



2016
Report to the
Community

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ON THE COVER

Daniels Scholars at work

COPY

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Daniels Fund

About the Daniels Fund

The Daniels Fund is dedicated to making life better for the people of Colorado, New Mexico, Utah, and Wyoming through our Grants Program, Scholarship Program, and Ethics Initiative. As a private foundation established to operate in perpetuity, we are a permanent part of the communities we serve.

Daniels Fund Grants Program

The Daniels Fund focuses on supporting highly effective nonprofit organizations that achieve significant results within our four-state region, as well as select programs with national impact. Each year, approximately 70% of our community investments are made through the Daniels Fund Grants Program. Our grant funding areas, as well as the geographic regions we serve, were personally defined by Bill Daniels and they do not change:

- Aging
- Amateur Sports
- Disabilities
- Drug & Alcohol Addiction
- Early Childhood Education
- K-12 Education Reform
- Homeless & Disadvantaged
- Youth Development

Daniels Fund Scholarship Program

Our Scholarship Program, which includes the Daniels Scholarship Program and the Boundless Opportunity Scholarship Program, represents approximately 30% of the Daniels Fund's annual charitable spending.

- The Daniels Scholarship Program provides four-year college scholarships for graduating high school seniors who demonstrate exceptional character, leadership, and a commitment to serving their communities.
- The Boundless Opportunity Scholarship Program provides scholarships for non-traditional students of all ages, awarded by select colleges, universities, and training programs using funds provided by the Daniels Fund.

Daniels Fund Ethics Initiative

The Daniels Fund Ethics Initiative delivers principle-based ethics education and reinforces the value of ethical business and personal conduct. The initiative includes four components — the Collegiate Program, High School Program, Law Enforcement Program, and the Case Bank.

Learn more at DanielsFund.org



Dear friends of the Daniels Fund,

Bill Daniels is remembered for his steadfast set of values — compassion, ethics, and integrity to name a few. He also believed in the power of hard work. To Bill, dedicating himself to working hard was about more than just the task at hand. A single person or an entire group stood to benefit from increased confidence, teamwork, and pride in a job well done.

Bill understood that hard work is key to the American Dream, and it always has been. This *Report to the Community* highlights how we help create opportunities for people to realize this dream through hard work. As caretakers of Bill Daniels' legacy, all of us at the Daniels Fund strive to reflect his values in our work.

Bill left an extraordinary gift to the people of Colorado, New Mexico, Utah, and Wyoming when he established his foundation. We are honored to know that our efforts are the continuation of his life's work.

June Travis
June Travis | Board Chair

Linda Childears
Linda Childears | President & CEO

Grants Program

- \$41.4 million awarded in grants to nonprofit organizations serving our four-state region
- Completed the evaluation and refinement of our grantmaking strategy for areas of Colorado outside the Front Range
- Continued to focus on revised grantmaking strategies in Utah and New Mexico to achieve more impact in the areas of greatest need

Scholarship Program

- \$17.4 million awarded in scholarships across our four-state region through the Daniels Scholarship Program and Boundless Opportunity Scholarship Program
- More than 300 community volunteers interviewed 463 Daniels Scholarship Program finalists in 20 locations throughout our four states
- Completed our first year of partnerships with 24 colleges and universities to cover certain educational costs to help Daniels Scholars remain debt free
- Continued to improve the four-year graduation rate among Daniels Scholars
- Surpassed 1,700 Daniels Scholar Alumni
- More than 5,500 students have received Boundless Opportunity Scholarships
- The Daniels Fund received the *Willis Fassett Jr. Award* from Adams State University Foundation for supporting students through the Daniels Scholarship Program and the Boundless Opportunity Scholarship Program
- The Daniels Fund received a *Community College of Denver Sustainability Award* recognizing the Boundless Opportunity Scholarship Program's long-standing support of their students

Ethics Initiative

- Launched the Law Enforcement Program, a new component of the Daniels Fund Ethics Initiative that provides expanded principle-based ethics training to police departments
- Continued to make steady progress in developing the High School Program
- Hosted the third annual Daniels Fund Ethics Consortium Summit in Salt Lake City, with a theme of "Building an Ethical Culture"
- Hosted the fifth annual Daniels Fund Ethics Consortium Case Competition in Denver

