

WASHINGTON STATE OPPORTUNITY SCHOLARSHIP

BOARD MEETING AGENDA THURSDAY, MARCH 19, 2026 | 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: 558 650 827#. Meeting ID: 264 970 532 745 75.

To join in person: Microsoft Campus, Microsoft Building 2, Conference Room: Large 2/4.2C (20) CVP Private.

Meeting open to the public via conference line above.

I.	Meeting Called to Order		Brad Smith Board Chair	1:00pm
II.	Minutes from January 2026 Board Meeting • <i>Board Action: Approve minutes</i>	[Tab A]	Brad Smith Board Chair	1:00 - 1:05pm
III.	Welcome New Board Members • AyeNay Abye • Heather Kurtenbach	[Tab B]	Brad Smith	1:05 – 1:10pm
IV.	Mission Moment: Opportunity Scholar Story	[Tab C]	Sarah Miller Opportunity Scholar	1:10 - 1:20 pm
V.	Public Comment		Public	1:20 - 1:25pm
VI.	ED Corner • WSOS Org. Changes	[Tab D]	Isabel Munoz-Colon Executive Director	1:25 –1:40 pm
VII.	2026 Legislative Update	[Tab E]	Jessica Monger Director of External Affairs	1:40 - 1:55pm
VIII.	Finance & Program Administrator Update Board Action: • <i>Approve Reappointment of Jess Peet</i> • <i>Approve Updated Financial Policy & Procedures</i> • <i>Approve creation of Money Market Fund with JP Morgan Chase</i>	[Tab F]	Patrick Smith Finance & Investment Committee Chair Kimber Connors WSOSF ED Melissa O’Keefe Comptroller	1:55 – 2:10pm
IX.	Five-Year Strategic Plan & Implementation Planning Next Steps Board Action: • <i>Approve Strategic Priorities in the Theory of Action</i>	[Tab G]	Isabel Muñoz-Colón Executive Director Johnathan Luster Deputy Director Kelly Kovacic Duran EdFirst	2:10 – 2:50pm
X.	Closing		Brad Smith Board Chair	3:00pm

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

Upcoming Board Meetings

Q2 2026 – Tuesday, June 23, 2026
Q3 2026 – Wednesday, September 30, 2026
Q4 2026 – Wednesday, January 13, 2027

Attending in-person? Check in at the front desk to get a nametag and give them your license plate number.

Tab A

Minutes from 1.13.2026 Board Meeting

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING
TUESDAY, JANUARY 13, 2026, 1:00 P.M. – 3:00 P.M., MICROSOFT TEAMS AND MICROSOFT CAMPUS
MEETING MINUTES**

The Washington State Opportunity Scholarship (WSOS) Board of Directors convened on January 13, 2026, via Microsoft Teams and the Microsoft campus. At least 24 hours in advance, the meeting was posted on the WSOS website for public viewing.

Board members present: Jane Park (Acting Chair), Scott Armstrong, Miller Adams, Patrick Smith, Julie Sandler, Beth Johnson, Ihssane Mounir

Additional attendees: Jolenta Coleman-Bush, Jane Broom, John Clark, CC Ahrens, Kelly Kovacic-Duran, Adam Brumer, Johnathan Luster, Grace Park, Lyanne O'Connell, Tiffany Reese, Hayley Schaefer, Jessica Monger, Jacob Smithers, Camille Reynaud, Melissa O'Keefe, Lisa Magennis, and various other WSOS staff audience members via Teams

Meeting Called to Order

Jane Park, the Acting Board Chair, welcomed everyone and called the Board meeting to order at 1:03 p.m. Quorum was established with seven Board members.

Approval of Minutes

Jane Park, the Acting Board Chair, highlighted the first order of business, the approval of meeting minutes. Miller Adams moved to approve the minutes of the September 10, 2025, Board meeting. Patrick Smith seconded the motion, which was carried unanimously.

Mission Moment

Hayley Schaefer, Associate Program Director, introduced CC Ahrens, a senior at the University of Washington, where they are double majoring in mathematics and computer science. Ahrens shared that they applied to WSOS during their senior year of high school. Ahrens explained that they participated in a high school robotics team and knew early on that they wanted to pursue a career in STEM. Ahrens described beginning their undergraduate studies as an undecided student while exploring interests in science and technology. Through WSOS, they were connected early to advising and student mentoring resources of the WSOS, including guidance on academic and professional pathways. After being accepted into a computer science and mathematics major, Ahrens continued to engage with WSOS on career support, including résumé refinement and interview preparation. Ahrens highlighted a pivotal experience during their second year when they participated in a WSOS-hosted webinar in partnership with Nintendo. The session introduced them to internship opportunities and broadened their understanding of career pathways beyond the scholarship itself. Although the webinar was primarily intended for upper-class students, the experience encouraged Ahrens to plan and remain actively engaged in WSOS professional development opportunities. As Ahrens progressed academically, they discovered a strong interest in supporting fellow students and applied to become a Scholar Lead. In this role, Ahrens worked closely with other WSOS Scholars, providing peer support, answering questions, and learning from Scholars across a wide range of institutions and disciplines. Ahrens also benefited from mentorship through WSOS, including extensive preparation for technical interviews—an area they had previously found challenging.

Ahrens shared that in 2025 they were selected for a highly competitive internship opportunity at Nintendo. They noted that only two WSOS Scholars were selected among the 20 internship positions available from approximately 29,000 applicants nationwide. Given that WSOS serves fewer than 3,000 Scholars annually, Ahrens emphasized that this achievement highlights both the exceptional competitiveness of the internship and the strength of WSOS Scholars in a national applicant pool. Ahrens emphasized that WSOS support at every stage—career advising, professional development, mentorship, and financial assistance—played a critical role in their success. Ahrens also noted that the scholarship significantly reduced the financial stress associated with higher education, allowing them to focus more fully on academic and career growth. Ahrens returned for a second year as a Scholar Lead, describing the role as deeply rewarding, and expressed interest in continuing as a Scholar Leader after graduation if possible. They also shared their goal of returning to Nintendo in a full-time capacity following graduation. Ahrens concluded by expressing gratitude to the WSOS Board, staff, and broader community, stating that WSOS has been a profoundly impactful part of their undergraduate experience and that they would not be where they are today without the support of the program.

The floor was opened for questions for the Board members. R. Miller Adams asked about CC's plans for graduate school. CC shared plans to take a short break after graduation before pursuing a master's degree in computer science in the future. Jane Park asked about CC's longer-term career goals. CC stated an interest in working in the computer science industry while remaining involved in student support and mentorship, drawing on their experiences as a writing tutor and Scholar Lead. Jane Broom asked where CC attended high school and how CC became interested in math and computer science. CC shared that they grew up in White Salmon, Washington, and attended White Salmon High School. CC explained that early interest in science was influenced by their grandfather and later reinforced through participation in the school's robotics team, which became a formative experience and helped shape their academic pathway. CC noted that this experience led them to pursue computer science and later add mathematics as a major, sharing that mathematics courses ultimately became some of the most rewarding aspects of their academic experience. Jane Park thanked CC Ahrens for joining the meeting and sharing their story, and complimented Ahrens on their strong presentation skills.

Public Comment

Jane Park opened the meeting to the public comments. There were no comments from the public.

ED Corner Updates

Executive Director Isabel Muñoz-Colón welcomed the Board and presented her ED's Corner update, providing a high-level snapshot of program and advancement activities, recent progress, emerging challenges, and staffing updates. She shared that since beginning her role approximately seven months ago, a primary focus has been on external affairs and engagement, particularly cultivating new donor relationships and expanding WSOS visibility. While donor engagement remains a priority, she noted a strategic shift toward increased engagement with regional partners to elevate WSOS's presence statewide, highlighting upcoming engagements including participation with the Washington State Counselors Association. Muñoz-Colón also reported that while gift totals remain behind target, outreach to major and industry donors—particularly in the healthcare sector—has increased, supported by introductions from Scott Armstrong and Beth Johnson. She noted that recent donor engagement activities in Pierce County have resulted in follow-up conversations and expressed confidence that donor activity will increase later in the cycle, consistent with expected timing patterns including OpportunityTalks, annual fundraising event. Muñoz-Colón concluded with an operations update, sharing positive progress in strengthening organizational capacity. In response to stakeholder feedback emphasizing WSOS's data capabilities, the organization is moving forward with hiring a Principal Data Strategist to enhance data analysis and impact storytelling. She noted that Jessica Monger is

leading the recruitment effort on behalf of the WSOS Foundation and expressed enthusiasm for the role's potential to strengthen WSOS's ability to communicate outcomes and impact.

Muñoz-Colón highlighted several key wins for the quarter. She first noted progress related to the Career & Technical Scholarship (CTS) program. Following challenges discussed in prior meetings, a revised support model was implemented this year. Early data shows increased engagement and positive feedback from CTS Scholars, indicating the new approach is improving the student experience and support outcomes. Muñoz-Colón also highlighted the release of the 2025 Legislative Report, noting the extensive work led by Jessica Monger and the communications team to produce the most robust report to date. She shared that the report more clearly links WSOS's work to measurable impact and has been well received by legislators during recent outreach. Legislators particularly appreciated both the articulation of outcomes and the transparency around areas where WSOS plans to further strengthen programs to increase impact. Finally, Muñoz-Colón shared positive momentum in advancement and networking, noting strong progress on grant funding. She highlighted the successful award of a \$252,000 Murdoch Trust grant, crediting Kelly Stellrecht on the advancement team for sustained relationship-building over two years. The grant will support expanded alumni engagement efforts. Muñoz-Colón also expressed appreciation to Microsoft gift for continued partnership and support.

Muñoz-Colón discussed several challenges facing the organization. She noted a decline in engagement among BaS Scholars this year, which she previously mentioned in an earlier email. She shared that this trend is believed to be influenced by broader federal and state changes to financial aid, as well as disruptions students experienced during periods when social service offices were temporarily closed. As a result, the Awards and Programs team has seen a significant increase in student inquiries related to identifying alternative financial supports and services. Muñoz-Colón further noted that staffing reductions at some higher education institutions may be contributing to this increase, as students are turning to WSOS for guidance when campus-based support is less available. The Programs and Awards team is working in real time to adjust support strategies. She added that outcomes from the current legislative session may also impact student retention and debt reduction, and that staff will have greater clarity once legislative decisions are finalized.

