who take more than four years to graduate can access one final year of \$5,000 funding. Since students are selected for the scholarship when they "say" they are interested in a high-demand program and begin receiving money before formal acceptance into their major, there is a risk of awarding students who ultimately pursue ineligible fields that do not meet the statutory intent of the scholarship. By requiring that all Scholars complete the Award Increase Request process within three years and maintaining a relatively low award amount until that point, the Board limited the total dollars a student could receive for a non-high-demand-major to \$7,500 (\$2,500 annually for a maximum of three years).

In the past ten years, we have learned that Scholars who completed (graduated/withdrawn) BaS have an average total award of \$9,437, which is 42% of the total funds available. Here is the breakdown of the percentage of Scholars and the percentage of max disbursements they receive.

Percentage of Max Disbursement	Percentage of BaS Scholars
20%	32.30%
40%	25.79%
60%	11.22%
80%	24.28%
100%	6.41%

The data show that about 58% of our BaS Scholars receive 40% or less of the maximum disbursement of \$22,500.

The top three reasons for the low percentage of funding usage are Scholars failing to renew their scholarships, issues with staying enrolled, and not increasing on time.

Withdrawal Reason	Percentage of Scholars Withdrawn
Failure to Renew Scholarship	36%
College Enrollment Issues	17%
Did Not Submit Increase	15%

Another reason for low usage includes Scholars who are maxing out on their total cost of attendance each year and/or are enrolled part-time. This includes 27% of our refund reasons, which is the second highest reason we receive refunds.

Funding for the summer term is new for WSOS and has only been implemented twice for BaS thus far. For those Scholars close to completion, this has benefited them in terms of graduating early and on time. However, Scholars utilizing the scholarship for summer before they increase have run out of the \$2,500 level of funding before their increase deadline, leading to their scholarship being deferred and leaving them without financial support.

**Restructured Award Level**

**I recommend a flattened award structure for BaS and adding a distinct sixth-year or summer award level.** This would make it easier for Scholars and financial aid offices to plan future funding levels and lead to clear and simplified communications. The new structure would consist of pre-increase, increase, and summer awards while keeping the total award maximum of \$22,500. Here is my recommendation for the Board's consideration.

Recommendation: During the academic year (fall, winter, and spring terms), Scholars will receive a pre-increase annual award of \$2,500 for up to three years. Once admitted into their major, Scholars will receive an increased annual award of \$5,000 for up to three years. Scholars who need support in the 6th year or enroll in the summer term can access \$2,500 to complete their degree while staying within our maximum award amount of \$22,500.

This chart below demonstrates three different funding pathways based on when a Scholar is admitted to their major and whether they need a 6th year or summer funding.

**Award Pathways**

Scholar Increases in 3- years	Award Amount	Scholar Increases in 2- years	Award Amount	Scholar Increases in 1-year	Award Amount
Pre-Increase	\$2,500	Pre-Increase	\$2,500	Pre-Increase	\$2,500
Pre-Increase	\$2,500	Pre-Increase	\$2,500	Increase	\$5,000
Pre-Increase	\$2,500	Increase	\$5,000	Increase	\$5,000
Increase	\$5,000	Increase	\$5,000	Increase	\$5,000
Increase	\$5,000	Increase	\$5,000	6th Year or summer	\$2,500
Increase	\$5,000	6th Year or summer	\$2,500	6th Year or summer	\$2,500
<b>Total</b>	<b>\$22,500</b>	<b>Total</b>	<b>\$22,500</b>	<b>Total</b>	<b>\$22,500</b>

*Pros:* This option would have little impact on the scholarship model. It will keep us in compliance with the new statutory changes to fund Scholars for up to 6 years and align with WCG by offering summer terms. Scholars will not have to utilize higher funding levels for the summer term (most students enroll part-time), and consistent levels will provide clarity and predictability in financial aid packaging. This is especially true for Scholars switching between quarter and semester schools throughout their time with us.

*Cons:* There will be less funding for a Scholar during the 4th or 5th years. This could create financial challenges as students may have maxed out on other types of financial aid.

**Action Requested**

Please review the proposed restructured levels above. I would appreciate feedback on the recommended award levels, questions or concerns the board may have, and additional questions or data needed to move this proposal further for a vote in December.





WASHINGTON COLLEGE GRANT  
**WSOS ALIGNMENT**

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# GOAL

- Share the statutory changes and how we are aligning WSOS with the WCG and its impact
- Discuss the recommended new BaS funding structure and gain feedback
- Next steps

# WASHINGTON COLLEGE GRANT (WCG)

- In 2022, **WSOS** aligned programming statutorily to **WCG**
- **NEW:** Senate Bill 5904 amended WCG, **extending funding support from five to six years** to align with the Federal Pell Grant program
- **Summer term for BaS is currently offered (past 2 years), which aligns with WCG programming**

**The most significant impact of alignment is on the BaS program funding structure**

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# CURRENT BACCALAUREATE FUNDING STRUCTURE

➤ FIRST YEAR	\$2,500
➤ SECOND YEAR	\$2,500
➤ THIRD YEAR (INCREASED)	\$5,000
➤ FOURTH YEAR	\$7,500
➤ FIFTH YEAR	\$5,000
<b>TOTAL AWARD:</b>	<b>\$22,500</b>

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# WHAT HAVE WE LEARNED IN 10 YEARS

- **58% of Scholars receive 40% or less** of the max disbursement of \$22,500
- Each year **over 90% of Scholars** report that the scholarship **allows them to work less and enroll full-time**
- **Scholars who use summer term** and have not been admitted to their major must **defer their scholarships** without financial support

# RECOMMENDATION: FLATTENED BAS FUNDING STRUCTURE

YEAR IN COLLEGE	CURRENT	RECOMMENDATION
FIRST YEAR	\$2,500	\$2,500
SECOND YEAR	\$2,500	\$2,500
THIRD YEAR (Pre-Increase or Increase)*	\$5,000	\$2,500 (Pre-Increase) \$5,000 (Increase)
FOURTH YEAR	\$7,500	\$5,000
FIFTH YEAR	\$5,000	\$5,000
SIXTH YEAR OR SUMMER	-----	\$2,500 (Pre-Increase) \$5,000 (Increase)
<b>TOTAL AWARD</b>	<b>\$22,500</b>	<b>\$22,500</b>

\*Pre-Increase – a Scholar has yet to be admitted into a major

Increase – Scholars have been admitted into their major; Scholars who are admitted earlier into their major can increase earlier

WASHINGTON STATE  
**OPPORTUNITY**  
 SCHOLARSHIP

# IMPACT TO PROGRAMMING

## PROS

- **Little impact on current scholarship model;** total award stays the same
- **Compliant with new statutory changes** to support Scholars up to 6 years
- Allows **flexibility for Scholars** to take summer term
- **Consistent and predictable awards** per/year; especially for Scholars switching from semester to quarter colleges

## CONS

- Less funding during 4<sup>th</sup> or 5<sup>th</sup> year; especially for those Scholar who could have maxed out of other aid

# DISCUSSION

- How does this proposal align with your long-term strategic vision of the BaS program?
- What additional information do you need?



# NEXT STEPS

- **Continue to work with the finance team to review scholarship modeling**
- **Develop an implementation plan for current Scholars**
- **Present structure again in December for a vote**

# **Tab E**

## **Academic Year 2024-25 Programs**

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**Programming updates**

# Overview

- Purpose of programming
- Review of AY 23-24
- Learnings from AY 23-24
- Preview of our plans for AY 24-25



# Our purpose

*To provide equitable and relevant Scholar-centered services and programming that create impactful opportunities for all Scholars, so that they are more likely to persist, earn their credentials and are career ready for in-demand jobs in Washington state*

Scholars are our North Star

Developing scalable, statewide programs



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP



# Our purpose

**David Yun**  
Baccalaureate Scholar Alumnus  
Manufacturing Associate at Bristol Myers Squibb



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# AY 23-24 in review

## Summary

- Lower engagement than we wanted for BaS and CTS
- Impact of most programming remains strong

## BaS Scholar Lead

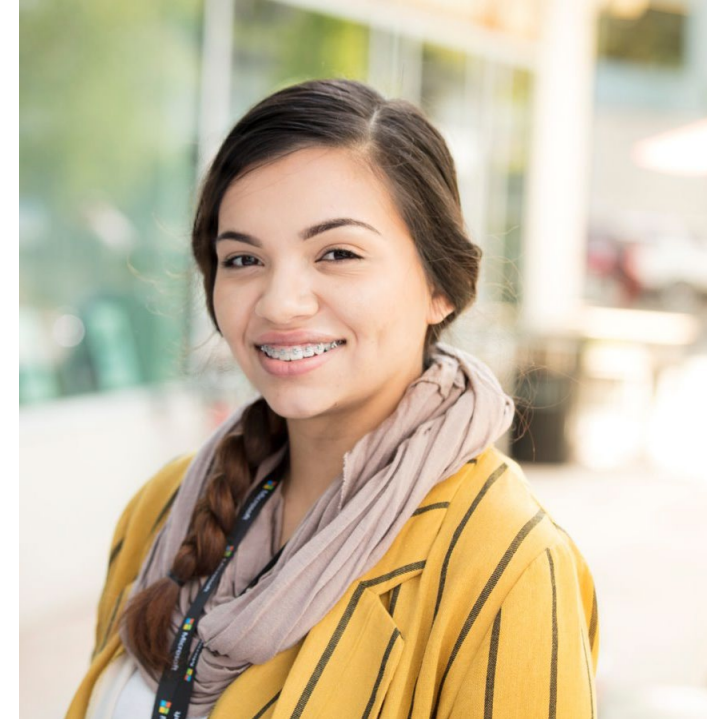
- **73%** engaged (85% goal)
- **93%** said their Lead helped them (93% goal)

## BaS Skills that Shine

- **55%** matched with a mentor (50% goal)
- **52%** completed program (85% goal)
- **90%** would recommend program (85% goal)

## BaS Career Development

- **30%** completed programming (50% goal)
- **97%** would recommend programming (90% goal)



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# AY 23-24 in review

## CTS Scholar Lead

- 51% opted-in to the program (55% goal)
- 37% engaged (85% goal)
- 75% said their Lead helped them (85% goal)

## CTS Skills that Shine

- 51 matched with a mentor (50 goal)
- 55% completed program (85% goal)
- 100% would recommend program (90% goal)

## CTS Career Development

- 51% engaged with Job Board (20% goal)
- 95% would recommend programming (90% goal)

## GRD Programming

- 85% engaged (70% goal)



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP



# AY 23-24 in review

## Persistence

- **BaS**
  - 94% first year Scholar persistence (90% goal)
  - 92% second year Scholar persistence (85% goal)
  - 64% third year Scholar persistence (65% goal)
  - 74% submitted AIR on time (55% goal)
- **CTS**
  - 71% quarter 1 to quarter 2 persistence (80% goal)
  - 75% quarter 2 to quarter 3 persistence (80% goal)
  - 78% quarter 3 to year 2 persistence (75% goal)
- **GRD**
  - 100% persistence (95% goal)



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# AY 23-24 in review

## Closing Opportunity Gaps (60% goal for all)

- **BaS**
  - 69% BIPOC engagement
  - 67% low-income engagement
  - 73% rural engagement
- **CTS\***
  - 47% BIPOC engagement
  - 42% low-income engagement
  - 42% rural engagement
- **GRD**
  - 87% BIPOC engagement
  - 89% low-income engagement
  - 71% rural engagement

\*CTS Data does not include Job Board metrics due to limitations in tracking individual users.



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# AY 23-24 learnings

## BaS and CTS

- Low engagement for Scholar Lead and Skills that Shine programs
  - For AY 24-25: right size engagement targets, improved engagement data and response
- Scholars are not as responsive to virtual events
  - For AY 24-25: provide a variety of ways to engage in career development programming beyond events
- The impact of our programming remains strong

## GRD

- Clinic and travel stipends and presentations by the Washington State Department of Health account for 70% of the services utilized by Scholars



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# Preview AY 24-25

## Enhancing flagship programming

- Scholar Lead program
  - Increased Advisor touch points, modified task list to increase Lead autonomy
  - CTS: shifting program duration to a quarter
- Skills that Shine
  - Utilizing Salesforce for resolving mentor/mentee questions
  - BaS: recruiting for a larger cohort of 3Y Scholars
  - CTS: updated model of one-time meetings with industry professionals



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP



# Preview AY 24-25

## New career development programs

- BaS: Job Board, SocialTalent, Vitaes
- CTS: Industry specific newsletters
- Industry Insider: Focusing on tours and targeted internship opportunities



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# Thank you

Questions?



WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# **Tab F**

## **Finance Update**

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**FINANCE & INVESTMENT COMMITTEE  
MEETING AGENDA SEPTEMBER 5, 2024  
REMOTE**

*To join virtually:* Click on the Microsoft Teams link in meeting invitation or dial in #: +1 332-249-0607 Phone Conf. ID: 998 425 030#

I.	<b>Meeting Called to Order</b>		<b>Patrick Smith</b> Board Member Committee Chair	1:00p-1:00p
II.	<b>Approval of Minutes from June 12 Meeting</b>	[Tab A]	<b>Patrick Smith</b> Board Member Committee Chair	1:00-1:05p
III.	<b>WSIB Quarterly Performance Report</b>	[Tab B]	<b>James Aber</b> WSIB	1:05-1:25p
IV.	<b>Program Administrator Report</b>	[Tab C]	<b>Eileen Moran</b> 501 Commons	1:25-1:45p
V.	<b>Program Update</b> » <i>Committee Action:</i> Recommend appointment of Kendra Mathias to the F&I Committee	[Tab D]	<b>Kimber Connors</b> WSOS	1:45-2:10p
VI.	<b>Executive Session</b>		<b>Patrick Smith</b> Board Member Committee Chair	2:10-2:30p
VII.	<b>Meeting Adjourned</b>		<b>Patrick Smith</b> Board Member Committee Chair	2:30p

**Committee Questions for Consideration:**

- » What advice do you have for us in building confidence in our opening balance sheet?