Other worthy mentions

- Bill Daniels was posthumously honored by Boys & Girls Clubs of Central Wyoming at its 18th Annual Awards and Recognition Breakfast
- Bill Daniels was recognized by Catholic Charities for his longtime support of Samaritan House and their programs to help the homeless
- Our board of directors hosted their annual Community Reception in Colorado Springs
- Established the *Bill Daniels True Blue Award* to recognize police officers who go above and beyond the normal call of duty to help citizens in need
- The Daniels Fund received the *National History Day in Colorado Founders Award* from the University of Colorado Denver

2016
Highlights





CareerWise Colorado
Youth apprenticeships
prepare students
for success

In our Youth Development funding area, we look for opportunities to help youth — whether planning to earn a college degree or not — develop clear pathways to meaningful employment. This is achieved through career exploration, job shadowing, internships, and apprenticeships.

Since early 2016, we have supported CareerWise Colorado's development of a statewide youth apprenticeship system. CareerWise brings public and private stakeholders together using a business-led, student-centered model. The goal is to ensure that students have the skills and knowledge they need when they enter the workforce, and that businesses have access to this highly-trained talent.

CareerWiseColorado.org

GRANTS PROGRAM

The importance of work

The Daniels Fund Grants Program has always supported organizations that reflect the values important to our founder, Bill Daniels.

The principle of work is present throughout our Grants Program, and is demonstrated by organizations like CareerWise Colorado and Bridge House.

Helping people to achieve self-sufficiency is a central focus of our Homeless & Disadvantaged funding area. Bridge House operates the unique and highly effective Ready to Work program in Boulder, which provides immediate employment opportunities, transitional housing, and supportive services for homeless individuals to gain economic self-sufficiency.

Participants live at Bridge House and work at one of their social enterprises (sanitation, landscaping, or culinary arts). They earn an income, gain work skills, and build a resume. Participants meet regularly with case managers and attend mandatory life skills training. We are excited to support Bridge House as they replicate the Ready to Work program in Aurora.

BoulderBridgeHouse.org



Bridge House

Helping homeless individuals work
their way to self-sufficiency

State-by-state grantmaking strategies

Review of **Wyoming** strategy to be completed in 2017

\$48.3 million distributed in grants through 2016

Refined **Utah** strategy in 2014

Currently supporting two United Way initiatives that coordinate community support for children and families from birth to career

\$23.4 million distributed in grants through 2016

Reviewed **Colorado Front Range** strategy in 2015
Continuing grantmaking in all eight funding areas without region-specific refinement

\$343 million distributed in grants through 2016

Refined **New Mexico** strategy in 2013

Currently focusing on improving education for children and young adults to break the cycle of intergenerational poverty

\$73.1 million distributed in grants through 2016

2016

We continued to refine our state-by-state grantmaking strategies to maximize our impact and effectiveness. After focusing on the Colorado Front Range in 2015, our efforts shifted to all other areas of the state in 2016.

After hearing from community leaders in these largely rural parts of Colorado, we identified specific priorities within our eight grant funding areas. These priorities include career education programs for youth, community facilities (such as senior centers and youth sports complexes), proven drug and alcohol prevention programs, and initiatives that coordinate community support.

Learn more at DanielsFund.org/Grants



DANIELS SCHOLARSHIP PROGRAM

Successful employment is the goal

Work plays a prominent role in the Daniels Scholarship Program. When Bill Daniels outlined his vision for investing in students through scholarships, his intent was to help motivated young people earn a college degree so that they can go on to be productive members of their communities. To him, that meant giving back, participating in the political process, and most importantly, being successfully employed and self-sufficient.

Bill also believed in helping young people learn skills such as accountability, teamwork, and responsibility, and he saw work as an excellent way to strengthen these skills. That's why one of the requirements for all active Daniels Scholars is to work part-time while in college. This approach helps scholars develop beneficial skills that prepare them for life after graduation.