Muñoz-Colón concluded by sharing a staffing update. While external visibility and advancement priorities remain strong, it has become clear that additional internal leadership support is needed to sustain day-to-day operations. She announced that Jonathan Luster will step into an expanded leadership role as Deputy Director. This role will enable the ED to focus on high level strategy and strengthen WSOS external visibility and relationships. The Deputy Director will lead the Scholar Services team, oversee leadership development, oversee day to day operation and strong coordination across all teams. Muñoz-Colón highlighted his deep commitment to staff development, noting that he will lead the Management Academy, and expressed confidence that his institutional knowledge and leadership will strengthen organizational operations. She thanked Luster and shared enthusiasm for this transition.

Miller Adams asked about the snapshot indicator related to Skills That Shine under the Programs section and raised questions about challenges related to Scholar engagement and what additional actions WSOS could take to better support students. Hayley Schaefer provided an update on recent program adjustments aimed at increasing flexibility and participation. She shared that WSOS typically launches its mentorship programming in October, but participation has been lower than anticipated. In response, the team recently launched Shine 2.0, a shorter and more flexible version of the program. The revised model is a three-month program, rather than the prior seven-month format, and opened for Scholar enrollment the previous week. Schaefer noted that the goal of the change is to better align with Scholars' current capacity and schedules, recognizing the need for increased flexibility. While outcomes are still forthcoming, the team will assess participation and engagement data to inform future mentorship

and career programming. Schaefer also noted that WSOS is hearing consistently—from peer organizations, conferences, and sector-wide conversations—that declining student engagement is a broader trend across the field. As a result, WSOS is exploring opportunities to deepen its focus on career services and workforce transition support, including strengthening skills-based programming to better prepare Scholars for entry into the workforce. Muñoz-Colón echoed this observation, noting that the decline in engagement is being experienced broadly across the sector and reinforcing the importance of continuing to adapt programming to meet students where they are.

Adams also asked clarification on Scholar Services teams – what teams would that include that Johnathan Luster would be over and Isabel Muñoz-Colón teams. Muñoz-Colón clarified that the teams for her would externally facing teams – External Affairs and Advancement, while Luster would be over Awards, and Programs.

Scott Armstrong asked about insights Muñoz-Colón has been hearing from prospective donors and how those conversations are informing the organization’s strategic planning work. Muñoz-Colón shared that, particularly among healthcare donors, there is growing interest in more defined or career-specific giving opportunities, such as support targeted to fields like behavioral health. While WSOS already serves Scholars in these areas, some donors expressed concern that the connection between their priorities and the scholarship outcomes is not always clear direct path to justify internal support within their organizations. Muñoz-Colón noted that these conversations will inform upcoming discussions with the Board as the program team explores potential adjustments to the awards model to both streamline operations and expand accessibility for a broader donor base. She cited examples from the Washington Student Achievement Council, which offers both broad-based grants and career-specific scholarships, as a possible reference point for future policy discussion. Armstrong responded by noting that many healthcare donors may not fully realize that approximately 50% of WSOS Scholars and graduates are entering healthcare fields, with many completing nursing degrees, and suggested that this data may resonate strongly with prospective partners. Muñoz-Colón agreed and added that this presents a significant opportunity, particularly with rural partners, to strengthen local healthcare pipelines. She noted that many regions are already investing in nursing workforce development and that WSOS may be well positioned to partner with those efforts to improve access and outcomes. Muñoz-Colón emphasized that while the opportunity is strong, it may require tailored engagement strategies to fully capture donor interest.

GRD Selection Updates

Tiffany Reese, GRD Program Manager, presented to the board of the GRD Selection Criteria. She stated that the criteria will not be changed but the Board is required to review the selection criteria annually. Reese provided background on the Graduate Scholarship, noting that the statutory intent is to increase the number of advanced healthcare professionals, specifically nurse practitioners, serving in rural and medically underserved communities. The program focuses on four eligible practitioner tracks: adult gerontology, pediatric nurse practitioners, family nurse practitioners, and psychiatric nurse practitioners, with emphasis on behavioral health and primary care. Reese explained that nurse practitioners were selected as a focus due to shorter training timelines, prescription authority, and cost effectiveness compared to medical doctors. Reese highlighted key distinctions of the Graduate Scholarship, including awards of up to \$25,000 in scholarship funding, an additional \$18,000 pool for preceptor stipends to support practicum placements in medically underserved or health professional shortage areas, and up to \$2,500 in travel stipends for Scholars required to travel more than 100 miles round trip to practicum sites. She shared outcomes from the most recent cohort 5, noting that 20 Scholars were selected, including four rural Scholars, with representation across 11 counties, the largest geographic spread to date. Reese concluded by affirming that the current selection criteria continue to effectively identify Scholars who intend to practice for at least

two years in underserved areas, are most likely to benefit from financial support, and demonstrate commitment to behavioral health and primary care.

Reese noted that upcoming changes to the federal loan program, effective July 1, include the elimination of Graduate PLUS loans and reduced maximum loan limits. She clarified that these changes will not impact Cohort 6, as selected students are already enrolled in graduate programs and will be grandfathered into existing loan limits for the next three years. Reese stated that staff will continue to monitor developments at the U.S. Department of Education and bring forward any recommended changes as part of the strategic planning process. During discussion, Armstrong expressed strong support for the program and asked whether existing relationships with clinical settings—such as federally qualified health centers or rural providers—are considered in the selection process, given their relevance to long-term workforce placement. Reese responded that this is assessed through applicant recommenders and essay responses, which are evaluated for demonstrated commitment and experience serving in medically underserved areas or health professional shortage areas. Adams also asked whether the eligible practitioner tracks remain the most relevant given evolving workforce needs. Reese confirmed that the current focus on primary care and behavioral health reflects areas of greatest and ongoing need, with approximately 60% of Scholars pursuing primary care and 40% behavioral health. She noted that while additional tracks—such as midwifery were discussed last year’s Board Meeting due to emerging needs in rural obstetric care, any expansion would be contingent on additional funding. In response to Gina Breukelman’s question regarding demand, Reese shared that the program typically selects 20 Scholars annually and received over 60 applications in the most recent cycle, reflecting growing awareness of the scholarship and continued unmet need. Beth Johnson also commented in response to Adam’s question and concurred that midwifery demands as well as dermatology in rural areas. Reese reiterated that there were no changes to the criteria and requested Board approval of the 2026 Graduate Scholarship Selection Criteria as presented.

Board Action:

Miller Adams made a motion to approve the 2026 Graduate Scholarship Selection Criteria as presented. Scott Armstrong seconded the motion. The motion was unanimously approved by the Board.

Legislative Report

Jessica Monger, Director of External Affairs, provided a legislative update highlighting WSOS’s statewide reach and impact. She shared that WSOS currently serves approximately 5,500 Scholars across every legislative district and county in Washington and has supported more than 12,000 graduates to date. Demographics remain consistent, with more than half of Scholars identifying as women, approximately two-thirds as first-generation college students, and roughly two-thirds as students of color. By the end of the current academic year, WSOS will have distributed approximately \$186 million in scholarships. Monger also highlighted strong alumni retention outcomes, noting that nine in ten alumni remain in Washington State and approximately 75 percent continue to live in the same county in which they applied.

Monger encouraged Board members to review the annual Legislative Report, published each December and shared with legislators and key committees. She highlighted outcomes data drawn from both the Education Research Data Center (ERDC) and a recent alumni survey, which allowed WSOS to compare Scholar outcomes with multiple peer groups, including students in similar fields who were not WSOS Scholars and students who applied and were eligible but not selected. Early findings indicate that WSOS is meeting its affordability goals, with Scholars demonstrating lower unmet need and reduced loan burden compared to peers, confirming the scholarship model is functioning as intended. Monger noted areas requiring deeper analysis. While affordability outcomes are strong overall, disparities emerge when data are disaggregated by geography and income. Rural Scholars experience

higher costs, and Scholars from the lowest-income households show higher unmet financial need. She emphasized that these findings are based on early cohort data and that further longitudinal analysis is needed to understand impacts on persistence, completion, and credential attainment.

Monger concluded by highlighting strong graduation and labor-market outcomes for BaS Scholars. WSOS Scholars complete degrees at higher and faster rates than peers, are more likely to graduate in high-demand fields, and experience strong employment outcomes—primarily in STEM and healthcare—with many pursuing additional credentials to support long-term career mobility. The Board discussed emerging questions in the data, including why some Scholars do not complete high-demand credentials and how outcomes vary by program, geography, income, and demographics. Monger noted that observed labor-market disparities by gender, race/ethnicity, and first-generation status mirror broader systemic trends, underscoring the need for deeper analysis. She added that improved access to integrated ERDC data will support more refined evaluation and better inform future program and policy decisions.

Monger emphasized the importance of understanding rising student costs and, more critically, how those costs affect persistence and completion. Key questions include whether higher costs contribute to increased stop-out, greater work hours, reduced course loads, or extended time to completion. While further analysis is needed, Monger noted it was encouraging to see more consistent costs across the CTS program compared with BaS, along with stronger affordability outcomes for rural Scholars.

Graduation findings were more mixed. CTS Scholars continue to complete credentials faster than peers, though the gap is narrower than in BaS. High-demand credential completion rates were similar for CTS Scholars and peers at approximately 90 percent, reflecting the workforce-aligned nature of the community and technical college system. Monger noted that future analysis will focus on appropriate benchmarks and understanding outcomes for the 10 percent of students who do not complete high-demand credentials. Monger highlighted strong credential-completion outcomes within the CTS program, noting that 87 percent of CTS Scholars who completed a credential did so within two years of receiving WSOS support. While many Scholars were already enrolled at the time of award, this outcome remains notable when viewed alongside the national two-year graduation rate of approximately 39 percent for community and technical college students. Monger emphasized that the most significant area for further investigation is the 37 percent of CTS Scholars who do not complete a credential. Understanding where and why these students exit the pathway, and identifying opportunities for earlier intervention, was identified as a priority given otherwise strong high-demand credential attainment.