**Upcoming Committee Meetings**

November 14, 2024



## **Tab A**

Approval of Minutes

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**FINANCE & INVESTMENT COMMITTEE MEETING MINUTES |**  
**WEDNESDAY, JUNE 12, 2024 1PM-2:30PM**

**Members present via Microsoft Teams:** Patrick Smith, Bo Lee, Elisa La Cava, Jess Peet, Matt Rubright, Brad Faulhaber

**Members not present:** Joseph Walker

**Other Attendees on Teams:** James Aber, Kimber Connors, Dena Parmer, Eileen Moran, Chris Hanak, Aileen Liu, Maddie Marvin, Nancy Long, Giuliana Franco

**Meeting Called to Order**

Patrick Smith called the meeting of the Washington State Opportunity Scholarship (WSOS) Finance and Investment Committee to order at 1:02 p.m.

**Approval of Minutes from March 6, 2024, Finance and Investment Committee**

Committee Action: Matt Rubright moved to approve the minutes of the March 6, 2024, meeting. Brad Faulhaber seconded the motion, and it carried unanimously.

**WSIB Quarterly Performance Report**

James Aber, Washington State Investment Board's (WSIB) Director of Institutional Relations and Public Affairs, delivered the quarterly investment performance report and the market environment. All data is as of March 31, 2024.

Aber noted the pre-read included a corrected version of slide two from last quarter's presentation on the December 31, 2023, financials. He said they had inadvertently included the private state match percentages rather than the asset allocation mix for the endowment fund.

Aber said equity markets rallied, and bond markets fell in the first quarter as expectations of lower interest rates in 2024 began to fade. This impacted performance, and the Baccalaureate Scholarship (BaS) and Career & Technical Scholarship (CTS) funds returned 2.5% and 2.7%, respectively, for the quarter and 10% and 10.4% for the 12 months ending March 31. Aber said the endowment fund (80% equities, 20% fixed income) saw returns of 6.4% for the quarter and 19% for the 12-month period. Aber said WSIB completed one transaction in Q1, which was a reallocation of \$1,867 from the private cash to the private fixed income fund and the Graduate Degree (GRD) Scholarship account.

Aber said equity markets continued to rally during the quarter as global economic growth remained strong. Conversely, the strong economic growth and a slight uptick in inflation caused concerns that the Feds would delay anticipated rate cuts until later in the year, which weighed on fixed income, causing them to finish the quarter in negative territory. Aber said developed market equities continued to outperform emerging markets equities. He said that the MSCI Developed Market IMI Index generated just over 14% in excess return over the past year over the MSI emerging markets IMI Index. Aber said the US Federal Reserve did not raise or lower rates. He said that most investors are beginning to temper expectations of the Fed rate cuts in 2024. Aber said they have seen some volatility in the bond market rates and bond prices which have an inverse relationship. He said the Bloomberg Universal Index closed the quarter down about 0.5%.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

Bo Lee asked if we are in line with our investment policy statement. Aber said slide five shows the actual asset allocation breakdowns which are all within the agreed-upon allocations. Aileen Liu said a very small amount of the rebalances took place to reallocate assets within the policy bands for GRD. She said that account has sub-\$1M, and it only took a little over \$1K to rebalance. Liu said they look at this daily, and we are well within policy guidelines for all accounts. Lee said she has seen slides that help show the policy guidelines related to the current allocation for other organizations which may be useful. Aber said they produce similar bands for other external stakeholder clients and said he could produce that for the pre-read materials for the next meeting. Lee and Smith both agreed this would be helpful to ensure they can confirm as a committee that we are following the policy. Aber said he would send the first quarter bands and include the graphics in all future presentations. Chris Hanak shared a link and said the investment policy is on their website. Liu reminded the committee that the range is  $\pm 5\%$  from the target. Smith asked that future presentations show the ranges on the asset allocation slide.

**Program Administrator Report**

Eileen Moran, Finance Director for 501 Commons, presented financial statements through March 31, 2024. Moran reviewed the balance sheet. She said the increase in cash was primarily due to the receipt of \$3.8M in state match dollars, a Microsoft pledge payment of \$2.5M, and \$5M going out in scholarship disbursements. Moran said there were several large private receipts, including \$97.8k from Central WA University Foundation, \$25k from BMS, \$15k from Parametrix, and \$15k from Costco. She said there were a significant number of scholarship refunds, \$353.6k for BaS and \$428.9k for CTS/RJI. Moran said the investment balance includes \$56.5M for BaS, \$27.6M for CTS, \$7.1M for the endowment, and \$822K for GRD. She said the net investment gains were \$2.7M. Moran said accounts receivable was a de minimis amount. Moran said the pledges receivable balance is made up of the balances left from the Microsoft pledge of \$7.5M, \$8M left from Gary Rubens, a new \$3M from Bradford Smith, and \$1.3M from Coordinated Health Care. Moran said we have been systematically invoicing and receiving funds from the matching funds from the prior appropriation. She said she has been making claims against the money retained for the City of Seattle, leaving a balance of \$304k, which will continue to roll forward until it's completely consumed. Moran said we have submitted and received funds from the new appropriation for the fiscal year period ending June 30, 2024, and another \$5.3M is anticipated to be received by the end of June, which will complete and deplete that appropriation. Moran said the payroll liabilities balance is primarily made up of the accrued PTO and some other payroll liabilities such as L&I and the 401K payable that make up that number. She said scholarship liabilities have a net decrease due to only having a CTS adjustment of \$2.5M. Moran said rather than making a revenue entry and increasing the CTS liability; the liability went down through the disbursements we had in March of \$5.2M.

Moran moved to the income statement and said the new revenues totaled \$1.5M, mostly from the \$1.3M pledge recognition for Coordinated Health and the other donations mentioned earlier. She said the \$3.8M from the state match was invoiced and received. Moran said the investment, dividends, and interest returns include unrealized and realized losses of \$2.6M year-to-date, interest and dividend income of \$554.7K, and investment expenses of \$8K. Smith asked if there should be gains of \$2.6M, not losses. Moran affirmed that to be correct.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

Moran said personnel expenses are under budget due to vacant positions. Moran said the PA fee is under budget because transition expenses did not start being billed until March, not starting in January as originally planned.

Connors said that we expect salaries and benefits to end the year under budget because we've posted several times for fundraising positions that we've been unable to fill. She said those will not be hired until much later than planned in the budget, whereas the program administration fees will net out to zero since the transition fee remains the same as budgeted, just spread over fewer months in payments. Smith asked Connors to affirm his understanding that salaries and benefits are a permanent variance. Connors affirmed that to be correct. Brad Faulhaber asked what is driving the difficulty in hiring. Connors said fundraising professionals leave the profession for corporate philanthropy, where they give out money rather than ask for money, which pays much better. She said they are also moving into consulting and advising roles often due to burnout, making the pool of candidates much smaller.

Moran said the \$85k variance in professional fees was due to the \$50k budgeted for Camille Reynaud to become a subcontractor, but she stayed an employee. Connors asked Moran to follow up with her because she is unaware of this being budgeted and wants to understand where the \$50k variance came from. Moran said an additional \$25k was budgeted for accounting and not consumed, with the remaining \$10k in smaller accounts for consulting and lobbying. She said conferences/conventions/meetings, as well as operating expenses, are also under budget. Moran said IT expenses are under budget by \$35k, but many of these should go to prepaid expenses rather than the expense line because the expenditure covers an annual period that crosses fiscal periods. Moran said scholarship expenses are under budget because the expenses are recognized when the liability is adjusted, and there was only a \$2.5M adjustment for CTS. She said there was \$897K in scholarship refunds.

Connors said the budget for scholarship spending should be aligned with the scholarship model, which accounts for refunds and should be able to anticipate when those cohorts are coming in. Connors asked if there is an issue with the budget model causing such a large variance or is it a timing issue that will come into alignment in the near future. Moran said we will come into alignment when the scholarship model is updated. She said that CTS was the only adjustment. Moran reviewed the cash flow and said most of the amounts were discussed earlier in her presentation.

Connors asked Moran to review the 12-month cash flow slide for the period ending on December 31, 2023, which Moran had corrected. Moran updated the program expenses from \$1M to \$4.8M for the period. Smith asked if anyone had questions about the 12-month trailing cash flow through the first quarter, and there were none.

### **Program Update**

Connors said that our charter instructs that the committee needs no less than seven members, including one member from the Board and one from WSOS Foundation's Board. She noted the committee's desire to add two new members by the September meeting. Connors thanked committee members who had connected her to some potential candidates. She talked about Matt Wang, who works with Julie Sandler. Wang has been involved with WSOS in various ways and is excited to join the F&I Committee. Smith said he also talked to Wang and said that he will fit in well and be a productive, contributing member.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**Committee Action:** Elisa La Cava made a motion to recommend Matt Wang for the F&I Committee to the WSOS Board. The motion was seconded by Jess Peet, and it carried unanimously.

La Cava asked if we are still looking for committee members. Connors confirmed that we are still looking for one more member and said that Peet has connected her to a potential candidate, but she is happy to meet with additional people who would be good for the committee. Connors also noted the Board will consider renewing Rubright and La Cava, who have agreed to continue serving, at their next meeting.

Connors said that starting September 1, WSOS will be administered by WSOSF, but we will have one final report from 501 Commons. Connors said she is moving to the executive director position with WSOSF leading to an active search for the next executive director of WSOS. She said the search committee includes Smith, Jane Park, the executive director for the Washington Student Achievement Council (WSAC), Jolenta Coleman-Bush, Camille Reynaud, and herself. She said that we have had about eighty quality applications, and it was exciting to screen through them. Connors said they had screening conversations with forty people, and they interviewed six. Connors said they would like to recommend the top two to three candidates who will meet with Boeing and Microsoft, the Board Chair, and do a staff meet and greet. She said they hoped to put two candidates forward to the Board. Connors said the goal is for the new ED to start September 1. Smith said it has been a well-run process, and the search firm has done well. Connors added that she has been very impressed with Clover Search Works, the firm helping with the search.

Connors introduced Maddie Marvin, the Finance Director for the WSOS Foundation, who was hired in April. Marvin shared her professional background and experience. Connors said that Marvin has been working with Clark Nuber on an internal audit of 501 Commons, selected JP Morgan Chase as our primary banking partner, selected Sage Intacct as the ERP system, and identified BambooHR as our new HRIS tool. Connors said we have initiated ACH and W9 vendor document collection to ensure we pay Scholar Leads and colleges on time after the transition. She said we have invoiced 501 Commons for the WSOF monthly program administration fees of \$117k YTD, and we are working on transitioning corporate cards to Chase Bank. Connors said this has been challenging because Chase sees us as having zero assets and no audited financials since we were with WA STEM.

Faulhaber asked if there are things that she sees as a risk to the transition. Connors said we are on track, but we will not have credit cards for September 1. Marvin has worked with Chase on some creative workarounds. La Cava asked about the scope of activities that have moved over from 501 Commons. Connors said the day-to-day financial work is still with 501 Commons; Marvin's work is focused on building the new systems. Marvin will be hiring a staff accountant to support the financial work but the program administration does not begin until September. Connors asked if the committee has anything specific they advise we dig into with the Clark Nuber audit. She also asked for any suggestions or advice about the designing of financial systems and associated policies and procedures from scratch.

Lee acknowledged all that has been accomplished already. She asked if Clark Nuber had given any recommendations since they are the audit experts. Connors said they have discussed material risk in terms of dollar amounts and they are looking for areas where there is not a double check of financial processes. Marvin said Clark Nuber summarized what they are looking

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

at in three stages. She said phase one is a detailed request of standard financial reports. Marvin said they will run these through analytics and then do light walkthroughs. She said they have talked about revenue because we have a lot of money coming in. Marvin said they are figuring out what expense areas would be looked at. She said Clark Nuber told her if we wanted to look closer at payroll, it would require specialists. Marvin said they would look at the year-end payroll report. She said there will be more questions once they do their initial review of what they receive from 501 Commons. Peet asked if we had talked to Clark Nuber about the concerns we had already documented. Connors said this is part of the first phase and has begun. Smith said the structure of WSOS is difficult, which is why the audit is challenging. He said that with the transition to WSOSF, having a high degree of confidence in opening trial balance will be critical. Smith said it will be difficult to track things down once we move over, so we must ensure that whatever activity is going on between now and the transition is a key focus.

Moran said she looked into the \$50k that she said was for Reynaud to become a contract worker, and it is actually funds budgeted for OpportunityTalks that were not invoiced. It was for video services, graphic design, and a retainer for campaign support. Connors said the \$50k was under contractors in Reynaud's budget, and it has not been used yet. She said this is a timing issue because we owe at least one contractor she is aware of about \$35k for his work. Moran asked about the \$5k per month for advertising and if it would be used. Connors said she would talk to Renaud about the money budgeted for advertising that has not been used.

Smith asked if there were any questions on Connors' second question she'd posed to the committee. Faulhaber asked if any peer benchmarking has been done with other nonprofits that have gone through something similar to help us ensure the best in class. Connors said they have worked with WA STEM and thanked Faulhaber for the reminder that they should also be talking to other organizations. Peet said she likes that we are consulting with WA STEM and said that Microsoft has a tech for social impact team and other philanthropy teams that may be able to consult. Smith has used Sage Intacct and is happy to have some of his team share about their user experience and how they have used different functionalities in Intacct. He told Connors or Marvin to email him, and he will connect them to his team. Marvin said speaking to people with knowledge and experience with Intacct would be helpful.

Connors said the financial reports for the F&I Committee have been redesigned based on suggestions from subcommittee feedback. She said the feedback will help as we redesign things in Sage. Connors said that at the last meeting, we discussed the program expense ratio range and hope to present the Board with a resolution to approve the 85%—92% range. Connors said to expect these in the Q4 2024 meeting.

Lee suggested we hold our next meeting in person. Peet said she is happy to book a conference room at Microsoft if needed. Smith acknowledged that there has been interest in holding this meeting in person once or twice a year.

Smith requested that they go into an executive session at 2:21p.m. The meeting reopened at 2:33p.m. The meeting adjourned at 2:34 p.m.

