



2014 Report to
the **Community**



DANIELS FUND



About *the* Daniels Fund

INSIDE THIS REPORT

2014 Highlights	4-5
Grants Program	6-7
New Mexico: Grants Update	8
Utah: Revised Grants Approach	9
Ethics Initiative	10-11
Scholarship Program	12-15
Bill Daniels' Cable Legacy	16
Board of Directors	17
Financial Summary	18-19

The Daniels Fund is a private charitable foundation dedicated to making life better for the people of Colorado, New Mexico, Utah, and Wyoming through our grants program, scholarship program, and ethics initiative. We continue the legacy of generosity established by our founder, Bill Daniels, a cable television pioneer known for his compassion for those in need and his unwavering commitment to ethics and integrity.

Daniels Fund Grants Program

We provide grants to support nonprofit organizations in our four-state region, as well as some programs with national impact. Each year, approximately 70% of our community investments are made through the Daniels Fund Grants Program in funding areas defined by Bill Daniels:

- Aging
- Alcoholism & Substance Abuse
- Amateur Sports
- Disabilities
- Early Childhood Education
- Ethics & Integrity in Education
- Homeless & Disadvantaged
- K-12 Education Reform
- Youth Development
- Support for Young Americans Bank

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 college scholarships for non-traditional students of all ages, awarded by select colleges and universities using funds provided by the Daniels Fund.

Daniels Fund Ethics Initiative

The Daniels Fund Ethics Initiative strives to deliver principle-based ethics education, and reinforce the value of ethical business and personal conduct. The Ethics Initiative encompasses three components — the Collegiate Program, the High School Program, and the online Case Bank — each with a specific approach and target audience.

Dear friends,

Bill Daniels' dedication to ethics and integrity earned him incredible respect throughout the business world. He recognized the need to instill such values in young people and worked closely with the University of Denver to incorporate ethics into its business curriculum more than 25 years ago.

In 2014, we achieved a significant milestone in ethics education, completing a five-year pilot of the Daniels Fund Ethics Initiative, which originally brought eight universities together to strengthen the teaching of principle-based ethics. We never imagined this effort would generate the astounding interest and reach that it did. More than 265,000 students, educators, and businesspeople across our four-state region got involved. The participating universities have become known for their ethics programs, and interest in learning more about the topic continues to build.

There's no doubt that current trends are prompting this growing interest in ethics. Almost daily, we hear about new cyber-threats or questionable practices. Ethics education is needed now more than ever. As such, we're proud to extend and expand the Ethics Initiative for another five years.

Ethics isn't the only area where current trends are informing our work. A deep look into evolving community issues has now led us to refocus our grant strategies in two of our states for maximum impact. In the scholarship program, we're working hard to help Daniels Scholars avoid the national trends of increased educational debt, longer graduation times, and lack of workforce preparedness.

We're pleased to share results of these exciting efforts with you in this *Report to the Community*, and we invite you to visit our website to learn more.



Linda Childears and June Travis

June Travis
June Travis | Board Chair

Linda Childears
Linda Childears | President & CEO

Focused grants strategies for greater impact

- Began the second year of our revised New Mexico grants strategy with encouraging results.
- Implemented a more focused grants strategy in Utah.

Fostered Daniels Scholar success, in and out of school

- The Grad Plan, our web-based interactive planning tool, is proving successful at helping students plan their college careers and stay on a four-year graduation path.
- The number of Daniels Scholars on track to graduate within four years is steadily increasing.
- Launched a “My Career” section on the Daniels Scholar online portal to provide career planning, support, and job opportunities.
- Launched a summer internship program that places Daniels Scholars in positions at Daniels Fund grantee organizations.
- Daniels Scholar Alumni surpassed 1,300.

Continued to honor donor legacy and intent

- Produced a video that shares the story of Bill Daniels’ cable career and how he generated the wealth that ultimately created the Daniels Fund.