Learn more at DanielsFund.org/Scholarships

Daniels Scholarship Program Highlights

- 3,483 Daniels Scholars selected since 2000
- Approximately 230 scholars are selected each year
 - 1,742 scholars have graduated
 - Roughly 1,000 Daniels Scholars attend college at any given time
 - 60% are the first in their family to attend college



The Honorable Jordan Sauers
Daniels Scholar, Class of 2010



- City Councilwoman, Northglenn Ward 1 since 2016 (Colorado's youngest-ever elected official)
- Director of Communications and Public Relations, Hispanic Chamber of Commerce of Metro Denver
- Graduated in 2014, B.A. in Sociology & Communication Studies, University of Denver
- Pursuing her M.S. in Public Policy, University of Denver

Patrick Andrews

Daniels Scholar, Class of 2007

- Assistant Superintendent, Mortenson Construction
- Graduated in 2011, B.S. in Construction Management, Colorado State University
- Most recently has been working on the construction of Colorado State University's new football stadium
- Patrick and his wife live in Thornton, Colorado, and their first baby is on the way

BOUNDLESS OPPORTUNITY SCHOLARSHIP PROGRAM

Expanding work options

There are many examples of non-traditional students who have succeeded in broadening their work options through the Boundless Opportunity Scholarship Program. Whether seeking a specialized certificate, taking a class to brush up their professional skills, or pursuing a degree, these students prove that education knows no bounds.

Boundless Opportunity Scholarship Program Highlights

- 5,527 students served
- Populations served: Adult learners, GED recipients, former foster care youth, former juvenile justice youth, returning military, individuals pursuing EMT/paramedic certification, individuals pursuing Early Childhood Education (ECE) certification
- Median age is 32
- Average scholarship amount is \$2,258
- 55% are the first in their family to attend college

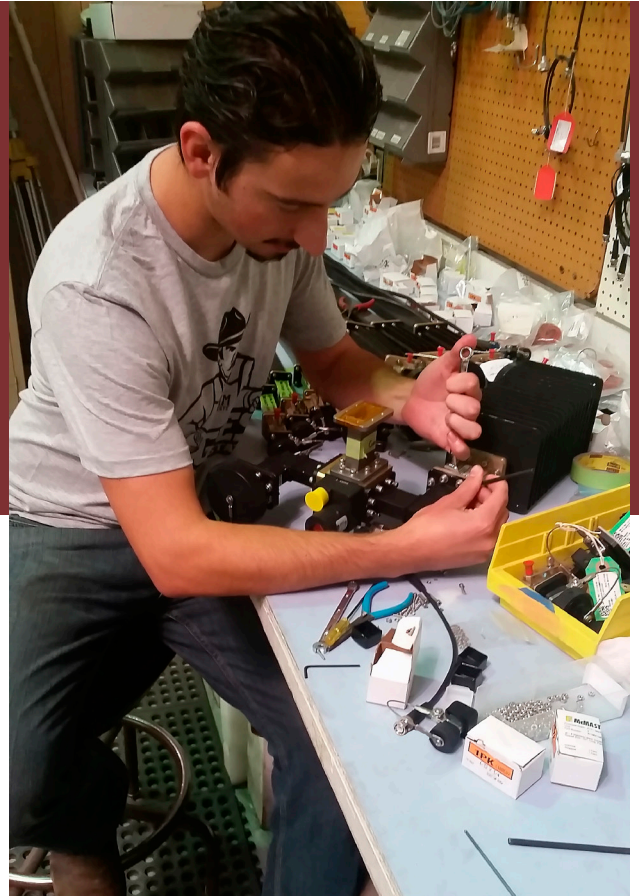
Nhan Nguyen

Boundless Opportunity Scholar

- 26-year-old U.S. Army medic with two years of service at Fort Carson
- Registered Nurse in the cardiac progressive care unit at Parkview Medical Center since August 2016
- Graduated in 2016, B.S. in Registered Nursing, University of Colorado Colorado Springs
- Nhan and her husband just bought their first home and are expecting their first child

“My dream of becoming a nurse started when I was an Army medic. I wanted to be part of something bigger than myself, and to give back to those who have sacrificed so much. I know I will contribute back to my community, as well as the veterans’ community, as an excellent and outstanding nurse.”

Learn more at DanielsFund.org/Boundless



Ryan Levendosky

Boundless Opportunity Scholar

- 26-year-old adult learner; married with a 2-year-old son
- Employed at an engineering and manufacturing company in Las Cruces, New Mexico
- Senior working toward a B.S. in Electrical Engineering, New Mexico State University

“I am hoping to create a better future for my son through my education. I want to make sure when my son gets old enough and he’s going to school and making a better future for himself, that we have the financial reserve to help him.”

Dr. Abe Bakhsheshy and his team teach principle-based ethics to more than 1,000 business students each year at the University of Utah.

As those students enter the working world, they apply the ethical framework they learned.