Respectfully submitted,

Dena Parmer

## **Tab B**

### WSIB Quarterly Performance Report



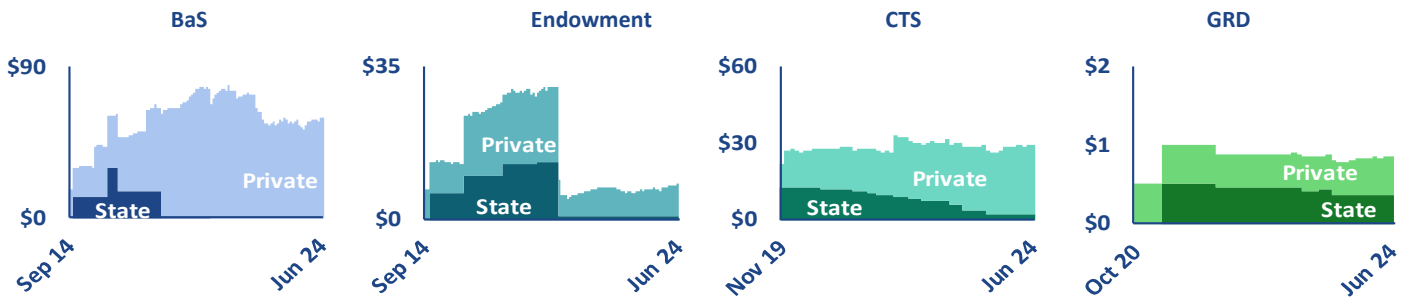
## Washington State Opportunities Scholarship

Quarterly Report – June 30, 2024

Assets Under Management and Allocation .....	2
Performance .....	3



**Private and State Match Assets Under Management (\$ Millions)**

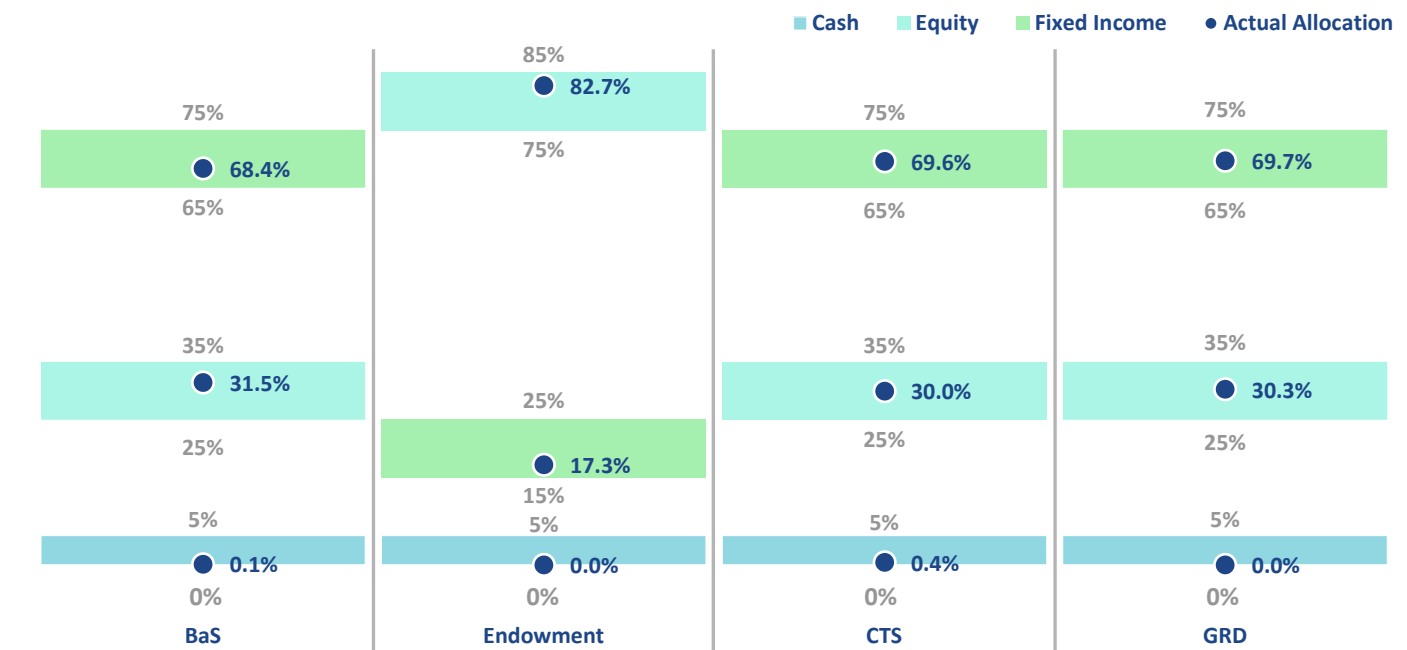


BaS		Endowment	
<b>Private Total</b>	<b>\$60,001,774</b>	<b>Private Total</b>	<b>\$7,418,528</b>
Equity	\$18,888,909	Equity	\$6,134,188
Fixed Income	\$41,041,102	Fixed Income	\$1,282,905
Cash	\$71,762	Cash	\$1,435
<b>State Match Total</b>	<b>\$0</b>	<b>State Match Total</b>	<b>\$640,189</b>
Cash	\$0	Cash	\$640,189

CTS		GRD	
<b>Private Total</b>	<b>\$27,494,166</b>	<b>Private Total</b>	<b>\$481,929</b>
Equity	\$8,241,243	Equity	\$145,905
Fixed Income	\$19,133,036	Fixed Income	\$336,020
Cash	\$119,887	Cash	\$3
<b>State Match Total</b>	<b>\$1,911,427</b>	<b>State Match Total</b>	<b>\$375,053</b>
Cash	\$1,911,427	Cash	\$375,053

**Private Allocations and Ranges**



**Total Returns**

	Qtr.	1 Year	3 Year	5 Year	Since Inception
<b>BaS</b>					
Private	1.32%	9.48%	1.52%	4.22%	4.89%
Private Benchmark	1.25%	9.50%	1.29%	4.03%	4.83%
State Match	N/A	N/A	N/A	0.24%	0.53%
State Match Benchmark	1.33%	5.46%	3.10%	2.20%	1.61%

**Endowment**

Private	2.20%	16.25%	3.98%	8.21%	7.49%
Private Benchmark	2.11%	16.08%	3.95%	8.91%	7.80%
State Match	1.30%	5.33%	3.04%	2.08%	1.49%
State Match Benchmark	1.33%	5.46%	3.10%	2.20%	1.61%

**CTS**

Private	1.32%	9.81%	1.62%	N/A	4.19%
Private Benchmark	1.25%	9.50%	1.29%	N/A	3.71%
State Match	1.30%	5.33%	3.04%	N/A	2.09%
State Match Benchmark	1.33%	5.46%	3.10%	N/A	2.21%

**GRD**

Private	1.28%	9.74%	5.64%	N/A	4.60%
Private Benchmark	1.25%	9.50%	5.46%	N/A	4.46%
State Match	1.30%	5.33%	3.04%	N/A	2.77%
State Match Benchmark	1.33%	5.46%	3.10%	N/A	2.83%

**Equity and Fixed Income Returns**

	Qtr.	1 Year	3 Year	5 Year	Since Inception
<b>Equity</b>					
BaS	2.51%	18.72%	5.01%	10.61%	9.11%
Endowment	2.50%	18.72%	4.99%	10.80%	9.10%
CTS	2.48%	18.66%	4.96%	N/A	10.89%
GRD	2.56%	18.46%	N/A	N/A	22.46%
MSCI ACWI IMI w/ U.S. Gross	2.45%	18.72%	4.99%	10.67%	

**Fixed Income**

BaS	0.77%	5.75%	-0.40%	1.68%	2.59%
Endowment	0.77%	5.75%	-0.40%	1.69%	2.60%
CTS	0.77%	5.75%	-0.38%	N/A	1.37%
GRD	0.77%	5.75%	N/A	N/A	5.25%
Bloomberg Intermediate Credit	0.73%	5.60%	-0.80%	1.32%	

BaS and CTS Benchmarks: Private 30% MSCI ACWI IMI w/U.S. Gross & 70% Bloomberg Intermediate Credit, State Match 90 Day Tbill.

Endowment Benchmarks: Private 80% MSCI ACWI IMI w/U.S. Gross & 20% Bloomberg Intermediate Credit, State Match 90 Day Tbill

GRD Benchmarks: Private 30% MSCI ACWI IMI w/U.S. Gross & 70% Bloomberg Intermediate Credit, State Match 90 Day Tbill.

Since Inception for BaS and Endowment: Private 10/1/14, State Match 11/25/14. Since Inception for CTS: Private and State Match 11/27/19.

Since Inception for GRD: Private 10/30/20 and State Match 3/19/21

# WSOS INVESTMENT AND FINANCE COMMITTEE PERFORMANCE REVIEW – 2Q 2024

SEPTEMBER 5, 2024

James Aber, Director of Institutional Relations



# WSOS INVESTMENT PROGRAM SUMMARY

JUNE 30, 2024

- BaS and CTS funds (30% equity/70% fixed income) returned 1.3% for the quarter
- BaS and CTS returned 9.5% and 9.8% respectively for the 12 months ending June 30
- Endowment (80% equity/20% fixed income) returned 2.2% for the quarter and 16.3% for the one-year period
- Global equity funds returned 2.5% for the quarter and 18.7% for the year
- Fixed income funds returned 0.8% for the quarter and 5.8% for the year
- Global equity markets rallied and fixed-income markets traded sideways during the second quarter as economic data remained strong and expectations of multiple rate cuts subsided
- WSOS transactions during Q2
  - Mid-April – Graduate Advanced Degree Scholarship reallocated \$21,800 from equities to fixed income
  - Late-May – Technical Scholarship reallocated \$1.16 million from equities to fixed income

- Economic activity remained robust during the second quarter and expectations of multiple rate cuts faded
  - This fueled another positive quarter for equity markets while bond markets were mostly flat
- Hopes for a soft landing remain in place as inflation figures gradually moved lower
  - Annual U.S. inflation, as measured by the personal consumption expenditures index, eased slightly to 2.6% in June from 2.8% in March
- The MSCI Developed World IMI returned 2.1% in the second quarter, bringing the 1-year return to 19.0%
- The MSCI Emerging Markets IMI returned 5.1%, which brought its 1-year return to 13.6%
- The Federal Open Market Committee (Fed) held two meetings during the quarter, and in highly anticipated moves, left the Federal Reserve Target Range unchanged at 5.25% to 5.50%
- The U.S. 10-year Treasury yield was higher for the quarter and ended at 4.4%, which was 0.2% higher than prior quarter-end
  - Over the past year, the 10-year rate is up 0.6%
- It was a quarter of tight positive returns for the various fixed income indices this quarter
  - The broad-based Bloomberg Universal index returned 0.2%

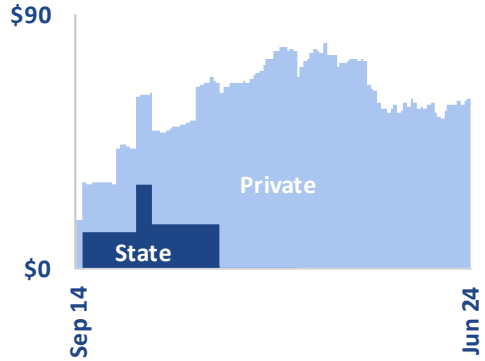
# WSOS GROWTH OF ASSETS

JUNE 30, 2024



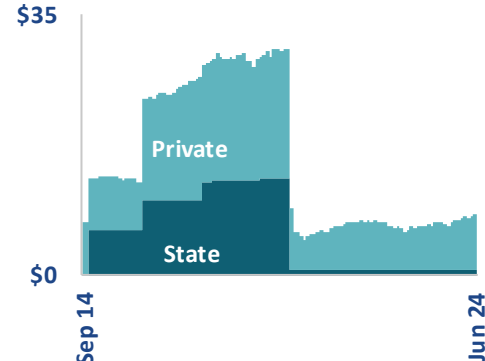
## BaS (100% Private)

Private Total	\$60,001,774
Equity	\$18,888,909
Fixed Income	\$41,041,102
Cash	\$71,762
State Match	\$0



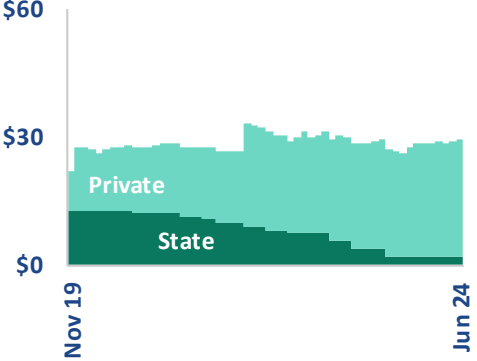
## Endowment (92% Private / 8% State Match)

Private Total	\$7,418,528
Equity	\$6,134,188
Fixed Income	\$1,282,905
Cash	\$1,435
State Match	\$640,189



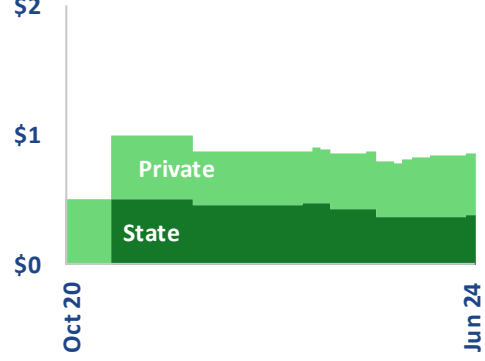
## CTS (93% Private / 7% State Match)

Private Total	\$27,494,166
Equity	\$8,241,243
Fixed Income	\$19,133,036
Cash	\$119,887
State Match	\$1,911,427



## GRD (56% Private / 44% State Match)

Private Total	\$481,929
Equity	\$145,905
Fixed Income	\$336,020
Cash	\$3
State Match	\$375,053