Adams asked for clarification regarding the relationship between the 87 percent completion figure and the national two-year graduation rate. Monger explained that the figures are not directly comparable. The 87 percent reflects the share of CTS Scholars who completed the credential for which they applied within two years of WSOS selection, measuring time since WSOS funding rather than time since initial college enrollment. By contrast, the national 39 percent reflects the overall proportion of community and technical college students who complete any credential, regardless of timing or program alignment. Monger further clarified that approximately 63 percent of CTS Scholars complete a credential overall. Of that group, 87 percent complete within two years of WSOS selection, while 13 percent take longer than two years. The remaining 37 percent do not complete a credential on any observed timeline.

In discussing potential drivers of non-completion, Lyanne O'Connell noted that some CTS Scholars disengage after deciding to change majors. In several cases, Scholars begin in CTS-supported programs and later determine—often through advising or peer engagement—that they wish to pursue a bachelor's degree instead. It was noted that there

is currently no formal pathway for CTS Scholars to transition directly into the BaS program, and this gap may warrant further exploration as part of future program refinement.

Monger concluded by emphasizing that the national comparison provides important context, underscoring that CTS outcomes significantly outperform national norms. Nevertheless, the central focus remains on better understanding the experiences of the 37 percent of Scholars who do not complete and identifying strategies to improve persistence and completion. Monger shared positive outcomes for Career & Technical Scholarship (CTS) Scholars, noting high employment rates, with approximately 63% working in healthcare based on alumni survey data. A significant portion of CTS alumni have earned, are pursuing, or plan to pursue additional credentials. Employment outcomes are strongly community-based, with 87% of CTS alumni living in the same county where they applied, reflecting alignment between local training pathways and local workforce needs. Monger also highlighted areas requiring further analysis. Peer comparison data shows that non-selected peers are earning more than CTS Scholars, even when limiting comparisons to degree-seeking students. Staff noted that selected CTS Scholars are more likely to be first-generation and lower-income students, which may affect early wage outcomes due to differences in social capital, job access, and salary negotiation, particularly given the short timeframe since program completion.

The Board discussions emphasized the importance of deeper analysis and exploring programmatic strategies to mitigate these disparities through enhanced career support and employer connections. Gina Breukelman raised questions about how to interpret peer wage comparisons, noting that some peer students, particularly those enrolled in community colleges—may already be employed, earning higher wages, or returning workers who are advancing credentials while remaining in the workforce. She asked whether this could influence wage comparisons and how WSOS might account for those dynamics while continuing to support upward mobility for Scholars. Monger stated that they would have to apply to WSOS and we don't take those with prior degrees.

Monger noted that these are important questions that will require deeper longitudinal analysis as additional data becomes available. As more cohorts reach three-, five- and later-year post-completion milestones, WSOS expects to gain clearer insight into wage progression and long-term outcomes. Muñoz-Colón emphasized that the forthcoming Principal Data Strategist role will be critical in developing and testing hypotheses, integrating research with program data, and informing strategies to strengthen Scholar support and workforce connections over time.

Monger summarized key learnings from the CTS program, noting strong performance in affordability, credential attainment, early employment outcomes, continued education, and retention of Scholars within Washington—particularly in their home counties. She emphasized the importance of closely monitoring rising unmet need and out-of-pocket costs, and of better understanding affordability thresholds at which increased financial burden may lead to reduced course loads, slower progress, or delayed credential attainment. She also noted the need to further analyze differences between CTS Scholars and peer groups as additional data becomes available.

Monger outlined next steps, highlighting the planned hiring of a Principal Data Strategist to lead deeper analysis and interpretation of outcomes data. She noted that this role will significantly strengthen WSOS's internal capacity to conduct timely, rigorous analysis and to translate findings into clear insights for policymakers, donors, and partners. Monger expressed optimism that this investment will position WSOS as a sector leader in data-driven decision-making and enable more effective advocacy and program refinement in support of Scholars and the broader postsecondary ecosystem.

Monger also presented on the Legislative current session that started yesterday. This session is expected to be a challenging short session amid a projected state budget deficit estimated between \$2 and \$4 billion. She shared

that, despite overall revenue growth, spending commitments continue to outpace resources, placing pressure on the state budget. Higher education remains particularly vulnerable, as it lacks the same statutory protection as other budget areas and is often targeted for reductions during constrained sessions.

Monger reported that WSOS did not receive the requested \$2.2 million in the Governor's proposed budget. This funding relates to a FY2023 gift that, due to a prior timing issue, did not receive an automatic state match. While its exclusion from the Governor's budget represents an early setback, Monger noted that advocacy efforts are ongoing as the House and Senate develop their budgets in the coming weeks.

On a positive note, Monger highlighted that the Legislative Report and executive summary have been effective tools for building legislative support. Meetings in Olympia have been productive, with strong interest and encouragement from legislators to continue pursuing the \$2.2 million request. She shared that ongoing engagement—supported by Executive Director Isabel Muñoz-Colón's leadership and WSOS's strong data-driven narrative—has helped legislators better understand WSOS's value and impact. Monger indicated she will continue spending significant time in Olympia and will keep the Board informed as the session progresses.

Adams asked who this primary audience for our \$2.2 Million request. Monger responded that engagement is needed across multiple audiences, including the Governor's Office, House and Senate Higher Education Committees, and budget leaders in both chambers. While inclusion in the Governor's budget would have established a strong baseline, Monger noted that continued conversations with the Governor's policy staff remain important, as they play a role in ongoing budget negotiations. Legislative leaders have acknowledged that the state has not yet fulfilled this commitment and expressed concern about the message this sends to industry partners. Adams asked whether key legislative and budget contacts had been identified and shared with the Board. Monger indicated that while initial outreach has occurred, a more targeted list of priority contacts can be shared as the session progresses. Board members concurred & expressed willingness to support advocacy efforts through constituent relationships and existing connections and encouraged staff to provide a list of priority legislators and decision-makers to enable coordinated and appropriate outreach. Monger welcomed this support, noting that repeated, consistent messaging from multiple trusted voices will be especially important during this challenging legislative session.

Monger proposed an expansion of WSOS's legislative priorities in response to the current legislative landscape, specifically to allow WSOS to engage on financial aid–related policies that have a direct impact on Scholars. She highlighted the Washington College Grant (WCG) as a timely example. WCG is a need-based entitlement grant relied upon by many WSOS Scholars; however, beginning next year, award amounts for students attending independent colleges in Washington are scheduled to decrease. This change affects a portion of WSOS Scholars who depend on both WSOS funding and WCG to meet college costs. A bill to restore WCG awards for these students is already scheduled for a hearing, underscoring the immediacy of the issue.

Monger explained that WSOS is seeking Board approval to respond to legislation of this nature—financial aid policies with direct and material impacts on Scholars—during the current session. She noted that, while this request is intentionally narrow, leadership recognizes the need for a more formal advocacy framework. Staff plan to return to the Board ahead of the next legislative session with a clearly defined policy framework outlining the scope and boundaries of WSOS's legislative engagement, reducing the need for ad hoc approvals in the future.

Board Action:

Miller Adams made the motion to approve an expansion of WSOS's legislative priorities to include engagement on financial aid-related policies that directly affect Scholars. Scott Armstrong seconded the motion. The motion was unanimously approved by the Board.

Five Year Strategic Planning Update

Jonathan Luster provided an introduction and invited Kelly Kovacic-Duran from EducationFirst to share an update, noting continued progress following earlier discussions and related strategic planning efforts. Kovacic-Duran acknowledged her colleague, Adam Brumer, who joined the meeting online and contributed to the work, though she led the update in person. Kovacic-Duran shared an update on the strategic planning process, focusing on a draft Theory of Action as previously promised to the Board. She explained that, following recent coffee chats and Board input, the team refined the problem statement and impact statement and developed a draft set of outcomes and strategic priorities needed to achieve those outcomes. She emphasized that the purpose of the discussion was not detailed wordsmithing, but rather to gather Board feedback on whether the overall storyline is clear, whether it provides a useful framework for decision-making, and whether it addresses the key questions and priorities the Board has raised throughout the process.

She noted that Board feedback from this discussion will directly inform an upcoming full-day workshopping session later in the week, where the team will further refine short-term outcomes and performance targets. The intent is to ensure alignment between strategy, implementation, and measurable impact as the organization moves into the next phase of planning. Kovacic-Duran shared that she would conclude with a short look ahead to what the Board can expect at the March meeting, when the fully developed strategic plan will be presented. She confirmed with leadership that the agenda timing remained on track. She reviewed the strategic planning timeline, noting that the work is progressing as planned and on schedule. As outlined, the team's goal for the current meeting was to present a fully developed draft Theory of Action, with the complete strategic plan to be brought forward in March. She reminded the Board that the strategic plan is intended to function as both a decision-making tool and a logic model, helping the organization clarify intended outcomes and navigate key trade-offs over the next five years. While the plan will not answer every question, it is designed to provide a clear strategic framework to support future decisions by both the Board and staff.

Kovacic-Duran also emphasized the breadth of stakeholder engagement informing the plan, including feedback from Board members, more than 50 stakeholders, and multiple focus groups. She noted that insights from the Legislative Report have been incorporated in real time, aligning strategic priorities with policy considerations and emerging external conditions. She concluded by underscoring that the strategic planning process is being closely integrated with the organization's ongoing operational work to ensure continuity and alignment as WSOS moves forward. Kovacic-Duran highlighted several themes that emerged from Board coffee chats and materially informed revisions to the problem statement, intended impact, and strategic priorities. She emphasized the importance of employer engagement, including increasing visibility with employers and clearly articulating the return on investment for partners supporting WSOS outcomes. Board input also reinforced the need to clarify what "scale" and "growth" mean for WSOS, with the strategic plan serving as a tool to define how and where the organization should expand impact. Durable skills and credentials were identified as critical priorities, reflected in the Theory of Action through explicit focus on durable skills, social capital, and workforce readiness—insights strongly echoed by both employer and Scholar feedback. Financial sustainability was underscored as essential, with Board members expressing a desire to see it more prominently elevated within the Theory of Action and strategic priorities. Kovacic-Duran also noted the importance of anchoring on WSOS's core strengths, being explicit about where the organization can have the greatest impact, while also recognizing areas it may influence but not own. Finally, she emphasized the need for

agility and responsiveness, noting that short-term outcomes are being designed to allow WSOS to assess progress early and adjust strategies as needed, rather than waiting multiple years to course-correct.