ETHICS INITIATIVE

Compounding returns from principle-based ethics education

If each student affects ten people — colleagues, friends, associates — via their ethical behavior, together these students have the potential to influence thousands. This is the potential reach of just one of the universities participating in the Daniels Fund Ethics Initiative Collegiate Program. Now, add to that the work of the other ten universities.

Consider the High School Program, the online Case Bank, and the new Law Enforcement Program as well, and the exponential reach and compounding returns are astonishing.

It's clear from the ever-growing interest in these programs that people are searching for ethics education at a time when it has become more relevant than ever. It is a pleasure to work with leaders in education, business, and law enforcement to help more and more people navigate this essential topic.

"I came across an ethically dubious situation at work and realized I might not have recognized it if ethics hadn't been covered so thoroughly at UCCS.

Instead, I was able to utilize the tools and framework I gained to explain the issue to my colleagues and suggest an ethical solution. This experience helped foster a more ethical mindset at my company."

Matt Whitaker

MBA graduate and Daniels Fund Ethics Initiative Collegiate Program participant
University of Colorado Colorado Springs

Learn more at DanielsFund.org/Ethics

DANIELS FUND ETHICS INITIATIVE

Collegiate Program

The **Collegiate Program** is a partnership with ten business schools and one law school at universities across our four-state region that drives principle-based ethics education. Since 2010, 350,000+ students, faculty, and business leaders have participated.

High School Program

The **High School Program** provides an earlier introduction to principle-based ethics education to students active in business. In 2016, a new ethical leadership course for 9th and 10th graders was developed and will be piloted soon.

Law Enforcement Program

The **Law Enforcement Program** is a new partnership with seven police departments in our four states that expands principle-based ethics training. In 2016, plans were developed to produce a series of eight videos, each focusing on a Daniels Fund Ethics Initiative principle.

Case Bank

The **Case Bank** is an online library of straightforward ethical dilemmas that prompt the application of a principle-based ethical framework. In 2016, cases were downloaded 400 times by educators and reached more than 27,000 people.

Jim Quigley, CEO Emeritus of Deloitte, speaks at the Daniels Fund Ethics Initiative Collegiate Program's Ethics Summit in Salt Lake City



THE LEGACY OF BILL DANIELS

Bill comes into the office



Many of Bill Daniels' values around work and personal responsibility were formed early in his life. He was nine when the Great Depression swept America, and Bill was forced to grow up pretty quickly. He chose to work after school and on weekends to help his family put food on the table. It's hard to imagine a more effective way to teach someone the value and necessity of hard work.

In 2016, the Daniels Fund honored our founder by recreating his office. A space was transformed to capture the spirit of Bill's office as he last left it. The *Bill Daniels Conference Room* now holds his iconic oval table, low chairs, and cabinet after cabinet of his personal memorabilia.

It's more than Bill's University of Denver regalia from his honorary doctorate ceremony, more than the signed photos from decades of U.S. presidents, and more than the many awards he received for his business and charitable activities. This room speaks to the success Bill Daniels achieved thanks to the American free enterprise system he loved so much. And it reminds us that those opportunities continue to exist in this great country.

All it takes is hard work.



BOARD OF DIRECTORS

Staying connected with the Colorado Springs community

Spending time in the communities we serve is important to the Daniels Fund board of directors. Each year, the board hosts a community reception, and the location rotates among our four states.

In August 2016, the board met with members of the Colorado Springs community — grantees, community leaders, government officials, and Daniels Scholars — to learn more about the challenges and opportunities in the region.



BACK ROW, LEFT TO RIGHT

Tom Marinkovich | Hank Brown | Gayle Greer | Jim Nicholson | John Suthers | Leroy Williams | Tony Acone