# TOTAL MARKET VALUES AND ASSET ALLOCATION

JUNE 30, 2024

■ Cash ■ Equity ■ Fixed Income ● Actual Allocation

## Private Funds

### Equity

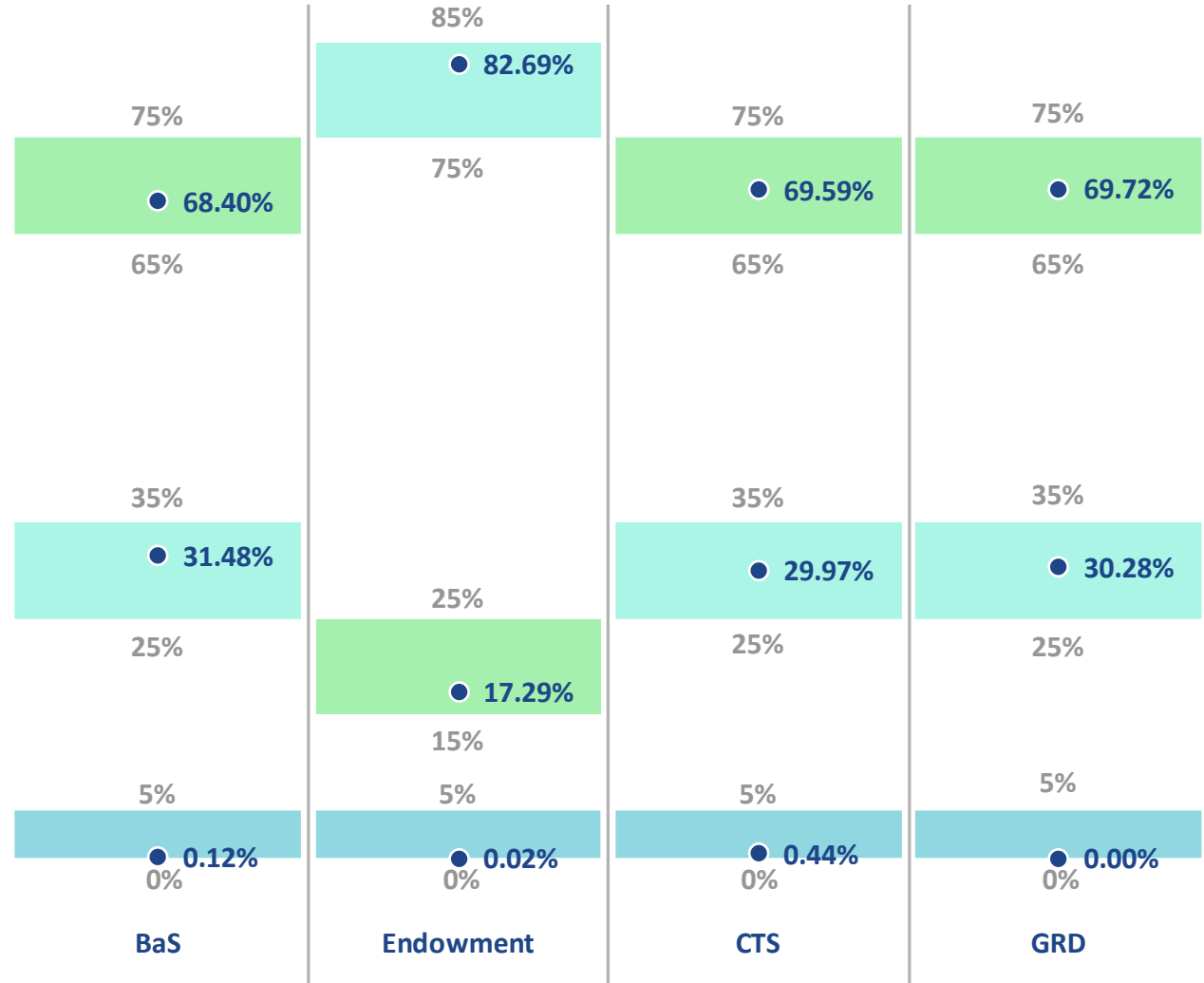
- Passive equity strategy managed by BlackRock
- Expected to closely track the MSCI All Country World Investable Market Index

### Fixed Income

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

## 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 JUNE 30, 2024

	Annualized				
	Qtr.	1 Year	3 Year	5 Year	Since Inception
<b>BaS</b>					
Private	1.32%	9.48%	1.52%	4.22%	4.89%
Private Benchmark	1.25%	9.50%	1.29%	4.03%	4.83%
State Match	N/A	N/A	N/A	0.24%	0.53%
State Match Benchmark	1.33%	5.46%	3.10%	2.20%	1.61%
Private Funds Benchmark: 25% Equity, 70% Fixed Income, and 5% Cash. State Match Benchmark: 100% Cash					
<b>Endowment</b>					
Private	2.20%	16.25%	3.98%	8.21%	7.49%
Private Benchmark	2.11%	16.08%	3.95%	8.91%	7.80%
State Match	1.30%	5.33%	3.04%	2.08%	1.49%
State Match Benchmark	1.33%	5.46%	3.10%	2.20%	1.61%
Private Funds Benchmark: 80% Equity, 20% Fixed Income. State Match Benchmark: 100% Cash.					
<b>CTS</b>					
Private	1.32%	9.81%	1.62%	N/A	4.19%
Private Benchmark	1.25%	9.50%	1.29%	N/A	3.71%
State Match	1.30%	5.33%	3.04%	N/A	2.09%
State Match Benchmark	1.33%	5.46%	3.10%	N/A	2.21%
Private Funds Benchmark: 25% Equity, 70% Fixed Income, and 5% Cash. State Match Benchmark: 100% Cash.					
<b>GRD</b>					
Private	1.28%	9.74%	5.64%	N/A	4.60%
Private Benchmark	1.25%	9.50%	5.46%	N/A	4.46%
State Match	1.30%	5.33%	3.04%	N/A	2.77%
State Match Benchmark	1.33%	5.46%	3.10%	N/A	2.83%
Private Funds Benchmark: 100% Cash. State Match Benchmark: 100% Cash.					

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



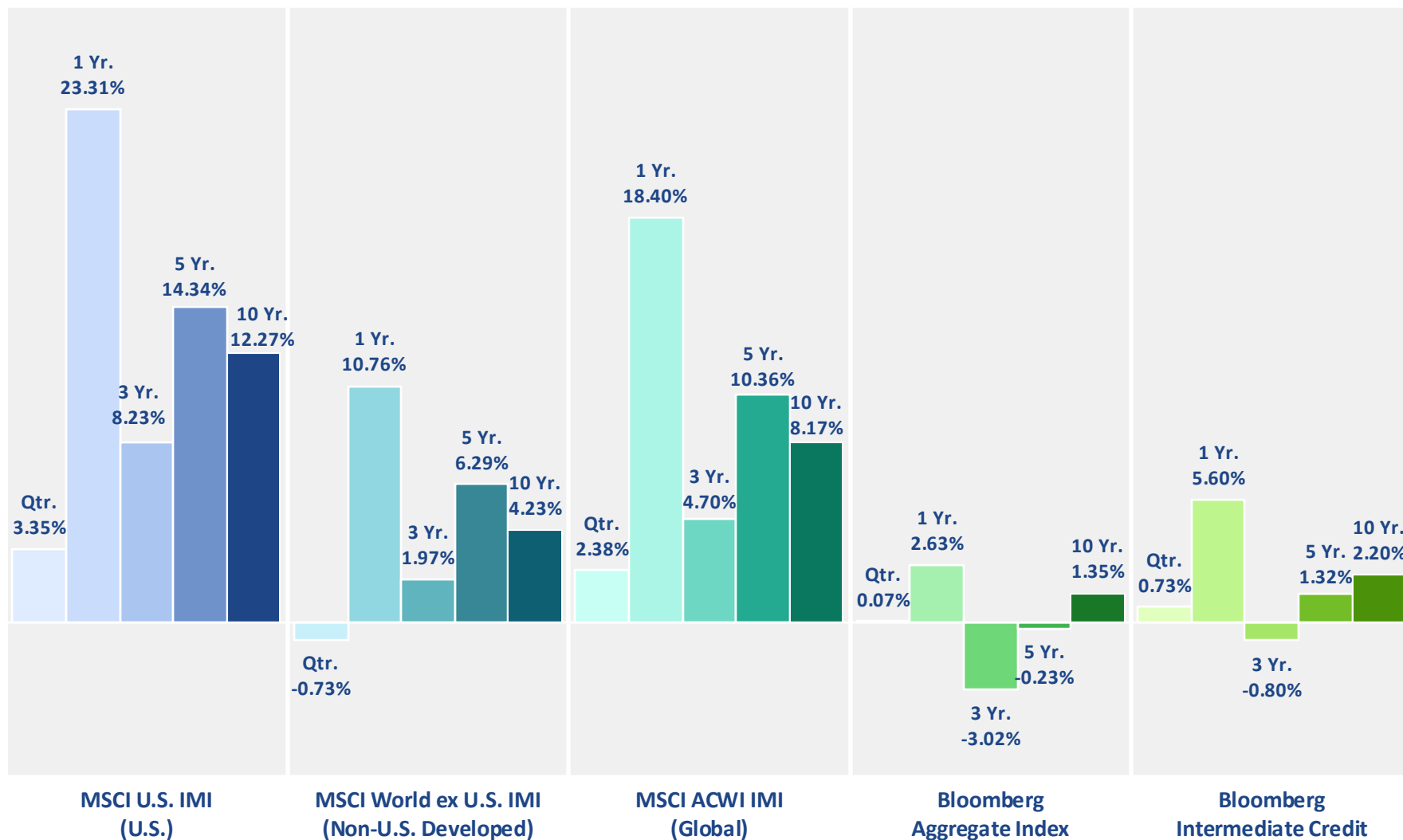
# FUND PERFORMANCE UPDATES

ALL COLUMNS SHOW PERFORMANCE CALCULATED AS OF JUNE 30, 2024

	Qtr.	Annualized			
		1 Year	3 Year	5 Year	Since Inception
<b>Equity</b>					
BaS	2.51%	18.72%	5.01%	10.61%	9.11%
Endowment	2.50%	18.72%	4.99%	10.80%	9.10%
CTS	2.48%	18.66%	4.96%	N/A	10.89%
GRD	2.56%	18.46%	N/A	N/A	22.46%
MSCI ACWI IMI w/ U.S. Gross	2.45%	18.72%	4.99%	10.67%	
<b>Fixed Income</b>					
BaS	0.77%	5.75%	-0.40%	1.68%	2.59%
Endowment	0.77%	5.75%	-0.40%	1.69%	2.60%
CTS	0.77%	5.75%	-0.38%	N/A	1.37%
GRD	0.77%	5.75%	N/A	N/A	5.25%
Bloomberg Intermediate Credit	0.73%	5.60%	-0.80%	1.32%	