Kovacic-Duran introduced the draft Theory of Action, noting that Board members who participated in coffee chats had seen earlier versions of the problem and impact statements. She emphasized that revisions reflect Board feedback, particularly the explicit inclusion of durable skills and credentials, a clearer emphasis on economic mobility, and the elevated role of employers. Newly presented elements included defined strategic priorities and long-term outcomes intended to guide WSOS's work over the next five years. She briefly reviewed the six strategic priorities. These include aligning scholarships with industry, community, and statewide workforce needs; strengthening Scholar and alumni success from enrollment through employment, particularly during transition points; deepening employer engagement and regional partnerships; advising system-level leaders without assuming ownership of broader systems change; ensuring long-term financial sustainability of the public-private investment model; and strengthening internal organizational capacity, including maintaining WSOS as a preferred workplace and building data and operational capabilities necessary for execution. Kovacic-Duran concluded by referencing the intermediate outcomes outlined in the Theory of Action logic model, which serve as indicators of progress toward the five-year outcomes. She noted that upcoming work sessions will further clarify which outcomes WSOS directly owns versus influences and establish corresponding targets. This framework will guide refinement of the full strategic plan, which will be presented at the March meeting.

Kovacic-Duran opened the floor to questions, and discussions. The Board engaged in discussion regarding the draft Theory of Action, particularly the balance between WSOS's student-centered mission and its engagement with employers and system partners. Board members affirmed the framing of WSOS as a participant in broader systems change while cautioning against mission drift or overextension. Emphasis was placed on ensuring that advisory and systems-level work clearly advances WSOS's core goals and delivers tangible value to Scholars and the organization. Board members raised thoughtful questions about the "twin focus" on students and employers, noting potential trade-offs in messaging, strategy, and execution. The discussion acknowledged that while Scholars remain the central focus and North Star of WSOS's impact, employers and the state are critical partners in achieving long-term economic mobility outcomes. Several members observed that the draft strategy appropriately centers students while incorporating employer engagement to strengthen career pathways, workforce alignment, and financial sustainability. Kovacic-Duran and staff responded that the intent of the strategic plan is not to prioritize one audience over another, but to strike the right balance—ensuring WSOS remains focused, credible, and executable. Staff emphasized that WSOS's direct work with Scholars is a core strength that underpins its value to employers and policymakers alike. The discussion concluded with general affirmation that the Theory of Action reflects prior Board input, presents a coherent narrative, and provides a strong framework for guiding future decisions, with further refinement to continue as the strategic planning process advances. Kovacic-Duran thanked the Board for its time and input.

Finance & Program Administrator (PA) Update

Patrick Smith introduced Kimber Connors, WSOSF ED and Melissa O'Keefe to present the Finance and Program Administrator update. Connors presented the WSOSF Highlights. On the human resources side, she thanked Amy Crane for successfully rolling out the market compensation survey and related salary adjustments, which were approved by the Board as part of the summer budget and implemented in the fall. Connors also noted the completion of open enrollment, acknowledging challenges in the current insurance market and sharing that the organization was able to preserve comprehensive employee benefits while managing cost increases.

Connors then shared updates from the IT and Data & Systems teams, highlighting implementation of the \$1.5 million Ballmer Group grant. Key activities include a full IT and cybersecurity assessment conducted by Dynamic Computing to strengthen security posture, pilot use of Microsoft Copilot with a small internal group to explore efficiency gains, and continued investment in data capacity. She reiterated the organization's commitment to strengthening data and systems infrastructure, including the addition of a data strategist role on the program side, as previously discussed. Connors noted that, pursuant to the Foundation's bylaws, the Board holds final authority over appointments to the WSOS Foundation Board. She shared that Jolenta Coleman-Bush and Gina Breukelman, who initially joined the Foundation Board for shorter terms, have agreed to renew their service for full three-year terms. Connors requested Board approval to reappoint both members.

Board Action:

Patrick Smith motioned to approve the reappointment of Jolenta Coleman-Bush and Gina Breukelman to the WSOS Foundation Board for new three-year terms. Julie Sandler seconded the motion. The motion was unanimously passed.

Melissa O'Keefe provided a financial update, noting that WSOS remains in a strong financial position. She shared that implementation of the new reimbursement model has resulted in fewer refunds, more timely data, and improved process efficiency, with continued refinement underway. Revenue performance in the first quarter was strong, with the organization keeping pace with the state match and investment income exceeding budget projections. O'Keefe reviewed budget-to-actuals, highlighting that Renton and the Tukwila Promise funds were received over the summer following significant coordination efforts. She noted that WSOS now claims to state match monthly rather than on a delayed cycle, improving cash flow and predictability. Investment income continues to outperform conservative budget assumptions, contributing to a favorable revenue position. On the expense side, O'Keefe explained that variances in salaries and benefits reflect payroll timing and recently added roles, which are supported by new revenue sources. The largest variance relates to scholarship expenses, as reimbursements now occur after census dates. As a result, first-quarter scholarship expenses were minimal, with the majority of costs expected to be realized in the second quarter. O'Keefe noted that the resulting net income is driven primarily by strong investment performance and the timing shift in scholarship disbursements.

O'Keefe reviewed the balance sheet, noting that each biennium includes a revenue and liability offset reflecting funds held by the Washington Student Achievement Council (WSAC) on behalf of WSOS. The new biennium balance and related receivables are reflected on the balance sheet. She highlighted a notable increase in cash from the prior quarter, attributable to the receipt of several receivables during the first quarter. Overall, O'Keefe reported that the balance sheet remains strong, with receivables coming in as expected and investment performance continuing to exceed projections. O'Keefe then reviewed the cash flow statement from inception to date, emphasizing its value in illustrating both short- and long-term financial impacts of WSOS. She encouraged Board members to review the ledger report, noting that it provides an accessible and comprehensive view of organizational financial activity over time.

Patrick Smith, F&I Committee Chair, provided an update on the fiscal year 2024–2025 audit, reporting that the Finance & Investment Committee received the audit results from Clark Nuber at its recent meeting. The audit resulted in a clean opinion, with positive feedback from the auditors. Smith noted that this audit assumed the accuracy of opening balances transferred from the prior program administrator, 501 Commons. Two audits from the 501 Commons period remain outstanding, and updates are pending, as WSOS is not the audited entity for that time frame. Smith commended staff for successfully completing the audit, noting it as a significant accomplishment for the Foundation's finance team and leadership.

Jane Park, Acting Board Chair, announced the conclusion of the public session and the Board's transition into Executive Session.

Executive Session: At 2:54 p.m., Jane Park, Acting Board Chair announced that the Board was going into the Executive Session to consider legal and litigation matters. The open meeting was reconvened at 3:10 p.m., and no formal action was taken. The Board meeting adjourned at 3:10 p.m.

Respectfully submitted,

Grace Park

DRAFT

Tab B

Welcome New Board Members

WELCOME NEW BOARD MEMBERS

AYENAY ABYE, MPA

- CEO of Tubman Center for Health and Freedom
- Has led community organizing efforts for more than two decades
- Previous roles:
 - Deputy Director, Seattle University Center for Community Engagement
 - National Field Director, Praxis Project



HEATHER KURTENBACH

- Executive Secretary, Washington State Building and Construction Trades Council
- Began her career in the construction industry as an ironworker in 2005
- Previous roles: Political Director, Iron Workers Local 86



Tab C

Mission Moment

MISSION MOMENT

MISSION MOMENT: Scholar Spotlight



Sarah Miller

Network Operations and Systems Security
Clover Park Technical College

SCHOLAR SPOTLIGHT



SARAH MILLER

**Network Operations and Systems Security
Clover Park Technical College**

ABOUT SARAH

Sarah is a recent graduate of the Computer Science program at Clover Park Technical College in Lakewood, Washington. Originally from Southern California, Sarah faced significant financial barriers that delayed her path to higher education. After more than a decade working minimum-wage jobs and navigating major life changes, including relocating to Washington as a single parent, she returned to school to invest in her future. While at Clover Park, Sarah embraced leadership and professional development opportunities, serving as a tutor, student club leader, and eventually a CTS Scholar Lead which she's now done for four years. Shortly after graduating, she secured a role as an IT Support Technician with the Washington State Liquor and Cannabis Board before transitioning into a Support Specialist for a family-owned wholesale restaurant equipment company. Sarah remains passionate about mentorship and helping other scholars, particularly women entering STEM to build networks, access resources, and navigate their educational and career journeys.

IN HER OWN WORDS

"The program helped me complete my degree and start my career. This was the key I needed to help me build a stable future for my family. Thank you WSOS!"