FRONT ROW, LEFT TO RIGHT

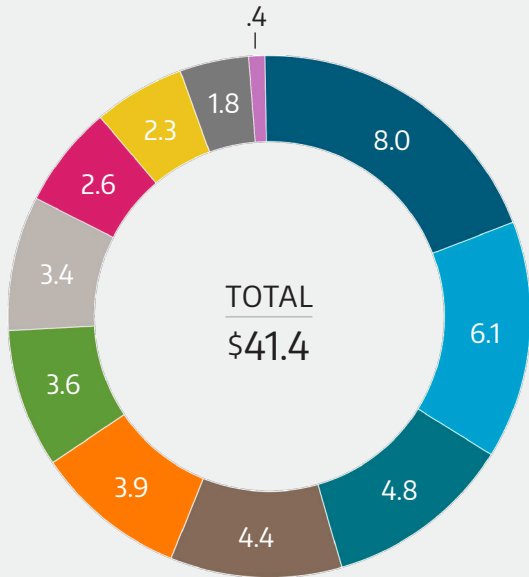
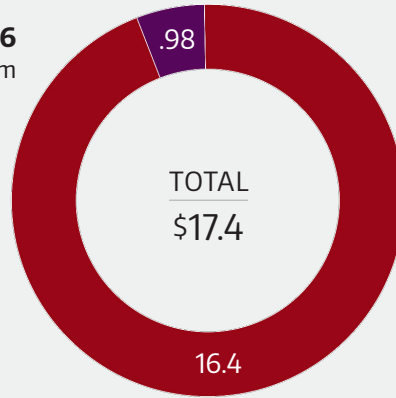
Jim Griesemer | Francisco Garcia | BOARD CHAIR June Travis | PRESIDENT & CEO Linda Childears | Brian Deevy

2016 FINANCIAL SUMMARY

How we invest in the community

	DECEMBER 31 (UNAUDITED)	
	2016	2015
ASSETS		
Investments, at market value	\$ 1,296,284,763	\$ 1,293,712,207
Property and equipment, net of depreciation	13,293,550	12,956,618
Taxes receivable (payable), net	(2,064,496)	(419,835)
Other assets	90,053	92,461
Net Assets	\$ 1,307,603,870	\$ 1,306,341,451
REVENUES		
Investment income	\$ 58,147,346	\$ 100,660,028
Realized gains (losses) on sale of investments	14,834,708	38,216,709
Unrealized gains (losses) on investments	(2,016,463)	(150,958,323)
Total Revenues	70,965,591	(12,081,586)
EXPENSES		
Grants paid	41,366,190	46,525,537
Scholarships paid	17,406,106	16,231,603
Administrative expenses	7,296,646	7,525,362
Investment management expenses	974,139	970,852
Excise and income taxes	2,230,445	1,236,177
Depreciation expense	429,646	423,509
Total Expenses	69,703,172	72,913,040
Change in Net Assets	\$ 1,262,419	\$ (84,994,626)

Scholarships Paid, 2016
by program



Grants Paid, 2016
by funding area

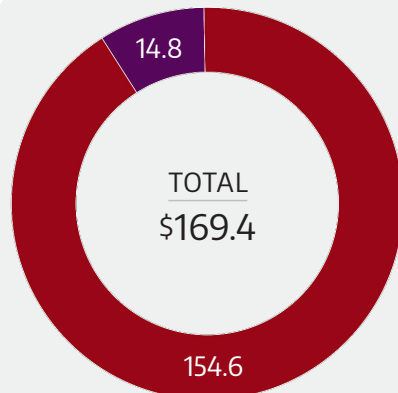
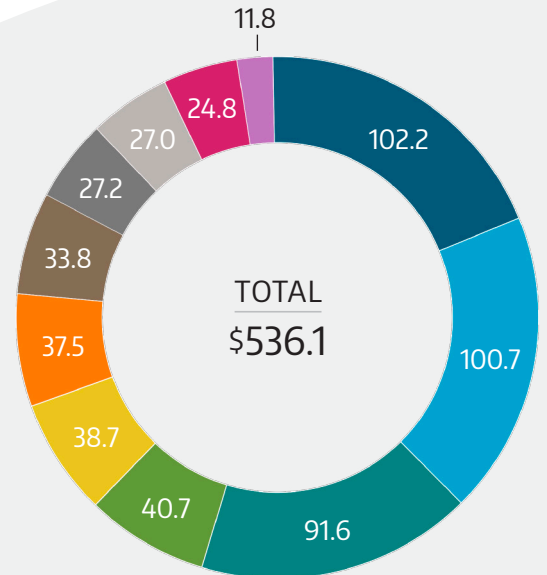
All amounts are dollars (in millions)

- Aging
- Amateur Sports
- Disabilities
- Drug & Alcohol Addiction
- Early Childhood Education
- Ethics & Integrity in Education
- Homeless & Disadvantaged

- K-12 Education Reform
- Youth Development
- Multiple Funding Areas
- Support for Young Americans Bank

- Daniels Scholarship Program
- Boundless Opportunity Scholarship Program

Grants Paid, Historical
by funding area



Scholarships Paid, Historical
by program



DANIELS FUND

101 Monroe Street
Denver, Colorado 80206



2016

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