# CAPITAL MARKETS AT A GLANCE

JUNE 30, 2024

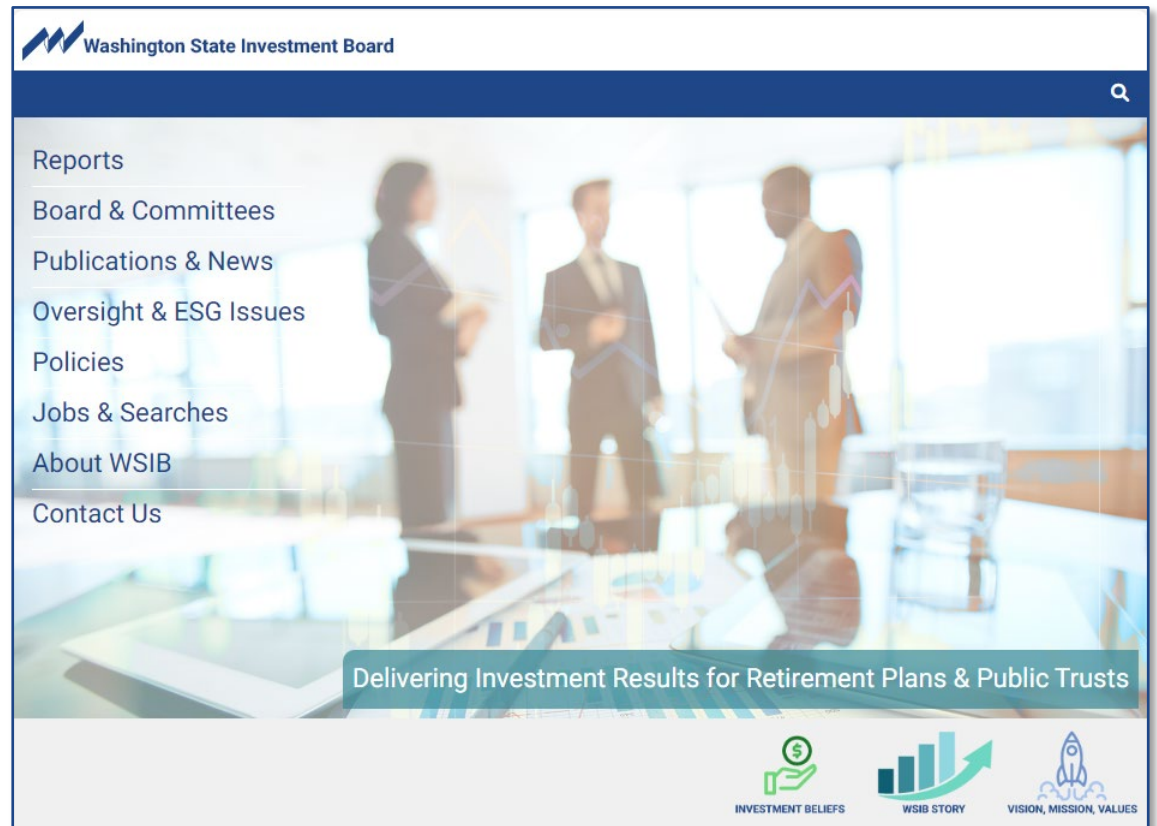


# CONTACT INFORMATION

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

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

**Phone:** (360) 956-4600



## **Tab C**

### Program Administrator Report

# FINANCE & PROGRAM ADMINISTRATOR UPDATE

June 30, 2024

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# WSOS Balance Sheet

**Washington State Opportunity Scholarship  
Comparative Balance Sheets  
June 30, 2024**

	Comparison to Last Reported Period			Notes	Comparison to Same Period LFY		
	3/31/24	% Change	6/30/24		6/30/23	% Change	6/30/24
<b>Assets</b>							
Cash	3,030,720	47%	4,467,987	1	2,930,080	52%	4,467,987
Investments	96,982,533	1%	98,323,065	2	94,440,805	4%	98,323,065
Accounts Receivable	111	0%	22,176	3	185,643	0%	22,176
Pledges and Grants Receivable, net	18,802,919	-8%	17,315,869	3	18,138,597	-5%	17,315,869
State match receivable, net			242,199	4	-	0%	242,199
Unbilled State match revenue	1,604,409	607%	11,340,312	4	10,560,214	7%	11,340,312
Unbilled State match receivable, offset	(1,604,409)	607%	(11,340,312)	4	(10,560,214)	7%	(11,340,312)
Prepaid Expenses	118,898	-36%	76,068		49,528	54%	76,068
Property and equipment, net	20,503	-9%	18,625		22,170	-16%	18,625
<b>Total Assets</b>	<b>118,955,684</b>	<b>1%</b>	<b>120,465,989</b>		<b>115,766,823</b>	<b>4%</b>	<b>120,465,989</b>
<b>Liabilities and Net Assets</b>							
Accounts Payable	279,354	-49%	141,520		189,370	-25%	141,520
Payroll Related Liabilities	131,939	14%	150,454	5	125,754	20%	150,454
Scholarship Commitments Bacc., net	21,468,008	-3%	20,762,874	6	25,764,908	-19%	20,762,874
Scholarship Commitments CTS, net	9,126,644	-18%	7,507,058	6	1,402,200	435%	7,507,058
Scholarship Commitments RJJ, net	143,900	-24%	108,900	6	70,787	54%	108,900
Scholarship Commitments GRD, net	495,967	3%	509,687	6	659,441	-23%	509,687
<b>Total Liabilities</b>	<b>31,645,812</b>	<b>-8%</b>	<b>29,180,493</b>		<b>28,212,460</b>	<b>3%</b>	<b>29,180,493</b>
<b>Net Assets</b>							
Temporarily Restricted Net Assets	87,309,872	5%	91,285,496		87,554,363	4%	91,285,496
Permanently Restricted Net Assets	-	0%	-		-	0%	-
<b>Total Net Assets</b>	<b>87,309,872</b>	<b>5%</b>	<b>91,285,496</b>		<b>87,554,363</b>	<b>4%</b>	<b>91,285,496</b>
<b>Total Liabilities and Net Assets</b>	<b>118,955,684</b>	<b>1%</b>	<b>120,465,989</b>		<b>115,766,823</b>	<b>4%</b>	<b>120,465,989</b>
	-		-		-		-

# WSOS Balance Sheet

## Notes:

- 1 Increase in cash between March and July primarily due to the receipt of \$1.2M in state match dollar, the \$600K received from Connell and the Centene pledge payment of \$400K.
- 2 Investment balance as of 6/30/2024 includes WSIB BaS Scholarship \$60M, WSIB CTS Scholarship \$29.4M, WSIB Endowment \$8M, and WSIB GRD Scholarship \$857K. During the period of Apr - Jun net investment gains across all accounts totaled ~\$1.3M.
- 3 Accounts receivable balance at 6.30.24 is primarily made of Benevity funds received by 501 Commons that will be transferred to WSOS. Pledges receivable is primarily made up of \$7.5M from MSFT (to be paid in annual in \$2.5M installments), \$7M from Gary Rubens, \$3M from Bradford Smith and \$800K from Centene/Coordinated Health.
- 4 The appropriation in June 2023 was \$6M larger than expected and some of these funds remain available to request as matching dollars for invoices in process of being submitted. The new appropriation in June 2024 added another \$6M to the account balance. Once all appropriated dollars are requested, there will remain the unused portion of the matching dollars for the City of Seattle DEEL agreement, which currently has a balance of \$304,725.
- 5 The payroll liabilities balance is primarily made up of accrued PTO (\$105.4K). Other payroll liabilities include L&I payable and 401K payable.
- 6 Scholarship liabilities have a net decrease due to having only a CTS adjustment of \$2.5M in the first quarter that adjusted downward in April when the scholarship model was updated. The GRD obligation also had an adjustment to the scholarship model, which BaS and RJL did not. BaS and RJL will be adjusted in August in preparation for the transfer.

# WSOS Income Statement

## Washington State Opportunity Scholarship

### Income Statements

#### Actual vs. Budget

Six Months Ending June 30, 2024

	Six Months Ending June 30, 2024			December 31, 2024	
	Actual	Budget	Variance Fav (Unfav)	Notes	Annual Budget
<b><u>Revenue</u></b>					
Private	2,400,389	1,450,000	950,389	1	8,115,000
Public	1,438,018	-	1,438,018	2	-
Investment Dividends & Interest	106,692	23,400	83,292	3	46,800
Investment Unrealized/Realized Gains	3,930,395	1,284,000	2,646,395	3	2,568,000
Investment Fees	(15,139)	(14,100)	(1,039)	3	(28,200)
<b>Total Revenue</b>	<b>7,860,353</b>	<b>2,743,300</b>	<b>5,117,053</b>		<b>10,701,600</b>
<b><u>Program Expense</u></b>					
Salaries and Benefits	1,788,935	1,992,028	203,092	4	3,977,671
Professional Fees - Program Admin fees	379,960	475,950	95,990	5	907,934
Professional Fees - Contractors & Lobbying	123,499	228,510	105,011	6	665,368
Conferences, Conventions & Meetings	127,819	179,110	51,291	7	207,910
Operating Expenses	135,086	235,221	100,135	8	486,962
	<b>2,555,300</b>	<b>3,110,819</b>	<b>555,519</b>		<b>6,245,845</b>
<b>Income (Loss) before Scholarship Exp</b>	<b>5,305,054</b>	<b>(367,519)</b>	<b>5,672,572</b>		<b>4,455,755</b>
<b><u>Scholarship Expense</u></b>	<b>22,576</b>	<b>1,642,005</b>	<b>1,619,429</b>	9	<b>18,991,228</b>
<b>Net Income (Loss)</b>	<b>5,282,478</b>	<b>(2,009,524)</b>	<b>7,292,001</b>		<b>(14,535,473)</b>



# WSOS Income Statement

- 1 New revenues between April and June totaled \$863K which included \$600K from Daryl and Michele Connell, \$25K from Kimber and Peter Connors, \$12K from an unknown donor, \$10K from Boeing, \$10K from the Sellen family, \$10K from Diane Cecchetti, \$10K from Jim and Janet Sinegal and \$186K from a significant number of small donors.
- 2 Revenue Public: For the period April - June 2024 WSOS recorded \$1.438M in new revenue. The new appropriation was funded and additional invoicing is in process. \$2.9M was invoiced in July and another \$5M, minimally, will be invoiced in August. Of the \$385K from the City of Seattle that must be claimed as it is consumed, there remains \$304.7K claim.
- 3 Investment Returns: Actual YTD returns, include unrealized+realized gains of \$3.9M, interest & dividend income of \$106.6K and investment expense of \$15K. The budget included unrealized/realized gains, dividends & interest, and investment fees based on a conservative rate of return for equities and fixed income for each scholarship. Forecasting against volatility makes for unforeseen variances. Comfortable gains were realized through June, even with a significant loss in April.
- 4 Personnel expenses are under budget by ~\$203K. Salaries make up ~\$120K of that number, payroll taxes about \$41K, benefits about \$43K. Several employees have been out on leave, having their wages paid by Unum and or the state. At June 30, four budgeted positions were vacant.
- 5 Program Admin Fee is under budget due to the new foundation not being billed in Jan and Feb as budgeted.
- 6 Professional Fees - About \$35K-50K of the budget shortfall is due to timing from O-Talks. As an example, \$35K was budgeted for Brad Curran, but only \$14K has been paid. Speaker fees through June are also under budget by \$9K.
- 7 Conferences, Conventions, and Meetings - travel is under budget by \$26K; meetings expense is also under budget by \$26K, even though O-Talks was over budget by \$14K.
- 8 Operating Expenses costs are under budget. Information technology expenses are under budget by \$28K, mostly due to this exact amount budgeted in March for an MIP purchase/build. This would not have been expensed in its entirety at that time, but would have been coded to prepaid expenses with smaller amounts expensed each month. Advertising is also under budget by \$37K. Office expenses are under budget by \$18K, mostly because of office supplies being significantly under budget. Other categories in the expense line cumulatively contribute to the variance.
- 9 Scholarship Expense is booked when the liability is increased to cover expected disbursements during the year. For the period ending June 30, refunds were \$1.1M higher than budgeted.

# WSOS Cash Flow

## Cash Flow Summary

Inception-To-Date

June 30, 2024

	Inception - June 30, 2024			Comparison to March 31, 2024			
	Scholarship	Endowment	Notes	Total	Scholarship Variance	Endowment Variance	Total Variance
<b><u>CASH FLOW</u></b>							
<b>Cash Inflow:</b>							
Boeing	30,210,000			30,210,000			
Ballmer	5,000,000			5,000,000			
Microsoft	42,500,000		1	42,500,000			
Rubens	3,035,904		1	3,035,904	1,015,669		1,015,669
Connell (stock donation)	1,300,000		1	1,300,000	600,000		600,000
Other Private	47,411,280		1	47,411,280	566,598		566,598
State Match	119,981,140		2	119,981,140	1,195,819		1,195,819
State Implementation Funds	500,000			500,000			
Earned Retention Tax Credit	191,509			191,509			-
Investment Income*	24,549,116	8,064,529	3	32,613,645	1,169,398	167,891	1,337,289
<b>Total Cash Inflows</b>	<b>274,678,949</b>	<b>8,064,529</b>		<b>282,743,478</b>	<b>4,547,484</b>	<b>167,891</b>	<b>4,715,375</b>
<b>Cash Outflow:</b>							
Scholarships	(142,577,060)		4	(142,577,060)	(542,351)		(542,351)
Program Expenses	(37,370,890)	(5,812)		(37,376,702)	(1,417,830)		(1,417,830)
<b>Total Cash Outflows</b>	<b>(179,947,950)</b>	<b>(5,812)</b>		<b>(179,953,762)</b>	<b>(1,960,181)</b>	<b>-</b>	<b>(1,960,181)</b>
<b>Net Cash Flow Inception-To-Date</b>	<b>94,730,999</b>	<b>8,058,717</b>		<b>102,789,716</b>	<b>2,587,303</b>	<b>167,891</b>	<b>2,755,194</b>
<b><u>Composition of Net Cash Flow</u></b>							
Beneficial Checking Account	4,466,651	-	5	4,466,651	1,436,679	-	1,436,679
Investment Accounts at WSIB	90,264,348	8,058,717	5	98,323,065	1,150,624	167,891	1,318,515
<b>Total</b>	<b>94,730,999</b>	<b>8,058,717</b>		<b>102,789,716</b>	<b>2,587,303</b>	<b>167,891</b>	<b>2,755,194</b>

\* Includes unrealized gains and losses.

# WSOS Cash Flow

## Notes:

- 1 Cash Inflow: Between April and June, WSOS received a Rubens pledge payment as shown above, plus other private donations of \$566K which are listed in the 12-month cash flow slide.
- 2 State - In the period between April and June, WSOS received \$1.2M match on private receipts and another \$2.8M has been invoiced. An additional \$5M will be invoiced within a week and the remaining \$3M will be consumed thereafter if the amount of private receipts received in July and August are sufficient. The new \$6M appropriation was received by WSAC in June.
- 3 Investment Income - Apr through Jun investment returns were made up of unrealized+realized gains of \$1.3M, interest & dividend income of \$52K and investment expense of \$7
- 4 Scholarship disbursements between Apr and Jun were \$1.8M (BaS \$690.9K, CTS/RJI \$1M, and GRD \$191.5K) and scholarship refunds totaled \$1.35M (\$632.8K Baccalaureate, \$718.7K CTS/RJI). GRD disbursements include ~\$102K related to travel and preceptor stipends.
- 5 Assets are maintained in a Beneficial Checking Account to meet short term cash needs; all excess dollars are invested in WSIB investment accounts to generate returns.

# WSOS 12-Month Cash Flow

## Cash Flow Summary

Twelve Month Period Ending  
June 30, 2024

	Twelve Months Ending Jun 30, 2024			
	Scholarship	Endowment	Notes	Total
<b><u>CASH FLOW</u></b>				
<b>Cash Inflow:</b>				
Microsoft	2,507,161	-		2,507,161
Ballmer	2,500,000			2,500,000
Rubens	1,015,169			1,015,169
Connell	600,406			600,406
Centene	500,000			500,000
Other Private	964,624	-	1	964,624
State Match	8,959,670	-	2	8,959,670
Earned Retention Tax Credit	191,509			
Investment Income	7,819,596	1,066,020	3	8,885,616
<b>Total Cash Inflows</b>	<b>25,058,135</b>	<b>1,066,020</b>		<b>25,932,646</b>
<b>Cash Outflow:</b>				
Scholarships	(16,408,073)	-	4	(16,408,073)
Program Expenses	(9,179,716)	-		(9,179,716)
<b>Total Cash Outflows</b>	<b>(25,587,789)</b>	<b>-</b>		<b>(25,587,789)</b>
<b>Net Cash Flow Jul 1, 2023 - Jun 30, 2024</b>	<b>(529,654)</b>	<b>1,066,020</b>		<b>344,857</b>

# WSOS 12-Month Cash Flow

## Notes:

- 1 Cash Inflow: Between July 2023 and June 2024, WSOS received the Microsoft, Rubens and Connell pledge payments as shown above, plus other private donations of \$964K. Other private receipts include \$175K from Bristol Myers Squibb, \$123K from BECU Foundation, \$125K from Costco, \$98K from Central WA University Foundation, \$25K from Pahlisch Homes, \$15K from Parametrix, \$15K from Frontstream, \$12.5K from Avista Foundation, \$10K from Boeing, \$10K from Diane Cecchetti, \$10K from Floyd Snider, \$10K from Oracle, \$10K from the Sellen Family, \$10K from Rajeev Singh, and \$316K from small donors.
- 2 State - For the period between July 2023 and June 2024, WSOS received \$8.96M in receipts representing match on private receipts. The new appropriation was funded in June 2024 and all match requests have been submitted through January 2024 cash receipts. February - July are near final preparation and will be submitted by month end. August will be submitted for match as soon as the data is available and if funds remain in the WSAC account.
- 3 Investment Income - July 2023 through June 2024 investment returns were made up of unrealized+realized gains of \$8.7M, interest & dividend income of \$214.9K and investment expense of \$33.4K (which includes \$20K for prepaid fees).
- 4 Scholarship disbursements between July 2023 and June 2024 were \$20.3M (BaS \$11.7M, CTS/RJI \$7.8M, and GRD \$807.4K) and scholarship refunds totaled \$3.66M (\$1.64M Baccalaureate, \$2.02M CTS/RJI). GRD disbursements include ~\$376K related to travel and preceptor stipends.