Tab D

ED Corner

ED CORNER

WSOS Q1 UPDATE

Isabel Muñoz-Colón
Executive Director

THEORY OF CHANGE | Scholarships + Continuum of Support Services

Intended Impact #1

Earn a post-secondary credential in a high-demand STEM, health care or trade field

Intended Impact #2

Gain employment in the field of study in WA state within nine months of graduation

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

STRATEGIC PRIORITIES

**Design
scalable,
statewide
programs**

**Build the
brand**

**Fund to
2030**

**Be a
preferred
workplace**

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

AY25-26 LEADING INDICATORS

<p>Ensure scalable, statewide scholarship accessibility and financial aid impact</p> <p>AWARDS</p>	<p>Ensure scalable, statewide support services</p> <p>PROGRAMS</p>	<p>Build awareness of the WSOS brand</p> <p>EXTERNAL AFFAIRS</p>	<p>Fund to 2030 and beyond</p> <p>DEVELOPMENT</p>	<p>Be a preferred workplace</p> <p>OPERATIONS</p>																
<p>75%, 87% and 75% of BaS, CTS and GRD applicants, respectively, are eligible</p>	<p>BaS: 90%, 90%, 70%, Y1-Y2-Y3-Y4 with 65% increasing CTS: 80% each quarter</p>	<p>At least 33 earned media pieces</p>	<p>\$7M with 20 \$25K to \$1M gifts secured</p>	<p>Regrettable separation rate below 15%; first year separation rate below 30%; average staff tenure of 28 months</p>																
<p>90% (85%) of BaS (CTS) Scholars renew; 65% of BaS Scholars increase on time</p>	<p>60% of historically excluded Scholars (based on race, income & rural location) participate in programming</p>	<p>Elevate WSOS thought partnership: 15 (7) engagements for ED (Directors)</p>	<p>At least 60 donors will be loyal (3+ years)</p>	<p>83% of staff agree: “I believe the work I do advances our mission”</p>																
<p>90% work fewer hours because of WSOS</p>	<p>60% participate in career resources</p>	<p>Social media audience size of 4,700 (FB), 4,000 (LI) and 2,000 (IG)</p>	<p>At least 45% donors will be retained</p>	<p>83% of staff agree: “I would recommend WSOS as a great place to work”</p>																
<p>90% attend full-time because of WSOS</p>	<p>90% report being more prepared</p>	<table border="1"> <thead> <tr> <th></th> <th>BaS</th> <th>CTS</th> <th>GRD</th> </tr> </thead> <tbody> <tr> <td>Total app</td> <td>2,550</td> <td>1,274</td> <td>40</td> </tr> <tr> <td>App grade 12</td> <td>1,025</td> <td>280</td> <td>N/A</td> </tr> <tr> <td>First-gen</td> <td>60%</td> <td>65%</td> <td>60%</td> </tr> </tbody> </table>		BaS	CTS	GRD	Total app	2,550	1,274	40	App grade 12	1,025	280	N/A	First-gen	60%	65%	60%	<p>100% retention of staff</p>	<p>83% of staff agree: “I would recommend my supervisor to future employees”</p>
	BaS	CTS	GRD																	
Total app	2,550	1,274	40																	
App grade 12	1,025	280	N/A																	
First-gen	60%	65%	60%																	

Today's Snapshot Q1 2026

<p>Ensure scalable, statewide scholarship accessibility and financial aid impact</p> <p>AWARDS</p>	<p>Ensure scalable, statewide support services</p> <p>PROGRAMS</p>	<p>Build awareness of the WSOS brand</p> <p>EXTERNAL AFFAIRS</p>	<p>Fund to 2030 and beyond</p> <p>DEVELOPMENT</p>	<p>Be a preferred workplace</p> <p>OPERATIONS</p>
<p>Improving eligibility of applicants:</p> <ul style="list-style-type: none"> BaS: Application improvements focused on eligibility clarity CTS: Enhanced eligibility messaging for CTS applicants GRD: Improving readiness and eligibility, reducing incomplete applications <p>★★★☆☆</p>	<p>Improving persistence:</p> <ul style="list-style-type: none"> BaS Scholar Lead engagement continues to lag CTS Scholar Lead engagement is high Planning for next academic year underway <p>★★★☆☆</p>	<p>Media coverage/speaking engagements:</p> <ul style="list-style-type: none"> Media mentions and leadership appearances on track to reach AY goal 10+ more ED appearances needed to reach target by end of June <p>★★★☆☆</p>	<p>Campaign revenue:</p> <ul style="list-style-type: none"> \$2.6M (\$7M goal) AY26 raised to date brings campaign total to \$49M \$215k renewal from BECU Foundation <p>★★☆☆☆</p>	<p>HR and culture enhancements:</p> <ul style="list-style-type: none"> Headcount: 37 Open: 1 New hires last Q: 2 Launched a new HRIS-integrated training module Improving talent calibration process (real-time and future-forward) <p>★★★☆☆</p>
<p>Successfully completing increase and renewal processes:</p> <ul style="list-style-type: none"> Partner with Programs and MarComms to communicate renewal deadlines and financial aid reminders <p>★★★★</p>	<p>Closing opportunity gaps:</p> <ul style="list-style-type: none"> Midyear survey data showed engagement below targets (60%) Opportunity Gap engagement mirrors overall engagement trends <p>★★☆☆☆</p>	<p>Social/owned media growth:</p> <ul style="list-style-type: none"> 4,586 Facebook followers (98% of goal) 3,637 LinkedIn followers (91% of goal) 1,836 Instagram followers (92% of goal) Total followers: 10,059 (94% of goal) <p>★★★★</p>	<p>Donor loyalty:</p> <ul style="list-style-type: none"> 12% donor retention (goal of 42%) 18 donors loyal YTD (goal is 60 by end of AY26) <p>★★★★☆</p>	<p>Finance:</p> <ul style="list-style-type: none"> Completing 990 Created financial policies and procedures with key updates for short-term investments Planning financial forecasting and budget tools <p>★★★★</p>
<p>Scholars attend school full-time and work less:</p> <ul style="list-style-type: none"> Migrate graduation survey to Caspio to increase survey completion before graduation <p>★★★★</p>	<p>Improving career outcomes:</p> <ul style="list-style-type: none"> Engagement in career programming broadly is on track to meet EOY goals Skills that Shine engagement is off track for BaS and CTS Over 1,000 active job board users <p>★★★☆☆</p>	<p>Scholarship promotion:</p> <ul style="list-style-type: none"> Surpassed BaS application goal by 1,000 applicants, highest total in five years, every county represented Prepping for CTS and GRD application opening, with a strong foundation laid for success <p>★★★★</p>	<p>Donor acquisition:</p> <ul style="list-style-type: none"> Some progress on major gifts: 9 in AY26 (goal is 20) ED held campaign event with Pierce County partners <p>★★★☆☆</p>	<p>IT and Data & Systems:</p> <ul style="list-style-type: none"> IT Audit complete. Overall positive with actionable roadmap Changing our IT MSP to Dynamic Computing Project to modernize our CRM is on time and on budget <p>★★★★</p>

KEY WINS OF THE QUARTER



- **BaS 2026 application cycle closed with over 3,500 applications**
 - 16% year-over-year increase with applicants from every county in the state
- **WSOS invited to partner with state agency partners on financial aid initiatives**
 - Strengthening our role as a trusted thought partner
- **Expanded CodePath partnership and participation in AI Career Navigation Datathon**
 - Advancing Scholar skill-building and informing evolution of Scholar support

CHALLENGES AND OPPORTUNITIES



- **Challenge:** BaS scholar participation in engagement continues to lag (Mid-year: 50% - End of Year Goal: 80%) with impacts on reaching targets for retention and career skill building
- **Opportunity:** Evolving engagement opportunities tailored to Scholars' needs now

- **Challenges:** Shifting priorities, changing relationships and budget constraints in corporate giving landscape
- **Opportunities:** Prioritizing longer-term partnerships for impact, expanding our partner base, increasing grant funding and philanthropy

STAFFING UPDATES



Principal Data Strategist – Trevor Gratz

- Responsible for advanced data analytics, interpreting findings, translating insights to diverse audiences, and supporting evidence-based storytelling
- Will be collaborating closely with Data and Systems Team
- Funded through Ballmer Grant

Senior Executive Assistant – Samantha Snively

- Responsible for providing support to ED; acting as liaison to WSOS Program, Foundation, and F&I members; managing cross-functional projects, office space and more

Alumni Engagement Manager

- Will build strategic statewide program, develop and implement career support programs for alumni post-graduation, and collaborate with advancement team on alumni giving
- Funded through Murdock Grant

Thank you, Camille!

- Three years of dedicated service advancing WSOS's fundraising and partnership work during a period of growth and transition.
- Care for people and mission, consistently leading with collaboration and commitment.



Tab E

2026 Legislative Update

LEGISLATIVE UPDATE

Jessica Monger
External Affairs Director

Progress made, no \$2.2M

2027 legislative priorities:

- Secure state match
- Secure outstanding FY23 state match of \$2.2M
- Act on financial aid policies with direct impact on Scholars

Foundation for future action

- **20+ meetings with Democratic and Republican legislators**
 - Secured a bipartisan sign-on letter
 - Penned an op-ed
 - Bi-partisan group of legislators negotiating tactics on our behalf
 - Engaged key decision makers, re-engaged champions
- **Effective, multi-prong approach** to replicate:
 - **Legal:** worked with counsel to outline the state's obligation and risks related to the match
 - **Policy:** Helped educate legislators on the technical mechanics of the match
 - **Impact:** Illustrated how uncertainty impacts Scholars, donors, program stability, and partners
 - **Outcomes:** Shared program results to build program buy-in, support, and connection back to their districts

Silver linings

- **Amended SB 5841 to include WSOS in High School & Beyond Plans**
 - Ensures more consistent statewide awareness of WSOS
 - Reduces reliance on ad-hoc outreach and individual relationships
- Supported ICW efforts **to restore WCG amounts**, which will help subset of Scholars
- Better positioned WSOS to pursue a legislative fix in 2027
 - Much **deeper champion base**
 - Issues are much more well understood by key legislators, budget leaders

Tab F

Finance & Program Administrator Update

Finance & Program Administrator Update

Data current to December 31, 2025

WSOSF — Highlights

- **Human Resources**

- Rolled out new compliance training
- Enhancing our talent calibration process

- **IT and Data & Systems**

- Implementing \$1.5M grant with key investments in data resources and technical infrastructure and cybersecurity including:
 - External IT/security assessment completed
 - Implementing recommendations
 - New MSP onboarding
 - Supported hiring of lead data role
 - Transition underway to combine Scholar and external partner data tracking into a single CRM

Streamlining Policies and Financial Planning

- **Compiled financial policies and procedures**
 - Improves clarity and consistency and allows for transparent updates
- **Short-term investment strategy**
 - Money Market fund for short-term investments that meet our short-term investment policies and goals and cash flow needs
- **Financial forecasting for cash flow, strategic planning, and budget preparation**
 - Collaborating with the program to identify and leverage our finances to implement our strategic plan