2014 Highlights

*"If you've never taken a chance on yourself,
at least think about it. Unless you do,
you may never know what you're missing out on.
And neither will the rest of the world."
- Bill Daniels*

SCHOLAR

Made progress in ethics education

- Completed the five-year Daniels Fund Ethics Initiative pilot, leading to an extension and expansion of the program.
- Completed the third annual Daniels Fund Ethics Consortium Case Competition for business students, drawing a record number of participants across our four-state region.
- Hosted the inaugural Daniels Fund Ethics Consortium Summit, with ethics in social media as its theme.

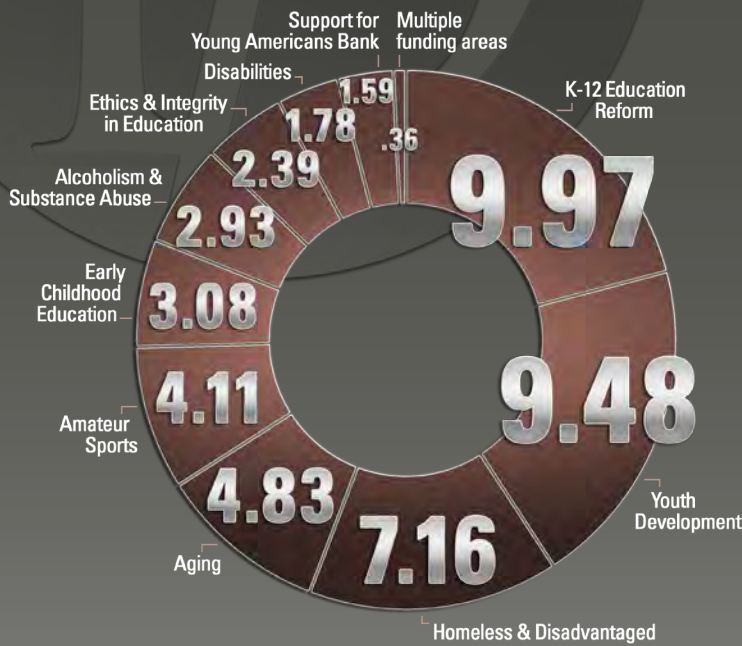
Engaged the community

- More than 300 volunteers helped in the Daniels Scholar interview and selection process in 20 communities throughout our four-state region.
- Held our annual community reception — this year in northern Colorado — hosted by our board of directors to engage with grantees, community leaders, government officials, and Daniels Scholars.
- Recognized by National Volunteers of America with the *Outstanding Community Service* award.



Grants

Grants paid in 2014
by funding area, in millions



Grants paid
in 2014:

\$47.7
million

Total Grants paid,
historical:

\$448
million

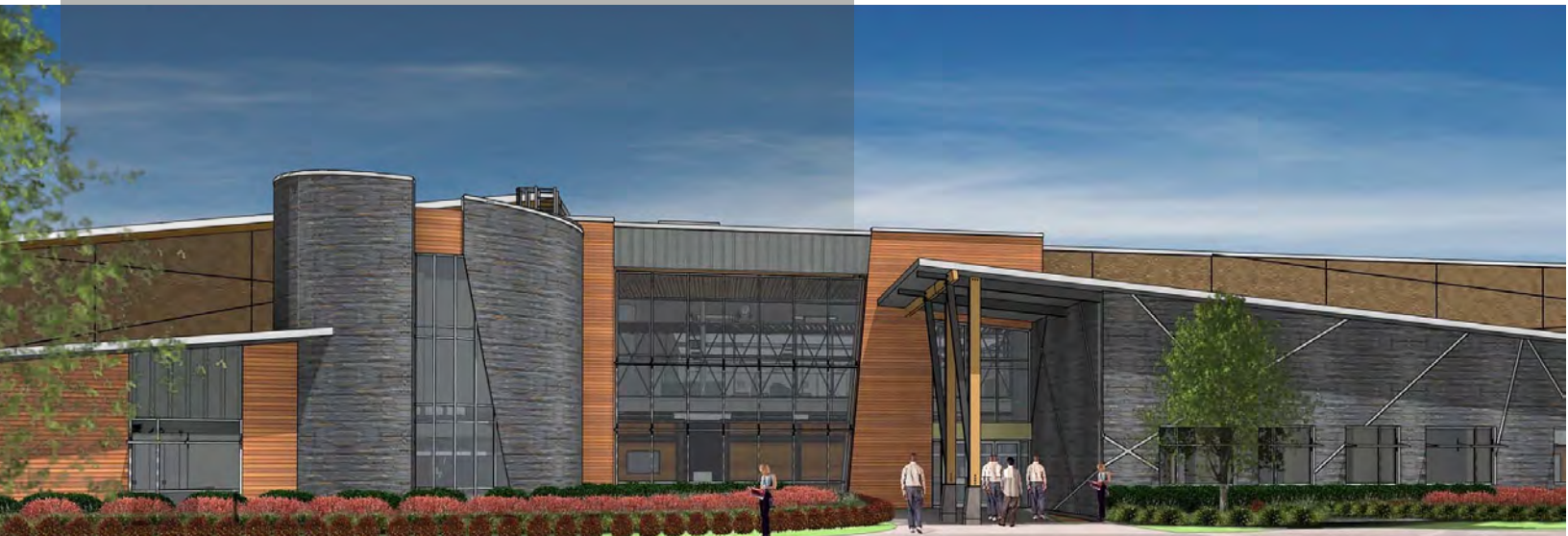
Grants Highlights: Colorado and Wyoming

Montrose Recreation District A community partnership to improve health and wellness

Colorado | Aging

It says a lot about a community's dedication when citizens are willing to tax themselves to fund a much-needed community resource. Tax revenue, together with other funding support including a grant from the Daniels Fund, is enabling the 41,000 citizens of Montrose in western Colorado to construct an 81,000 square-foot community recreation center (architect's rendering below) to provide an array of opportunities for health, wellness, engagement, and organized sports for seniors and youth. The center expects to serve upwards of 1,000 citizens every day upon its completion in 2016.

MontroseRec.com

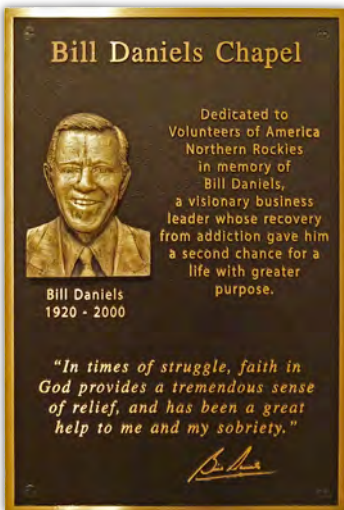


Volunteers of America Northern Rockies Chapel fills a critical need in substance abuse recovery

Wyoming | Alcoholism & Substance Abuse

Bill Daniels suffered from alcoholism and found stability after seeking treatment. The experience motivated him to help many others facing similar challenges. Bill strongly supported the 12-step approach, and he had hoped to build a chapel to foster the spiritual health component of recovery. However, his wish never came to fruition during his lifetime.

In 2014, we fulfilled Bill's wish by supporting the construction of a non-denominational chapel on the Volunteers of America (VOA) Northern Rockies' Residential and Recovery Campus in Sheridan, Wyoming. The Bill Daniels Chapel will play an important role in helping VOA's clients recover from drug and alcohol addiction.



VOANR.org

Relay Graduate School of Education Bringing a new method of teacher training to Denver

Colorado | K-12 Education Reform

High quality, effective teachers are among the most important factors for student success — and we need more of them. As a nonprofit, independent graduate school, Relay

Graduate School of Education offers certification and master's degree programs that meet the demand for effective teachers and school leaders in low-income communities. In order to earn a degree, Relay's innovative approach requires graduate students to demonstrate proficiency and achievement while teaching in their K-12 classrooms. This approach and its promising results have earned national recognition.

Daniels Fund support has helped Relay expand into the Denver area.

Relay.edu





New Mexico Grants Strategy showing progress

2014 marked the start of the second year of our revised New Mexico grants strategy. We proactively seek out and invite grant requests from programs that have demonstrated the ability to improve the education continuum from cradle to career in New Mexico. We're seeing progress under this strategy and we're pleased to share some highlights.