## **Tab D**

Program Update

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING  
TUESDAY, JUNE 18, 2024, 1-2:45 PM, AT MICROSOFT, OR MICROSOFT TEAMS  
MEETING MINUTES**

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) convened on June 18, 2024, via Microsoft Teams. The meeting was publicized as available to the public on the WSOS website and made available in person on Microsoft's campus. The agenda was posted on the WSOS website at least 24 hours in advance of the meeting.

**Board members in person:** Brad Smith (Chair), Diane Cecchettini, Jane Park, Julie Sandler and Patrick Smith

**Board members virtual:** Beth Johnson, Mike Wilson, PV Sivakumar

**Additional attendees:** Gina Breukelman, Jane Broom, Jolenta Coleman-Bush, Aileen Miller, Kimber Connors, Lisa Pool, Courtney Chen, Camille Reynaud, Lyanne O'Connell, and WSOS staff

Kimber Connors suggested we start with our Mission Moment while we waited for more Board members to arrive and have a quorum. She reminded Board members we could have no discussion until a quorum was present.

**Mission Moment: Scholar Opportunity Story**

Courtney Chen, program manager of the WSOS Career & Technical Scholarship (CTS) program, introduced our Mission Moment Scholar, Lisa Pool, who is a CTS recipient who graduated from Clover Park Technical College in December. Pool said she was a dispatcher for a large company for over sixteen years when Covid hit, and she was laid off. She said her job provided her phone, internet, and computer, and she was left with no contact with the outside world. Pool said she saw how many jobs were available at hospitals and decided to join the Environmental Services team, where she hoped to keep hospitals clean for the patients. She said she interacted with many health care professionals, which sparked an interest in the health care field. She said she enrolled at Clover Park Technical College and studied sterile processing. Pool said that she learned about WSOS. She said the support was crucial and knowing that she could count on the money every quarter made it possible for her to stay in school. Pool said the impact made such a difference in her life that she decided to become a Scholar Lead to help support and guide other Scholars, which she has done for three years. Pool said one of her former mentees is now a colleague after she encouraged her to apply for a job. Pool said she also volunteers as an essay reviewer because she enjoys reading other Scholars' stories. She said she was promoted within her first six months of employment and is currently pursuing an associate degree in business so she can find a management position at the hospital. Pool said that without this scholarship, she does not know where she would be in life after the pandemic because until then, she thought she was on a good path. She said being older and going back to school was scary, but she appreciates the scholarship, and now mentors others who come to the college.

**Meeting Called to Order**

Brad Smith, Chair, called the Board meeting to order at 1:13pm.

Gina Breukelman asked if Pool hears from mentee Scholars about what they are struggling with. Pool said Scholars often cannot see where their funding is because there is a gap between when WSOS sends the money and the college posts it to their account. She said they sometimes don't know what paperwork is needed, so they contact her. Pool said she could help them with many of their questions, but if not, she refers them to Chen. Pool said it would be helpful if Scholars could see that their forms have been submitted and where they are in processing.

Mike Wilson said he has a background in health care and is thrilled that Pool is working in sterile processing because most people don't know its impact on quality in health care. He said this work is critical and asked Pool what she hopes to do in the future. Pool said she would like to go into some type of management position to hear more about the needs of the nurses and doctors and how to help make a difference in the systems and channels they have to go through to get what they need.

Julie Sandler said she was struck by Pool's commitment to helping people and lifting up others along their journey. She asked if there are things the program should do differently. Pool said she has Zoom meetings with students to help advocate for them with things like connecting to tutors or talking to a professor. She said WSOS does a great job of supporting Scholars.

Brad Smith thanked Pool and said she captured why this program was created. He said he is excited about what she is going to be able to do and the help she will provide so many people. Brad Smith also thanked Wilson for helping everyone understand the importance of work in sterile processing.

### **Approval of Minutes**

Jane Park moved that the minutes of the March 26, 2024, Board meeting be approved. Patrick Smith seconded the motion, and it carried unanimously.

### **Public Comment**

Brad opened the meeting for public comment, but no one had signed up.

### **ED Corner**

Connors, WSOS Executive Director reviewed the intended impacts and metrics that our staff work toward. She said we are one year from the end of our five-year strategic plan. Connors said the Awards team has worked hard to support Scholars with the continued FAFSA issues. She said the Washington College Grant changed its eligibility to allow students up to six years to receive funding rather than five, and because WSOS by statute is tied to many of the components of this grant, we will have to pivot and allow students to be eligible for support from our program for six years. Connors said the Awards team is in the beginning stages of conversations about this, and we will share more information in September or December. She said the Programs team has had good engagement with the Baccalaureate Scholarship (BaS) mentees, and when students engage with their Scholar lead, nine out of ten said it is really helpful. Connors said we hosted seventeen Industry Insider events where corporate sponsors host Scholars for a tour of their facility or a panel discussion. Connors said the External Affairs team presented at the Workforce Education Council event where all the workforce development leads from every one of the community college campuses in Washington come together. She said we negotiated to get time on the agenda and connected with people from all the colleges to help promote partnerships. Connors said we are on track for our audience growth on social media and we had strong application numbers for this entire year despite enrollment in higher education being down. Connors said we are seeing the impact of being in the community and investing in partnerships and relationships thanks to the grant from Boeing. She said that in operations, we have two foundation positions that will open soon, and we have our annual organizational survey going out to staff this month.

Connors reviewed the key wins of the quarter, which included receiving the IRS determination letter for WSOSF that allows us to start taking tax-deductible donations. She said we have a program administrator contract between WSOSF and WSOS that is being reviewed by relevant parties. Connors shared a quote from a Scholar that helped keep her going with all the work needed over the past six months. The Scholar wrote, "the best thing about my journey as a first-generation student and the Scholar Lead role is that I can utilize both experiences to share valuable advice about college with others and ignite a spark in them to persevere through their college journey."



Connors said the key challenges of the moment are the excitement combined with trepidation as to how few days there are before the September 1 move to WSOSF. She said the other challenge is all the problems with FAFSA and how its been impacting our Scholars and team, especially the Awards staff. Connors reminded the Board about the delineation of responsibilities between WSOS and WSOSF and shared the WSOSF personnel structure and key activities of HR, Finance and IT.

Sandler said Connors has done a good job of explaining the different entities and said nothing like WSOS exists anywhere else. Sandler said Connors has been methodical, creative, and very entrepreneurial in building WSOSF. Patrick Smith asked Connors what the biggest transition risk is as we approach the move on September 1. Connors said it is the unknown issues that may arise because the known things are manageable, and she can prioritize and create a timeline for them. She said she believes we are ready to go live on September 1 but knows there will be some missteps and learnings in the first eighteen months. Brad Smith said Connors has the fundamentals well covered. Park affirmed.

Connors said the search committee has been working tirelessly but the Board has access to all applications and can request any candidate to be moved forward. She said there were eighty applicants, about forty had screening conversations, and the search committee identified six for interviews. Connors said four candidates will meet with representatives from the two founding cornerstone partners. She said two candidates would advance to a meet and greet with Scholars and staff and then give a presentation to the WSOS Board who ultimately hold the hiring decision. Connors said the new executive director will hopefully start on September 1 with transition support from Connors through December 31.

Brad Smith asked the Board if they had had enough opportunities to assess the applications. Wilson said he is comfortable with the process and the people on the steering committee. Sandler said she has confidence in the committee and is willing to help in any way needed. Park said that Clover Search Works said that we pulled in more interesting candidates than they have ever seen in a search. She said it is a very diverse group with applicants from the private and public sectors with various experiences.

### **FAFSA Update**

Lyanne O'Connell said there are still issues with the Free Application For Federal Student Aid (FAFSA). She said the Awards team has pivoted in important ways like calling every high school to let them know about the changes, designing a communication plan, and creating a different conditional selection portal for the students who had not received verification of their FAFSA being processed. O'Connell said students who could not access the online form had to fill out a paper form, and processing wouldn't start until the end of June, with the colleges getting the information after that. This is months later than would happen in a usual review. O'Connell said students with special situations like homelessness or who claim independent status have been unable to fill out the FAFSA as of yet and colleges likely wouldn't be able to view their forms until at least July. O'Connell said students are supposed to choose their college in May but because of these delays, they won't know what kind of aid they will receive, making this challenging for the most vulnerable students. She said some students are taking a gap year, and some are choosing community colleges without a fuller picture of whether a four-year school could be affordable. O'Connell said the Department of Education has committed to releasing the 2025-2026 FAFSA by October 2024. She shared that for the first time, WSOS allowed students to be conditionally selected if they met all the criteria for the scholarship, even though we could not verify a processed FAFSA. O'Connell shared that all current and new Scholars will need to have final verification before the first disbursement to meet statutory requirements, but we are building in as much leeway for students as possible. She said 306 of the 337 BaS Scholars who were conditionally selected have already confirmed their FAFSA in the last week, showcasing the success of using the conditional acceptance approach. O'Connell thanked Brad Smith and the governor for signing off on new acceptance letters that needed to go out.

Connors said O'Connell was creative in working with the limitations of the statute to solve the FAFSA issues and thanked her and her team for their dedication. Brad Smith said this was a good reminder that there are processes in place that we often take for granted. Gina Breukelman asked what O'Connell is most worried about for next school year. O'Connell said the next phase is looking at the financial aid packages the students received because the Feds changed how they calculate the aid. She said the Feds are no longer considering if a student is in a family with multiple individuals attending college at the same time, so the financial responsibility of families with multiple college-goers is increasing, giving students less aid. O'Connell said we are considering the impact of this change especially on middle-income families because they will max out their cost of attendance, and there will be no room for our scholarship even though their need is still unmet in reality. Breukelman asked about the impact on undocumented students. O'Connell said it worked okay for undocumented students, but the FAFSA process this year was particularly complicated for documented students whose parents were undocumented.

### **Campaign Update**

Camille Reynaud said WSOS started as a sunset model with strong backing from key cornerstone partners and moved to pivot to a sustaining model, built on a fundraising strategy that will diversify our funding. She reviewed the campaign goals, which are to raise \$75M in private philanthropy, amplify WSOS's brand, impact, and value proposition, inspire and engage a deep bench of WSOS ambassadors, exponentially grow and diversify WSOS's base of support, and build a high-performing and high-ROI fundraising program. Reynaud said we were only raising around \$500k from OpportunityTalks per year before starting this campaign and need to grow to raising about \$10M a year to be a sustainable program. She said we want to diversify and expand our donor base, especially with donors in the mid-level range of \$25K-\$1M.

Reynaud said we had grand plans at the outset of the campaign that were offset by some mitigating factors. Specifically, the global pandemic happened and impacted fundraising as companies focused on keeping their jobs or businesses open. She said philanthropy shifted to basic needs and health care. Reynaud said relationships are best built with major donors and corporate partners in person with face-to-face events that were severely limited during the height of the pandemic. Additionally, WSOS has struggled to fill positions on the Development team. She said the Chronicles of Philanthropy had a recent survey which said 50% of nonprofit professionals were planning on leaving their roles within two years, and 30% were planning on leaving the field entirely. Reynaud said we need to raise \$9.2M before publicly launching the campaign, and we had hoped to announce it at OpportunityTalks this year. She said we are unsure if we will get there by next year because we still need to build a solid fundraising team to help us create a sustainable program.

Despite the challenges, we've had some key successes in the campaign. Reynaud said that over the past two years, we've held small in-person events and have over 100 new supporters, and OpportunityTalks recruited 360 new donors to WSOS. She said we now have campaign collateral that we have never had before, and we've built close partnerships with corporations like Bristol-Myers Squibb and the BECU Foundation. Reynaud reviewed recent notable gifts and those that are in process, along with a list of grants we have applied for. She said the incoming executive director will be the face of the campaign as our stellar fundraiser who helps us build new partnerships across the state. Reynaud said we are planning a road show, and the new executive director will travel around the state to meet with partners and build new relationships.

To keep our momentum and stay the course, Reynaud said we are reprioritizing as we hire new development team members to ensure the team does not burn out. She said we are creating engaging and strategic donor communications and have implemented key strategic stewardship practices like the annual impact report and the year-end card, which we never had before this campaign period. Reynaud said we now have a regional approach with corporations and foundations focusing on key industries. She said that every time we change program administrators, it negatively affects our frontline fundraising and donor communication. She said we want to ensure a smooth transition from 501 Commons to WSOSF.

Brad Smith said he likes the methodical approach. Connors said Reynaud joined the organization in January 2023 and has rapidly implemented these changes and is making great strides despite the challenges; she thanked Reynaud and her team for their work.

Reynaud asked the Board to advise us on how we can attract top-tier talent to the fundraising team when fundraisers leave the profession. Jane Broom said burnout is not about working hard because non-profits always work really hard. She said fundraisers constantly have to raise money every single year to do the work we need to do. Broom said that there is often exhaustion from not seeing the impact, but fortunately, we see it in education and the impact on young people. Breukelman said that as the fundraising team has turnover, it puts more pressure on the executive director and the development director. She said that in her role, she wants to have a relationship with one person or the same few people, so when someone changes all the time, it makes her revert to the executive director. Breukelman said we are seeing organizations moving more on the C-Suite level. She said it is hard to start over every time there is turnover. Breukelman has seen fundraisers moving into health care and universities. She said pay and benefits matter in retaining staff. Brad Smith asked how we compare in terms of pay and benefits. Reynaud said we can compete with most non-profits our size and are paying in the 75<sup>th</sup> percentile. She said we cannot compete with big organizations like Fred Hutch or higher education institutions because they pay about 40% more than we pay. Brad Smith asked if we take out the top one or two organizations that can pay substantially more and compare well with similar organizations, we're likely in a good place regarding compensation. Patrick Smith asked if this could be solved by raising the pay for these positions. He said we have discussed our administrative spending vs. program spending level, which is quite low. Patrick Smith said it can be too low to accomplish our mission and do the work. He said the level of what we pay vs Fred Hutch's pay is a pretty small fraction of what we are trying to raise. Patrick Smith asked if we are being too frugal for what we want to do. Brad Smith said this is a great question and something we need to talk about at a future meeting.