Budget-to-Actuals Trending Positively

Washington State Opportunity Scholarship

	Budget to Actuals 07/01/2025 - 12/31/2025				
	Annual Budget	YTD Budget	YTD Actual	Actual minus YTD Budget	
Revenues					
Private, Corporate, Foundation	6,245,000	2,606,000	4,721,448	2,115,448	
City - Promise			600,000	600,000	Renton and Tukwila Promise Pledges
State Match	6,245,000	4,445,000	5,901,577	1,456,577	Keeping pace with contributions*
Investment Income	2,602,200	1,301,100	6,668,812	5,367,712	Investments performing higher than budget
Total Revenue	12,490,000	7,051,000	11,223,024	9,539,736	
Program Expense					
Salaries and Benefits	3,846,487	1,920,634	1,790,378	(130,256)	Variance from timing of payroll cycles
Professional Fees - Program Administrator Fees	1,519,032	759,516	759,516	0	
Professional Fees - Contractors & Lobbying	499,504	246,052	237,862	(8,190)	
Conferences, Conventions & Meetings	151,970	33,290	30,037	(3,253)	
Operating Expense	513,122	228,433	185,697	(42,735)	
Scholarship Expense less refunds	18,972,422	12,823,349	6,373,798	(6,449,551)	Variance from timing of reimbursement model shift
Total Expenses					
Net Income (Loss)	(10,410,337)	(7,659,173)	8,514,548	16,173,721	

Balance Sheet – Strong LT Investments

Washington State Opportunity Scholarship

Balance Sheet as of December 31, 2025









	Quarter Ending	Quarter Ending		
	9/30/2025	12/31/2025	Period difference	
	Prior QTR	Current QTR	Period difference	
Assets				
Current Assets				
Cash and Cash Equivalents	8,050,068	7,791,449	(258,619)	
Unbilled State Match Revenue	6,787,664	4,006,014	(2,781,650)	Remaining from 25-27 biennium apportionment
Pledges Receivable	12,478,078	10,057,059	(2,421,019)	
Allowance for Doubtful Accounts	316,279	316,279	0	
Total Accounts Receivable, Net	18,949,463	13,746,794	(5,202,669)	
Prepaid Expenses	62,028	75,829	13,801	
Long-term Assets				
Equipment, Lease ROU	65,166	62,614	(2,553)	
Long Term Investments	110,168,297	112,292,521	2,124,225	Investments performing well over the last quarter
Total Assets	137,295,022	133,969,207	(3,325,815)	
Liabilities and Net Assets				
Liabilities				
Short-term Liabilities				
Accounts Payable	9,678	25,285	15,607	
Accrued Liabilities	103,458	113,685	10,226	
Deferred Revenue	6,787,664	4,006,013	(2,781,650)	Offset for unbilled state match
Long Term Liabilities				
Lease ROU	42,176	42,175	0	
Total Liabilities	6,942,975	4,187,159	(2,755,817)	
Net Assets				
Net Assets	121,268,499	121,267,499	0	
Change in Net Assets	9,083,547	8,514,548	(568,999)	
Total Liabilities and Net Assets	137,295,022	133,969,207	(3,325,815)	

WSOS Cash Flow – Inception to Now

31-Dec-25

	Inception to reporting Date		
	Scholarship	Endowment	Total
<u>CASH FLOW</u>			
Cash Inflow:			
Corporations	79,851,185		79,851,185
Foundations	31,472,995		31,472,995
Individuals	27,056,544		27,056,544
Other Private	1,738,910		1,738,910
State Match	138,998,465		138,998,465
State Implementation Funds	500,000		500,000
Investment Income*	49,781,686	10,024,868	59,806,554
Total Cash Inflows	329,399,785	10,024,868	339,424,653
Cash Outflow:			
Scholarships	171,213,812		171,213,812
Program Expenses	48,119,782	7,089	48,126,871
Total Cash Outflows	219,333,594	7,089	219,340,683
Net Change to Cash	110,066,191	10,017,779	120,083,970
<u>Composition of Net Cash Flow</u>			
Chase Checking Account	7,791,449	-	7,791,449
Investment Accounts at WSIB	102,274,742	10,017,779	112,292,521
Total	110,066,191	10,017,779	120,083,970

By the end of the 2025-26 academic year, WSOS will have disbursed more than **\$186 million** to Scholars across our scholarship programs.*

Baccalaureate Scholarship / BaS	 3,880 Current Scholars	 10,095 Graduates to Date
Career & Technical Scholarship / CTS	 1,592 Current Scholars	 2,159 Graduates to Date
Rural Jobs Initiative / RJI	 131 Current Scholars	 211 Graduates to Date
Graduate Degree Scholarship / GRD	 45 Current Scholars	 40 Graduates to Date

*Taken from this year's [Legislative Report](#) published Dec 1, 2025

Compiled Financial Policies and Procedures Approval

- **Changes**
 - **Supersedes all related financial and investment policies and requires annual review of any changes**
 - Allows for consistency and streamlines technical changes throughout our policies
 - **Creation of Money Market Investment Fund**
 - Current policies detail proper authority to make transactions but do not explicitly allow creation/opening a fund
 - Money Market Fund with JP Morgan Chase to optimize returns on operating cash flow

Requested Board Action

- Approve the updated Financial Policy & Procedures document.

Requested Board Action

- Approve the creation of the Money Market Fund with JP Morgan Chase.

Requested Board Action

- Vote to reappoint Jess Peet to the F&I Committee.

QUESTIONS?

Tab G

**Five-Year Strategic Plan & Implementation Planning
Next Steps**

FIVE YEAR STRATEGIC PLAN UPDATE

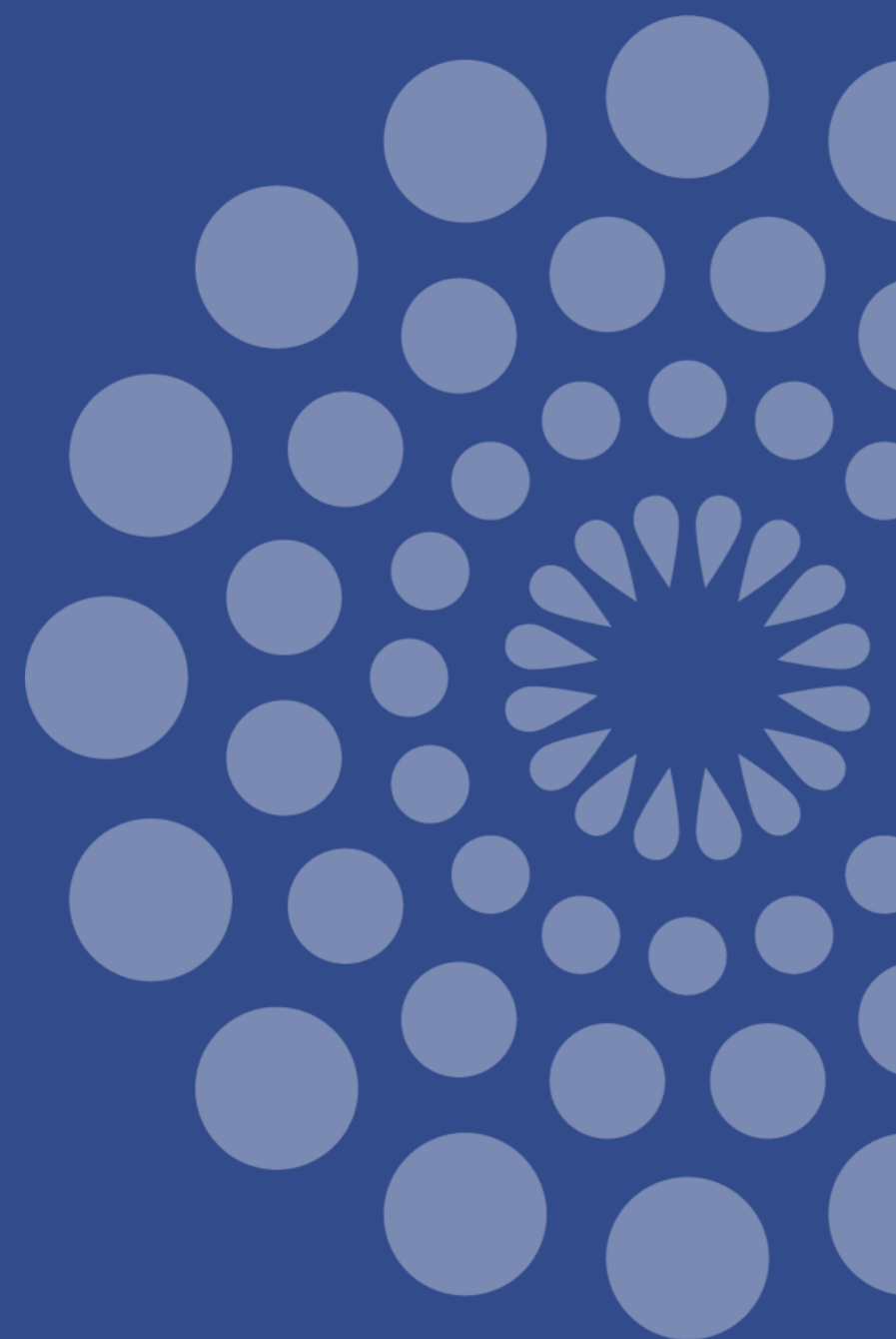
Isabel Muñoz-Colón
Executive Director

Johnathan Luster
Deputy Director



Board Updates and Discussion: WSOS Strategic Planning

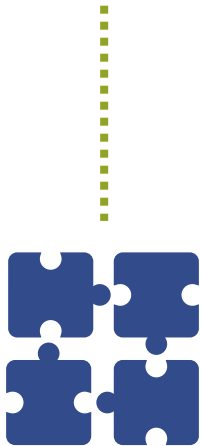
March 19, 2026



Today's Focus

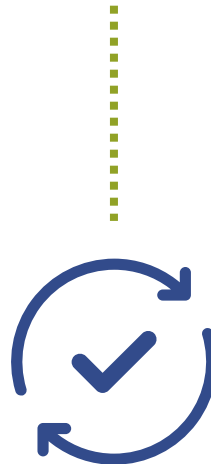
1

Theory of Action
and Scale



2

Strategic
Decisions Ahead



3

What Comes
Next



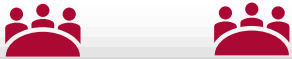
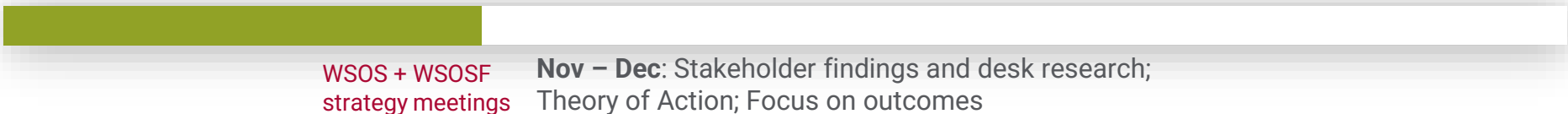
WSOS will finalize its strategic plan by the end of March, even as implementation planning has already begun