Learn more at DanielsFund.org/Grants/NM-Grants

Mission: Graduate Adding 60,000 new degrees to central New Mexico

Significant collaboration is under way to strengthen education in central New Mexico, and Mission: Graduate is leading the charge. The effort, managed by United Way of Central New Mexico, is successfully bringing together education, business, and the community with the goal of adding 60,000 new graduates with college degrees or certificates by 2020.

After helping launch the initiative in 2013, the Daniels Fund supported continued operations in 2014.

MissionGraduateNM.org



The Bridge of Southern New Mexico Replicating a highly successful school model

Another valuable community-wide effort is The Bridge of Southern New Mexico. The organization established the state's first Early College High School (ECHS) which allows students to earn both a high school diploma and an associate's degree in four years. The approach has been so successful at increasing graduation rates and preparing students for the workforce in Doña Ana County, the organization is helping communities throughout the state to replicate the model.

Daniels Fund support in 2014 helped four communities open ECHS schools.

TheBridgeofSNM.com

Leadership High School Network Preparing high-risk students for high-demand careers

The Leadership High School Network is successfully reengaging students who haven't thrived in a traditional school setting while, at the same time, responding to the employment needs of key industries in New Mexico. Each of the network's three charter high schools is focused on a different industry, and students learn through hands-on projects based on real-world situations. ACE (Architecture, Construction, and Engineering) Leadership High School celebrated its first graduates in 2014.

In 2014, the Daniels Fund supported continued ACE operations as well as expansion of the network, which included a new healthcare school and plans for a new technology school.

Leadership-PDC.org



Maximizing our impact in Utah

After revising our grants strategy in New Mexico in 2013, we took a similar approach in Utah in 2014. Recognizing that we have a limited pool of grant funding allocated to Utah, we carefully evaluated how to maximize our impact in the state. Beginning in 2015, we will direct the bulk of our Utah funding to two United Way programs. Unsolicited grant applications from Utah will no longer be accepted.

Learn more at DanielsFund.org/Grants/Utah_Grant_Strategy

United Way of Salt Lake | **Changing the Odds**

United Way of Salt Lake is drawing national attention for its coordinated approach to solving pressing community needs. The strategy requires that everyone work together – businesses, government, schools, churches, and nonprofits. United Way plays a “backbone” role, bringing partners together and guiding overall efforts. The organization’s *Changing the Odds* program is focused on six low-to-moderate-income neighborhoods where children and families face significant challenges, including high rates of poverty and crime, and large academic achievement gaps. In each neighborhood, the local school or community center serves as the hub for coordinated, cradle-to-career resources. Nearly 20,000 individuals receive support each year.

Daniels Fund support began in 2014 and will continue through 2018.

UW.org

United Way of Northern Utah | **Promise Neighborhoods**

United Way of Northern Utah is using an approach similar to *Changing the Odds* in its *Promise Neighborhoods* project to improve the lives of children in Ogden, Utah. In the targeted area, 47% of children live below the poverty line and 30% of households receive food stamps. United Way serves as the “backbone,” coordinating a shared strategy and numerous active partners. While in its early stages, this project is built on a model that has proven successful, uses resources wisely, and eliminates duplication of services.

Daniels Fund support began in 2014 and will continue through 2016.

UWNU.org



“Utah’s community challenges have evolved over the years and I appreciate the Daniels Fund’s attentiveness to our changing environment. Their revised grants strategy brings valuable support where it’s needed most, and will help ensure success for young people in our state.”

— Taylor Randall | Dean
David Eccles School of Business | University of Utah

Ethics Initiative pilot program success leads to expansion

“Our college of business is now known in our community for having the Ethics Initiative, and our students are expected to graduate with a real imperative that ethical behavior is not only expected, but necessary.”

— **Pam Shockley** | Chancellor
University of Colorado Colorado Springs

“I’m most proud of how our students have embraced the program. It’s creating an ethical framework in which people are accustomed to doing the right thing and expecting that of each other.”

— **Doug Brown** | Former Dean
Anderson School of Management
University of New Mexico

In 2014, we completed our Daniels Fund Ethics Initiative five-year pilot and were inspired by the results. Established in 2009, the Ethics Initiative drives the strengthening of principle-based ethics education, with the ultimate goal of instilling a high standard of ethics in young people.