Brad Smith asked what the giving trends are today for private philanthropy. Broom said over the past four or five years, there has been a pivot to basic human services like homelessness. She said she has heard that corporations and individuals are now relatively stable post-pandemic, but the cost of living and the cost of doing the work has increased. Broom said there is a disconnect, and nonprofits are not keeping up with these costs.

Connors said she has heard that people often come with a deep passion for a particular aspect of the mission, so fundraisers can get frustrated if they feel a disconnect between their beliefs and donors who come to the table for different reasons related to the mission. Patrick Smith said it sounds like a messaging issue. He said our fundraisers have a larger target market because they can reach people who care about educational equity and connect with people who care about WSOS for other reasons. Connors said they recently had good conversations with candidates who expressed that same idea.

Broom said she has seen two factors with other nonprofits but not WSOS. One is that the number of community nonprofits has increased significantly. She said they have to raise funds to pay the core staff and then money to actually start doing the work. Broom said another thing she has heard from mid-sized nonprofits is that Boards are significantly less engaged and are not showing up for meetings or filling tables at fundraising events. Broom said some Boards are being democratized, and we are seeing a lot of younger, less connected people volunteering to be on Boards which impacts fundraising success. She said senior executives have less time which impacts access to their private dollars for donations. Broom said these things are all factors, but more work needs to be done to identify the fundamental issues and if this will continue.

Sandler said the best development managers and directors in the arts nonprofit world and the tech industry nonprofit world are turning over quickly. Breukelman said the mid-level donor level of \$25k—\$1M is made up of very different donors. She said many fundraisers lack experience and may be intimidated by the million-dollar

donors. Breukelman asked how the Board members can show up and partner with WSOS to reach higher-net-worth companies and individuals.

Brad Smith said that if raising \$10M every year is our goal, it is consequential if we succeed. He said we do not have the muscle to do that and said we want to raise the last \$25M in a way that creates that muscle. Connors said we need more donors giving in the \$500K to \$750K per year range, particularly. She said that's the target audience we need in the pipeline to support WSOS with a significant enough impact to reach a \$10M/year fundraising program. Brad Smith said we need to broaden the donor base, which connects to the event strategy. He said two of the largest market capital companies in the world are in Puget Sound, and we have not tapped into the substantial broad employee base. He said it would be good to get someone on the Board who would be interested in helping. He said he is too senior at Microsoft to ask people to give because they feel pressure. Broom listed some employees who could be flagged to do an ask. Brad Smith said if we want to raise \$10M a year, we must raise at least \$3M - \$4M yearly from Amazon and Microsoft combined.

PV Sivakumar asked if we have done lunch events to spread the news at Amazon, Microsoft or Boeing. He said we can get donors and volunteers if we do these regularly. Connors said we've held events at Bristol Myers Squibb (BMS) with 100-300 employees, and BMS provides lunch. She said the last time they talked about the Opportunity Scholarship, they invited people to mentor, and there was a lot of interest in employee giving as well. Connors said they have done different events like that with other companies, but BMS has been the strongest sponsor in getting many employees to attend. She said she had gone to events at big-name employers where she talked to three people because there is no buy-in. Connors said we need strong champions like we've had at BMS. She said we need to explore this strategy more. Brad Smith asked if we have done something like this at Amazon. Connors said we hosted a cocktail party with the two most senior people we know and had strong attendance. Park said we should tap into the people who have just left Amazon and Microsoft because they have time and money versus employees who are still there. She said we could identify a couple of them.

Brad Smith said this discussion is thought-provoking. He said we need to build on this in the fall after the new executive director starts.

### **Finance and Program Administrative Update**

Patrick Smith said Elisa La Cava and Matt Rubright, who have been on the Finance and Investment (F&I) Committee since 2020, are up for renewal and agreed to serve another term. He said Sandler recommended Matt Wang, whom he and Connors met with separately for a discussion. He said they all believe he would be a great addition to the F&I committee. Connors mentioned the bio for Wang was included in the pre-read.

**Committee Action:** Patrick Smith made a motion to appoint Matt Wang and reappoint Elisa La Cava and Matt Rubright to the F&I Committee. The motion was seconded by Park, and it carried unanimously.

Patrick Smith said Washington State Investment Board (WSIB) gave a report on our investment portfolio. He said our largest funds, the BaS and CTS fund returned 2.5% for quarter one and 10% for the twelve months ending on March 31. Patrick Smith said the endowment returned 6.4% for quarter one and 19.2% for the twelve months ending on March 31. He said we remain in compliance with our investment policy statement, and we are tracking in line with our benchmark on the equity portion, which is a passively managed portfolio. Patrick Smith said we have been outperforming the benchmark in fixed income. He reviewed the balance sheet, and as of March 31, we have total assets of about \$114M, which is a 2% increase from December 31, 2023, and a 1% decrease from the same period the prior year. He said the biggest change on the cash side of the balance sheet in quarter one was the receipt of \$3.8M in state match receipts and a 2.5% pledge payment from Microsoft. Patrick Smith said \$5.2M in scholarship disbursements went out. He said investment income added about \$2.7M in total. He said we had other cash receipts during the quarter: \$10K from Central

Washington University Foundation, \$25K from BMS, \$15K from Parametrix, and \$15K from Costco. He said the Washington Student Achievement Council (WSAC) depleted all matching funds for the fiscal year ending on June 30, 2023, with the exception of about \$305K balance retained to fund match for the city of Seattle. He said a new appropriation for the fiscal year ending June 30, 2024, has been received by WSAC, and some matching requests have been submitted and paid; the remainder will be submitted in the coming months. He said total liabilities are \$31.8M, mostly scholarship commitments, an 8% decrease from December 31, 2024. Patrick Smith said yields total net assets are \$82.2M, an increase from December 31. He said private revenue for quarter one was \$1.5M and \$1.3M from Coordinated Care in addition to the other contributions mentioned earlier. He said personnel expenses remain under budget year to date by about \$108k due to several vacant positions. He said in the first quarter, there were no PA fees for the foundation, creating a variance on that line of \$100k. He said we expect that to mostly come back in line, but overall general operations, IT, and office expenses are under budget.

Brad Smith said the income statement is always helpful and that quarter one does not represent the big item which is the scholarships. Patrick Smith said we discussed the finance activities at WSOSF, including the accounting software and banking to give advising on design elements.

### **Executive Session**

At 2:21 p.m., the Board chair announced that the Board was going into Executive Session until 2:31 p.m. to evaluate the qualifications of an applicant for public employment. The open meeting reconvened at 2:31 p.m.

Brad Smith called the meeting to a close at 2:34 p.m.

Respectfully submitted,

Dena Parmer



## PROGRAM UPDATE | SEPTEMBER 2024

### INTRODUCTION

It's official! Washington State Opportunity Scholarship (WSOS) has a new Program Administrator: the WSOS Foundation (WSOSF). Thank you to all who were involved in making this a reality, with notable gratitude to Kimber Connors. Other updates since the June 2024 WSOS Board meeting include welcoming 1,933 new Opportunity Scholars, securing a new venue for Opportunity Talks (A save the date for April 1, 2025, at the Meydenbauer Center Bellevue will be sent), and onboarding three new staff members.

### AWARDS ADMINISTRATION

The 2024-25 academic year has begun, and the Awards team welcomed 1,275 Scholars to Cohort 13 of the Baccalaureate Scholarship (BaS) and 20 Scholars to Cohort 4 of the Graduate Scholarship (GRD). We also welcomed 638 Scholars to Cohort 6 of the Career & Technical Scholarship (CTS), which included 55 Scholars who were awarded additional funds for the Rural Jobs Initiative (RJI). Please refer to the CTS Cohort 6 fall selection overview document (included in Tab C) to see the profile of these recipients.

The team has also been persistently working this summer to provide colleges with full academic year awards for Scholars. We welcomed back 41 GRD, 884 CTS, and 2,471 BaS Scholars for the 2024-25 academic year. Furthermore, we are celebrating our recent graduates, including 1 GRD, 221 CTS, and 402 BaS Scholars.

Despite the many financial aid challenges our Scholars faced this past year, many were able to complete the Free Application for Federal Student Aid (FAFSA) and have it sent to the colleges. There are a few Scholars whom the Awards team continues to work with as they navigate further challenges with the form. Additionally, the Department of Education (DOE) has announced a delay in releasing the updated FAFSA form: December 1 instead of October 1. We hope that further testing with multiple user case scenarios and preparation by the DOE will reduce the complications students faced this past year.

In addition, since WSOS is statutorily tied to the Washington State College Grant (WCG), the Awards team continues to monitor changes the state makes to the WCG program. This year, one of the significant changes was the passage of Senate Bill 5904, providing students with up to six years (previously five years) of WCG funding to align with the Federal Pell Grant program. Due to the state changes, internal analysis on award usage, and feedback from Scholars, we are exploring a new structure that simplifies BaS award levels. These new levels would move from fluctuating amounts (\$2,500, \$5,000, \$7,500, \$5,000) to flattened amounts (\$2,500, \$5,000) while maintaining the same award maximum of \$22,500. This shift would align WSOS with WCG and help Scholars create predictability in knowing which award level they will be receiving annually while creating a supportive level of funding if a sixth year or summer term is needed for completion. For the full proposal, see the memo in Tab D.

### Scholarship Highlights

	BaS	CTS/RJI	GRD	Total
<b>Total Actual Disbursed (2012 – Present)</b>	\$130,723,388	\$17,672,599	\$1,048,974	\$149,444,961
<b>Scholars Enrolled 2024-25</b>	3,594	1,616	41	5,251

## **SCHOLAR PROGRAMS**

We have analyzed the impacts of our support services during the 2023-2024 academic year. Details are in the sections below, as well as a preview of our plans for the 2024-2025 academic year.

### **BACCALAUREATE SUPPORT SERVICES**

One of our goals in the 2023-24 academic year was to increase the percentage of students who persisted in their academic journeys. Among first-year Scholars, 94% persisted (goal was 90%). Among second-year Scholars, 92% persisted (goal was 85%). Among third-year Scholars, 64% persisted (goal was 65%). We were largely successful in reaching our persistence goals, and we have begun to analyze the efficacy of the Scholar Lead program in supporting persistence. Preliminary results show a strong link between Scholar Lead engagement and persistence. One Lead shared, *“My role as a Scholar Lead has been incredibly rewarding, allowing me to not only lead but also inspire and empower my peers. Through this experience, I’ve learned the importance of collaboration, resilience, and empathy in fostering a supportive academic environment. It’s been a privilege to witness the growth and achievements of fellow scholars, knowing that together, we’re making a difference in our community and beyond.”*

Another goal was for at least 55% of eligible Baccalaureate Scholars to submit an awards increase request (AIR) on time. We deployed new strategies to raise awareness of the AIR process, such as training Scholar Leads, including AIR information in Scholar newsletters, and conducting a calling campaign to all Scholars who were near their AIR deadline. As a result, 74% of Scholars submitted their AIR on time, far exceeding our goal. We were pleased with these results and will continue to build on the effective practices we have established.

Looking to the 2024-25 academic year, we will continue to iterate on our flagship Scholar Lead and Skills that Shine (StS) programs. We have welcomed 135 new Scholar Leads, who have already started supporting their caseloads of Scholars. We have increased the frequency of interactions that BaS Advisors will have with their Leads, aiming to bolster real-time support and help Leads reach even more Scholars. We are actively recruiting StS mentors. Please encourage those in your network to [sign up](#), and you are invited to serve as a mentor, too.

### **CAREER AND TECHNICAL SUPPORT SERVICES**

Similar to BaS, one of our goals in the 2023-24 academic year was to increase the percentage of Scholars who persisted. From quarter one to quarter two, 71% persisted (goal was 80%). From quarter two to quarter three, 75% persisted (goal was 80%). From quarter three to year two, 78% persisted (goal was 75%). We believe 80% persistence is within reach, and we are maintaining that goal for the 2024-25 academic year.

One strategy we are executing to reach the 80% persistence goal is adjusting the Scholar Lead program. Instead of connecting new Scholars with Leads for multiple quarters, we are laser-focused on helping Scholars have a strong start during their first quarter by offering early, relevant, accessible peer support. We already know the Lead program is having a positive influence on persistence, and we look forward to amplifying that influence. One Scholar shared this with their Lead: *“I would just like to say thank you for all the hard work that you do helping people build the future.”*

We are also making significant updates to the CTS Skills that Shine (StS) program. The reimagined mentorship program will offer greater flexibility and accessibility for Scholars. Instead of matching Scholars with one mentor for several months, Scholars can sign up for a one-time meeting with an industry professional for specialized, targeted support. We are piloting this new model with healthcare and IT professionals later in the academic year.

### **GRADUATE SCHOLAR SUPPORT SERVICES**

As mentioned in the June 2024 update, we have adjusted the GRD Program Manager role. This position has a stronger emphasis on the application, selection, and eligibility functions and now reports to the Awards Administration Director (Lyanne O’Connell). We will continue to offer select services that have had a high impact, such as the clinic stipends, travel stipends, and presentation by the Washington State Department of Health. We are pleased to note that 100% of GRD Scholars persisted to their second year (goal was 95%). Moving forward, most GRD updates will be in the Awards Administration section.