The months in orange indicate WSOS Board engagement

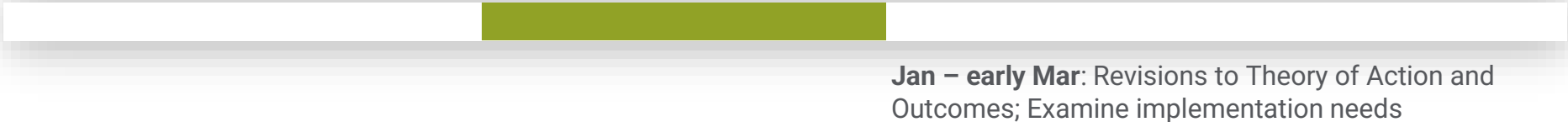


Consult with 50+ stakeholders throughout WA State and nationally – including scholars and alumni

PHASE I: RESEARCH & ENGAGEMENT



DRAFT 1: PARTIAL THEORY OF ACTION – RESULTS



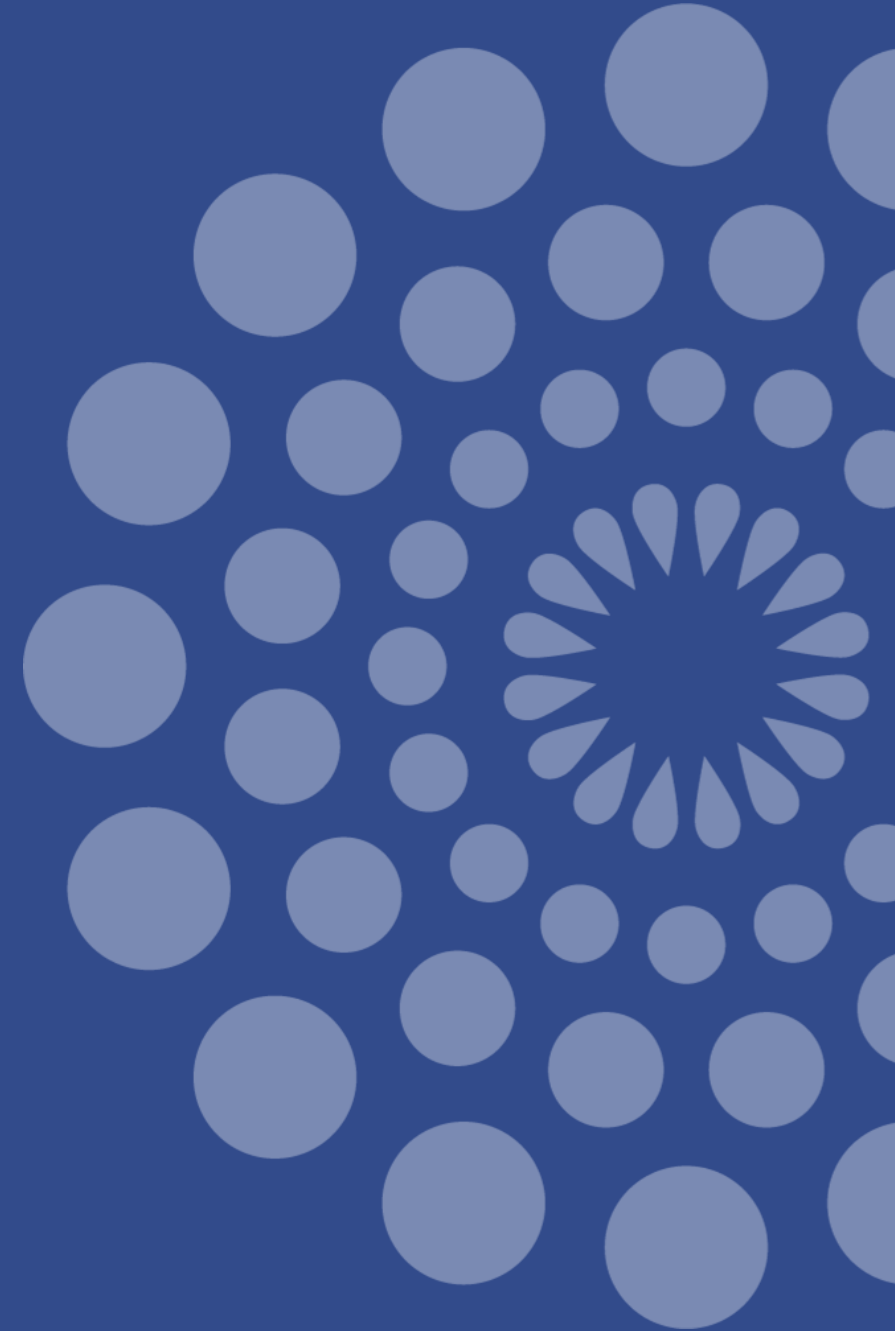
DRAFT 2: FULL THEORY OF ACTION + STRATEGIC OPTIONS



FINAL STRATEGIC PLAN & IMPLEMENTATION PLANNING



Theory of Action & Scale



With widening credential gaps and rising workforce demand, Washington's economic future depends on more students completing high-demand credentials and securing living-wage careers.

We **fuel** WA's Economic Engine

Overall,
we envision success
as:
**Scholars gaining
durable skills and
living-wage careers;**
**Employers accessing
needed talent; and**
**Washington's talent
system growing
stronger and more
responsive over time.**



Theory of Action

THE CHALLENGE

Structural barriers prevent many Washington students—especially those furthest from opportunity—from completing high-demand credentials and transitioning into living-wage careers that power the state’s top industries.

This creates a shared gap between talented scholars and the employers and communities counting on them.

WSOS focuses on the part of the problem it can most directly influence: affordability, navigation, completion, and stronger connections to careers.

WSOS WILL...

Invest in scholars, partner with employers and regions, and strengthen the education-to-career ecosystem.

1 **Align scholarships with statewide, community, and industry needs**

2 **Strengthen scholar success from enrollment to employment**

3 **Build employer and regional partnerships**

4 **Generate insights for systems-level leaders**

5 **Sustain and grow WSOS’s public-private investment model**

CROSS-CUTTING ENABLER

Execute with excellence and strengthen organizational capacity

Build the talent, systems, data, and operating discipline needed to deliver results and remain a preferred workplace.

SO THAT...

WSOS helps create impact for scholars, employers, and Washington’s talent system driving economic growth.

Scholars gain durable skills and living-wage careers

More students furthest from opportunity complete high-demand credentials and transition successfully into strong jobs in Washington.

Employers access the talent they need

Washington employers have stronger access to diverse, locally trained talent in critical fields.

Washington’s talent system grows stronger

Education-to-career pathways become more aligned, responsive, and effective supporting success of current and new industries.

Powered by a strong, sustainable WSOS

To point us toward success, our planning prioritizes the following outcomes

Intermediate Outcomes (3-5 years)

1. Scholarship dollars and supports are increasingly prioritized for pathways that serve those furthest from opportunity and connect to high-demand, living-wage careers.

2. Scholars – especially those furthest from opportunity – persist, complete and transition to employment at higher rates in high demand jobs in STEM, healthcare, and the trades.

3. Employers and regional partners collaborate with WSOS on structured work-based learning, mentorship, and hiring pathways that improve transitions from credentials to employment.

4. State and regional partners increasingly align policies, programs, and practices around evidence-based barriers and enablers identified through WSOS's practitioner experience.

5. WSOS diversifies and grows private support while maintaining strong public confidence and legislative alignment.

6. WSOS strengthens internal capabilities that enable disciplined execution and accountability, and remains a preferred place to work.

Long-term Outcomes

WSOS scholars earn credentials and secure living-wage careers.

Washington employers have reliable access to locally trained talent to support current and emerging industries.

Education-to-career pathways alignment with labor-market demand in STEM, health care, and the trades.

Washington's education-to-career systems operate with fewer barriers and greater ROI.

WSOS has a trusted and sustainable public-private investment model.

WSOS is a high-performing, adaptive organization.

Board guidance has helped sharpen both the Theory of Action and the framing of the WSOS strategy

Anchor on our superpower

The strategy is grounded in scholarships, scholar success, and transition to employment in jobs that lead to high-demand, living wage careers.

Center employer and regional partnerships

Employer and regional partnerships are more explicitly positioned as part of how WSOS strengthens pathways to careers.

Define success through outcomes, not reach alone

The strategy more clearly connects scale to completion, employment, and labor-market alignment.

Elevate sustainability as a strategic condition

Financial sustainability and disciplined growth are treated as essential to long-term impact.

Preserve flexibility for implementation

The strategy provides a clear direction while leaving room for adaptive decisions as implementation planning continues.

Over the next 3–5 years, scale means turning access into completion and living-wage careers

Previously...

Looking back, scale assumed **growth in activity and reach**.

e.g., More scholars, more dollars awarded, more programs, more employers engaged, and statutory persistence/completion metrics.

This approach achieved **expanded WSOS reach statewide**, but it did not consistently define success in terms of employment and labor-market alignment.

Now...

Scale is defined by delivering reliable outcomes, with reach growing only as outcomes hold.

e.g., Outcomes include credential-to-employment results, alignment to priority credentials, employer commitment, durable workplace readiness, and financial resilience.

This definition **explicitly prioritizes outcome alignment to labor-market demand** while we still strive to reach as many scholars as possible.

Our definition of scale recommitts us to outcomes that matter most to scholars and industry partners, and is appropriate for the moment

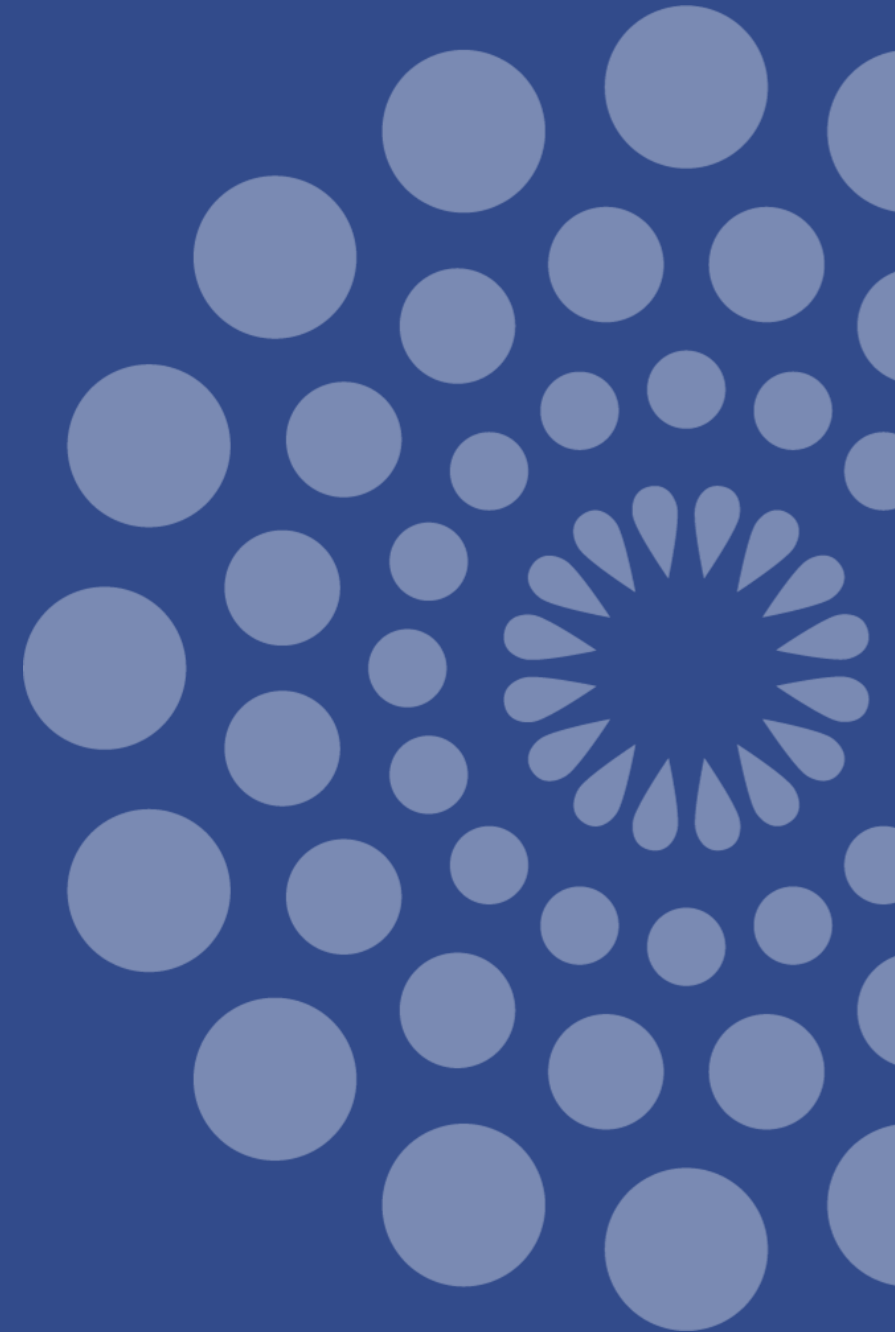
Scale is defined by delivering reliable outcomes, with reach growing only as outcomes hold.

e.g., Outcomes include credential-to-employment results, alignment to priority credentials, employer commitment, durable workplace readiness, and financial resilience.

Several factors make this shift both necessary and timely:

- 1. Scholar engagement has declined.** Student trends, including the behavior of Opportunity Scholars, show a decrease in the utilization of persistence and career supports.
- 2. Financial instability is increasing.** We are seeing higher rates of growing financial distress among scholars. Scholarships reduce tuition barriers, but many students still face broader financial pressures that can disrupt persistence and completion.
- 3. External support systems are weakening.** Nonprofit and public systems are under financial strain even as scholars increasingly need structured support to successfully transition from education to employment.
- 4. Employers increasingly want job-ready graduates.** Industry partners are looking not just for credential completion but for graduates with durable skills, work-based experience, and clear pathways into high-demand careers.

Key Strategic Decisions Ahead



The Theory of Action sets direction; implementation planning will define the specific choices, sequencing and resourcing

The Theory of Action clarifies:

- The challenge WSOS is solving
- The role WSOS will play in Washington's ecosystem
- The strategic priorities that will guide the work
- The outcomes WSOS is working toward over time



Implementation planning will determine:

- Recommended changes to scholarship model (Sep Board mtg)
- Specific priorities for improving Scholarship Plus supports
- Partnership engagement and advising models and guardrails
- Budget, sequencing and resourcing tradeoffs

Key Strategic Decisions Ahead: While the strategic plan sets direction, the next phase will require working through several important implementation choices

Advancement Strategies

How will WSOS continue to adapt the fundraising strategy to support organizational mission and long-term sustainability?

Scholarship amounts

How will WSOS utilize scholarship amounts and cohort design to maximize and balance scholar need, program impact, and sustainability?

Scholarship Plus supports

How will WSOS provide scholars with support at key inflection points from enrollment to employment?

Partnership framework

How will WSOS pursue and structure partnerships with employers and other organizations?

Today we are surfacing the categories of decisions ahead—bringing recommendations at the June and September Board Meetings.

Board Discussion

The questions below are intended to help us align on the strategy before WSOS finalizes the plan.

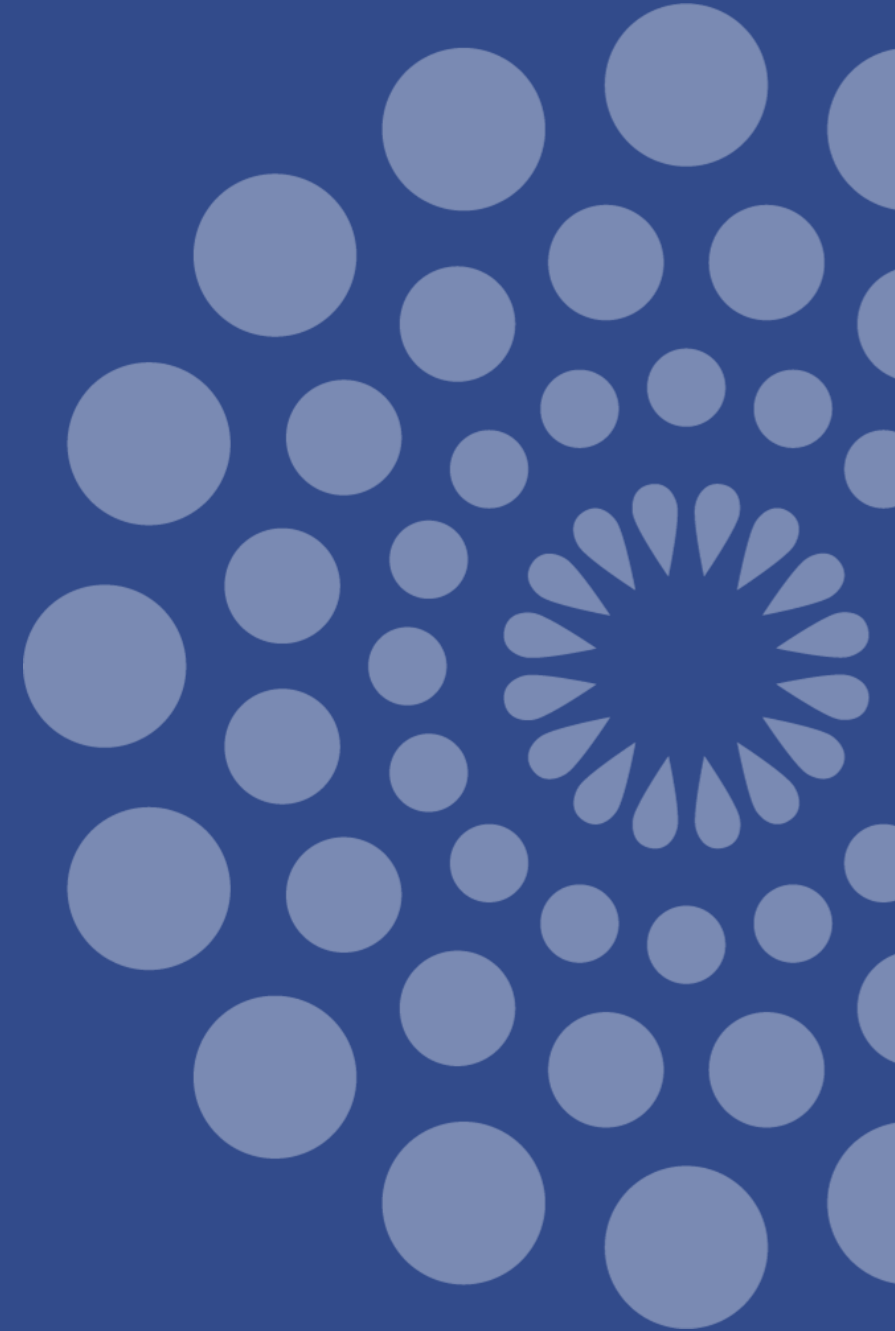
Question 1

Does the strategic plan keep scholars appropriately at the center while also balancing the needs of industry partners?

Question 2

As the team develops recommendations, what guidance or advice would you provide us?

What's Next



Today's discussion will inform the next phase of implementation planning and recommendations we bring forward to the Board for approval

MARCH 2026

Finalize strategic plan

Approval of the strategic priorities within the Theory of Action

JUNE 2026

Approval of:

- Board-level outcomes and 5-year targets
- Fundraising Targets & 5/10-year revenue forecast
- Year 1 Milestones for each of the strategic priorities
- WSOS Budget

SEPTEMBER 2026

Approval of Scholarship Model:

- Changes to scholarship structure
- Adjustment to award amounts
- Scholarship Budget Forecast

UPCOMING BOARD MEETINGS

Q2 2026 – June 23, 2026

Q3 2026 – September 30, 2026

Q4 2026 – January 13, 2027

Time: 1:00 p.m. – 3:00 p.m.