**CLOSING OPPORTUNITY GAPS**

In academic year 2023-24, we prioritized engaging Scholars who were furthest from opportunity. Across all three scholarship programs, our goal was for at least 60% of Scholars from each of the following categories to complete programming for which they were eligible:

- Scholars with racial/ethnic identities that have been historically excluded (BIPOC)
- Scholars who are categorized as low income at application
- Scholars who live in rural counties

The outcomes were:

	<b>BIPOC</b>	<b>Low Income</b>	<b>Rural</b>
BaS	69%	67%	73%
CTS	47%	42%	42%
GRD	87%	89%	71%

We were pleased with the BaS and GRD results. For CTS, the data do not include Scholars who accessed the job board as we could not adequately track individual users. Based on the high number of Scholars who utilized this service, it is likely that CTS met the 60% goal for each category. For the 2024-25 academic year, we have identified a method to track job board users so that we can include these Scholars in the closing opportunity gaps analysis.

**DEVELOPMENT UPDATE**

**REVENUE TARGETS**

As of June 3, 2024, we have raised \$50,869,667 of our \$75M campaign goal. We aim to secure \$60M to be ready for public launch at the end of 2025. For calendar year 2024, we’ve secured \$1,684,302. As discussed in the June board meeting, we have revised team goals to focus on recruiting, hiring, and onboarding key roles to build a sustainable fundraising team.

**DONOR RETENTION AND ACQUISITION**

In addition to raising revenue, the goal of the campaign is to ensure stronger donor retention and to broaden our scope of supporters. Key metrics we’re tracking on these measures are below:

	<b>YTD (as of 8/19/2024)</b>	<b>2024 CY Goal*</b>
<b>Donor retention 2023 to 2024</b>	31%	42%
<b>Donor loyalty</b>	45	50
<b>\$25k to \$1M gifts secured CY 2025</b>	5	25

**CAMPAIGN MILESTONES**

We’ve had a venue change for OpportunityTalks, due to a scheduling conflict made by Sheraton Grand Seattle. Please mark your calendars for Tuesday, April 1, 2025, at the Meydenbauer Center Bellevue. We are excited to host our event at this new venue.



We hosted a donor appreciation and Scholar celebration event with the Connell Family in July. We welcomed over 100 guests, including 40 Scholars, WSOS staff, and Connell Family members. Scholars appreciated the opportunity to network, and the Connell Family appreciated the opportunity to connect with Scholars.

We've hired two key fundraising positions. Mc Erl Dave Andres (he/she) joined in July as Major Gifts Officer and will lead and invigorate our campaign work. Jacque Clinton (she/her) joined in September as Corporate Partnerships Manager and will lead on corporate engagement, stewardship and securing sponsorship. We've also hired Madylin Lai, a Digital Media and Design Officer, to support marketing and communications. We are still hiring for two open roles: Events Officer and Development Officer.

We also completed a major email platform transition from Constant Contact to Campaign Monitor. This will increase efficiency and allow better tracking for donor and Scholar communications.

**EXTERNAL AFFAIRS UPDATE**

It's been a quiet season for the external affairs team with our director on family leave and the quiet season for promotion over the summer. We're geared up with a strong promotion strategy to support academic year 2024-25 based on learnings from the last year,

**DIGITAL MARKETING AND MEDIA COVERAGE**

Org Outcomes	Starting audience	End of academic year goal (June 2025)	Progress towards goal
WSOS media mentions	N/A	32 earned media pieces	47% of goal
ED/Directors appearances in articles/panels/speaking	N/A	15 for ED and 7 for other leadership	20% for ED and 85% for leadership
Facebook audience	4,478	4,589 (111 new followers)	5% of goal
LinkedIn audience	2,624	2,903 (279 new followers)	12% of goal
Instagram audience	1,301	1,374 (73 new followers)	7% of goal
TOTAL social media	8,403	8,866 (463 new followers)	9% of goal

**Top Performing Posts**

Facebook: [Joey's story](#)



Washington State Opportunity Scholarship

July 10 · 🌐



Meet Opportunity Scholar Joey!

"I am a mechanical engineer working in the tech field designing high-speed test fixtures. I've always wanted to be an engineer and receiving the Washington State Opportunity Scholarship helped relieve the financial stress and burden of college so I can focus on what truly matters: my education.

Receiving the WSOS meant a lot because I was able to not take out student loans and truly focus on just my school work instead of working long work hours. I was able to work part-time while attending school due to my scholarships.

I had a great experience with WSOS since they were always able to support me financially and through different workshops/programs throughout college. I felt like I always had a support system to help me when needed."




LinkedIn: [Lauren's anniversary celebration](#)

**Washington State Opportunity Scholarship** ...

OPPORTUNITY SCHOLARSHIP  
2,657 followers  
3w • 🌐

Happy three-year work anniversary to our development operations maestro, Lauren Pack!

"Lauren is an exceptionally organized and planful project manager. She is collaborative, intentional, and a valuable member of the Development team. We appreciate her sense of humor and the fun personality she brings, making our work environment both productive and enjoyable. Thank you for choosing WSOS, Lauren!" — Camille Reynaud, Managing Director of Advancement

A portrait of Lauren Pack, a young woman with long, wavy blonde hair, smiling warmly. She is wearing a dark-colored top. The background is a dense, green leafy bush.

Instagram: [Connell Family Event](#)



oppsscholarship • Following

oppsscholarship 2w  
We were honored to host the Connell Opportunity Scholars and their family and friends alongside the Connell Family for a celebration and networking event!

Thank you to the Connell Family and the Connell Opportunity Scholars who attended!

## OPERATIONS UPDATE

### PROGRAM ADMINISTRATOR TRANSITION

The program administrator contract between WSOSF and WSOS has officially been signed; WSOSF is slated to be the program administrator from September 1, 2024. Key activities this past quarter have been focused on creating as seamless of a transition as possible for the WSOS staff as we move into this new operational support model. This has included human resources (HR), finance, technology (IT), and other operations work streams.

Under HR, the top priorities have been securing benefits, designing the HR information system to be ready to make first payroll, and ensuring a strong handbook was crafted and in place. All legacy employees who will transition to WSOSF have received and signed conditional offer letters and begun the critical onboarding steps such as completing I-9 verifications and filling out enrollment forms. Employees have already participated in an HR onboarding session focused on policies and will complete several required trainings (discrimination, sexual harassment, etc.) in September.

In the Finance stream, our focus has been on ensuring our new Enterprise Resource Planning (ERP) system is designed, tested, and live while putting into place the systems and processes to support making and receiving payments to our key constituents: Scholars, staff, donors, vendors, and the state. WSOSF has established a banking partnership with JP Morgan Chase, has the documentation in place to take over signatory authority on the WSOS investment accounts held with WSIB, established a WSOSF Benevity account, and has collected the necessary payment information to ensure Scholars Leads and colleges are prioritized in receiving payments without interruption. We've engaged a partner to complete the Form 990 for WSOSF's first year of operations and have bid requests out for auditors. The biggest challenge we are currently facing is in ensuring our opening balance sheet has strong validity so we can receive an unqualified audit opinion in summer 2025.

The IT work has largely been focused on securing a great-fit third-party partner to manage organization-wide technology needs. We've engaged ExecuTech to provide in-office support for physical assets, software support for configuring laptops for new hires and providing helpdesk troubleshooting, and administration of key technology tools (such as Microsoft 365, Keeper password management, a virtual private network or VPN, and other various subscriptions). We are working with Executech to finalize an IT roadmap, and all IT support functions are active and have been transitioned as of 9/1. We've also



obtained the www.wsosf.org domain name and will be updating email addresses for staff to that domain. We will not be changing our website address or our support email addresses at this time.

Finally, other key operational tasks have been concluded or are concluding such as securing insurance to meet the requirements of the program administrator contract, registering the business with the state and city, establishing all necessary tax accounts, and updating our template legal contracts and re-entering new contracts with existing vendors.

### **ED SEARCH**

As you all know, Johnathan Luster, Managing Director of Impact, has agreed to serve as the Interim Executive Director for WSOS from September 1 through the end of December. We will discuss critical next steps regarding the Executive Director search during the meeting. The Search Committee prepared a document outlining their recommendation which can be viewed in Tab C.

### **DATA & SYSTEMS**

We completed the Case Management implementation for our Scholar, Promotions, and Donor support activities. This means that almost all emails sent to WSOS for support for the Awards, Programs, External Affairs, or Development teams are tracked and managed in our Donor CRM. We've had a staged rollout, starting with the Awards team in March and ending with the Programs team in August. As of late August, the teams have processed over 4,000 cases and can now view detailed reports and dashboards with case metrics such as average days to close a case (0.5 days) and average initial response time (2.2 hours), as well as grouped reports showing case type and reason, which allow us to track trends. The teams are using case trends to improve our external communication.

### **STAFFING UPDATE**

Mc Erl Dave Andres (he/she) joined the Development team as Major Gifts Officer on July 15. Mc Erl is from Waipahu, HI, and moved to Washington to attend Saint Martin's University in Lacey. He got his bachelors in English with a minor in Gender and Identity Studies and a Master of Education in Advanced Teaching and Learning. As a first-generation college graduate, Mc Erl is passionate about access to education for those furthest from opportunity. He comes to WSOS from his alma mater, where he served as the sole Advancement Officer, closing gifts from \$25,000-\$1,000,000. While in college, Mc Erl worked in the same office where he was the student lead providing support for all advancement staff and projects. Mc Erl brings a wealth of knowledge in many aspects of advancement and is excited to work at WSOS

Jacque Clinton (she/her) joined the Development team as Corporate Partnerships Manager on September 3. She started her education career as a program manager and instructor at Highline College, where she helped students navigate transfers and apply for scholarships. For the last seven years, she's worked in edtech, developing programs and partnerships for the nonprofit Khan Academy and for Adobe's Education team. She is excited to join the WSOS team.

Madylin Lai (she/her) joined the Development team as the Digital Media & Design Officer on June 17. Madylin has a strong background in digital media, brand strategy, design, and marketing! Over the past few years, she has been working as a digital marketing manager at an agency, and she volunteers for the nonprofit BobaTalks. She is excited to join WSOS to help address the talent shortage in Washington state through scholarships and support services for high-potential students.

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

**Program Update**

# F&I MEMBER RECRUITMENT

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# RECRUITING NEW MEMBERS: Who we're looking for

**From our Charter:** “The Committee and its Chair will be appointed by the Board. It will be composed of no less than seven (7) members, including at least one (1) member of the WSOS Program Board and one (1) member of the WSOS Foundation Board. Remaining committee members shall be selected from **individuals in the regional business and governmental communities that evidence some combination of investment, finance, legal, accounting, banking, non-profit governance, and higher education experience.**”

- *Discussed March 2024 that we had seven members and wanted to add 2 by September meeting.*



# WELCOME!

## MATT WANG

Pioneer Square Labs

PRINCIPAL



Matt's bio can be found in your pre-read materials from June.

# PROPOSED COMMITTEE MEMBER

## KENDRA MATHIAS

Alexa & AGI Finance at Amazon  
SENIOR FINANCE MANAGER



Kendra's bio can be found in your pre-read materials.



## **Kendra Ruth Mathias**

### *Professional Bio:*

Kendra Mathias is a Senior Finance Manager at Amazon in Seattle, Washington. As a Senior Finance Manager on the Alexa Finance team she is responsible for a team that manages the short and long-term financial planning of a multi-billion dollar business. She also maintains operating and business metrics related to Alexa while developing efficient and scalable financial processes. Kendra has over 18 years of corporate finance experience ranging from credit advisory roles to traditional financial planning and analysis roles.

Kendra was born and raised in New York City and has been in the Pacific Northwest for almost 6 years. She spends her time traveling (47 countries so far), building Lego sets and involving herself in volunteer matters related to STEM initiatives and Economic Empowerment. She recently endowed a scholarship at her alma mater (University at Albany – SUNY) to provide financial support for students pursuing STEM majors. Kendra graduated from the University of Chicago Booth School of Business with an MBA in Finance & Accounting. She received her Bachelors in Science in Mathematics from the University at Albany – SUNY in NY.

# REQUESTED COMMITTEE ACTION

- Vote to recommend Kendra Mathias for the F&I Committee to the WSOS Board.

# WSOS ED Search

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# WHERE WE LEFT OFF

- Board met with two candidates in late July but **made no offer**
- Delegated authority to Kimber to name an interim; approved she remain at full-time through end of December to support
  - Johnathan Luster, Managing Director of Impact, will step into this role September 1
- Asked the Search Committee to reconvene and recommend a path forward

# SEARCH COMMITTEE RECOMMENDATION

- **Engage a search firm** with corporate and out-of-state scope
  - Three firms approached for proposals
- **Launch a new search** with functionally the same job announcement but a revamped recruitment approach:
  - **High-touch recruitment for** top 10-20 candidates already identified
  - Search firm to **recruit corporate-to-nonprofit transitioners** and **out-of-state prospects**

# PROPOSED TIMELINE





# 501 COMMONS TO WSOSF TRANSITION

WASHINGTON STATE  
**OPPORTUNITY**  
SCHOLARSHIP

# HR, IT, Other Operations

- **Human Resources:**
  - Collapsed about two dozen separate policies into handbook & launched HRIS
  - Employee benefits secured with payroll testing ongoing
  - Engaged OneDigital with HR Generalist soon to be hired
- **Information Technology:**
  - Enhanced security measures in handbook requirements, VPN, cyber training
  - Engaged ExecuTech
- **Other Operations:**
  - 990 preparer identified, 990 filing extension to May 15 submitted
  - Registered as business in Washington and City of Seattle
  - All insurance secured and live as of 8/15
  - Contracts being transitioned

# Finance Transition Update

- **Stabilize and audit:**
  - Clark Nuber audit paused until completion of 501C's external audits for 2022 and 2023
  - Turning focus to building confidence in opening balance sheet
- **Design best-fit, ongoing systems:**
  - JP Morgan Chase Bank setup with multiple accounts (brokerage, WSOS, WSOSF)
  - Sage Intacct as WSOSF's ERP going live 9/1; finalizing testing in early September
  - Developing finance onboarding for all staff on new systems
- **One-time-only transition tasks:**
  - Final invoice to 501C for transition fees has been sent
  - Scholar Leads have been established for payment (W9 and ACH collection complete)
  - Colleges are completing enrollment process for payment
  - Corporate cards are delayed (likely to November); using a small number of prepaid cards and ACH

# DISCUSSION

- What **advice** do you have for us in building confidence in our opening balance sheet?