The program is structured around partnerships with select business schools at universities in Colorado, New Mexico, Utah, and Wyoming. Each has committed to making principle-based ethics instruction a high priority. The primary objective is active engagement of students to build a solid principle-based ethical framework for decision-making in a complex business environment.

Building upon the successful pilot, the Daniels Fund Ethics Initiative was renewed in 2014 for an additional five years (2015 – 2019) with an expanded number of schools, and two new components: the High School Program and the online Case Bank.

Learn more at DanielsFund.org/Ethics



Daniels Fund Ethics Initiative 5-year results

8 business schools in Colorado,
New Mexico, Utah, and Wyoming.

More than **2,100** learning, outreach,
and community events. Nearly **500**
educational resources shared by and among
participating schools.

More than **265,000**
participants, including **150,000** student
participants, **40,000** business community
participants, **35,000** educational outreach
participants, and **40,000** campus
outreach participants.



3 case competitions involving **226**
participants from our four-state region. Ethics Summit
involving **112** participants from across
our four-state region.

\$7.5 million invested over
the 5 years.





Scholarships

In 2014, we celebrated 14 years of the Daniels Scholarship Program.

*Over those years, we have named **3,026** Daniels Scholars and paid **\$122,690,131** in scholarships. Nearly **1/2** are now*

Daniels Scholar Alumni, out in the world making a difference. We named

245 *new Daniels Scholars in 2014.* **964** *Daniels Scholars*

*were enrolled at **217** colleges and universities in **44** states in 2014.*

67% *attend institutions within our four-state region.*

Scholar selection: A community effort

An essential part of the Daniels Scholar selection process is interviewing student candidates in their local communities. Hundreds of community leaders volunteered their time to interview candidates at 20 sites over 25 days in February 2014 to determine the new class of Daniels Scholars.

This effort was made possible by:

- 247 volunteer interviewers
- 80 volunteer site hosts

“Being involved in the interview process for Daniels Scholar finalists is one of the most inspirational experiences I have each year. The applicants are so determined to succeed that you can’t help but be inspired by them. I’ve found that the experience causes me to rededicate myself to the work I do.”

— The Honorable **John W. Suthers**
Mayor of Colorado Springs and
Former Colorado Attorney General

Helping to alleviate an increasing financial burden on families

In 2014, we addressed the troubling trend of increasing educational debt on Daniels Scholars and their families. Because we are committed to helping our students graduate without education-related debt, we began forming partnerships with colleges and universities in our four-state region to resolve this financial burden.

Jim Nicholson conveys Bill Daniels’ 10 tips for his scholars

In June, the 2014 Class of Daniels Scholars was welcomed into the Daniels Fund family at our New Scholar Celebration in Denver. New scholars and guests were treated to a moving presentation by Jim Nicholson, Daniels Fund Board member and longtime friend and colleague of Bill Daniels.

“I put together what I’m calling Bill’s ten tips for his scholars.”

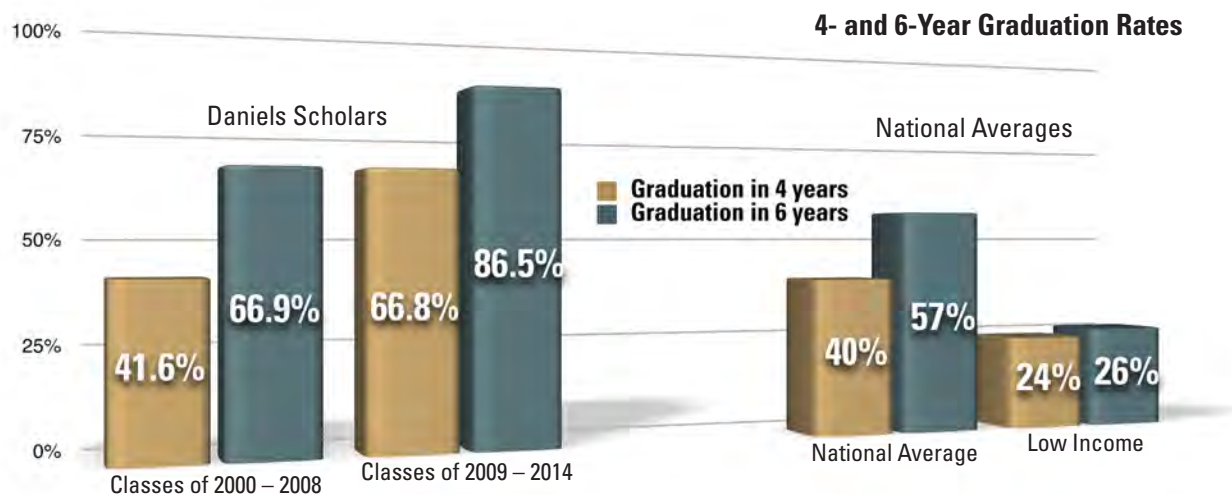
This is what I figure Bill would say if he were here:

- 1) *Have a plan and set goals.*
- 2) *Value your education.*
- 3) *Listen twice as much as you talk.*
- 4) *Balance your life — work, family, community, faith.*
- 5) *Don’t be afraid to make mistakes.*
- 6) *Do what you love with a passion.*
- 7) *Be focused (you can’t do everything).*
- 8) *Maintain a good sense of humor. And don’t take yourself too seriously.*
- 9) *Give more than you receive; and leave the world better than you found it.*
- 10) *Love our country and vote.”*



Making four-year graduation a reality

For two years now, our Grad Plan tool has been guiding Daniels Scholars along a four-year graduation path. Our four-year graduation goal is at least 75% and we're pleased with the results so far:



The Daniels Scholarship Program provides a four-year college scholarship. Daniels Scholars who take more than four years to graduate pay for their own educational expenses after year four.

Ways we're helping to prepare Daniels Scholars for life after college

- Career planning and support
- Help with internship and job opportunities
- Enrichment programming covering topics such as ethics, patriotism, interviewing, and etiquette
- Dedicated on-campus resources

Daniels Scholar Alumni living up to high expectations after college

Our goal is not only to help Daniels Scholars succeed in school, but to ensure that they thrive beyond their years in college. We're finding that among our 1,337 alumni:

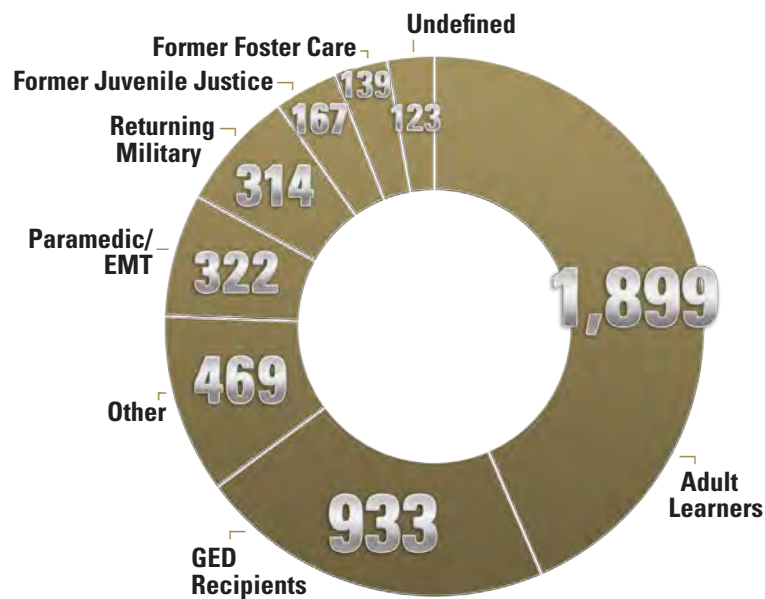
- **60%** are working for private/for-profit companies, **21%** are employed by the government, and **19%** have jobs in the nonprofit sector
- **51.7%** are interested in starting their own business
- Earnings are approximately **20%** above the median income for our four-state region
- They donate approximately **2%** of their annual income
- **71%** are registered to vote, with **80%** of those indicating they last voted in 2014 (double the national average for this age group)
- Savings rates are nearly double those of their college-educated peers
- **20%** have gone on to earn a master's degree
- Debt load is **65%** less than the national average for this age group

Boundless Opportunity Scholarship Program

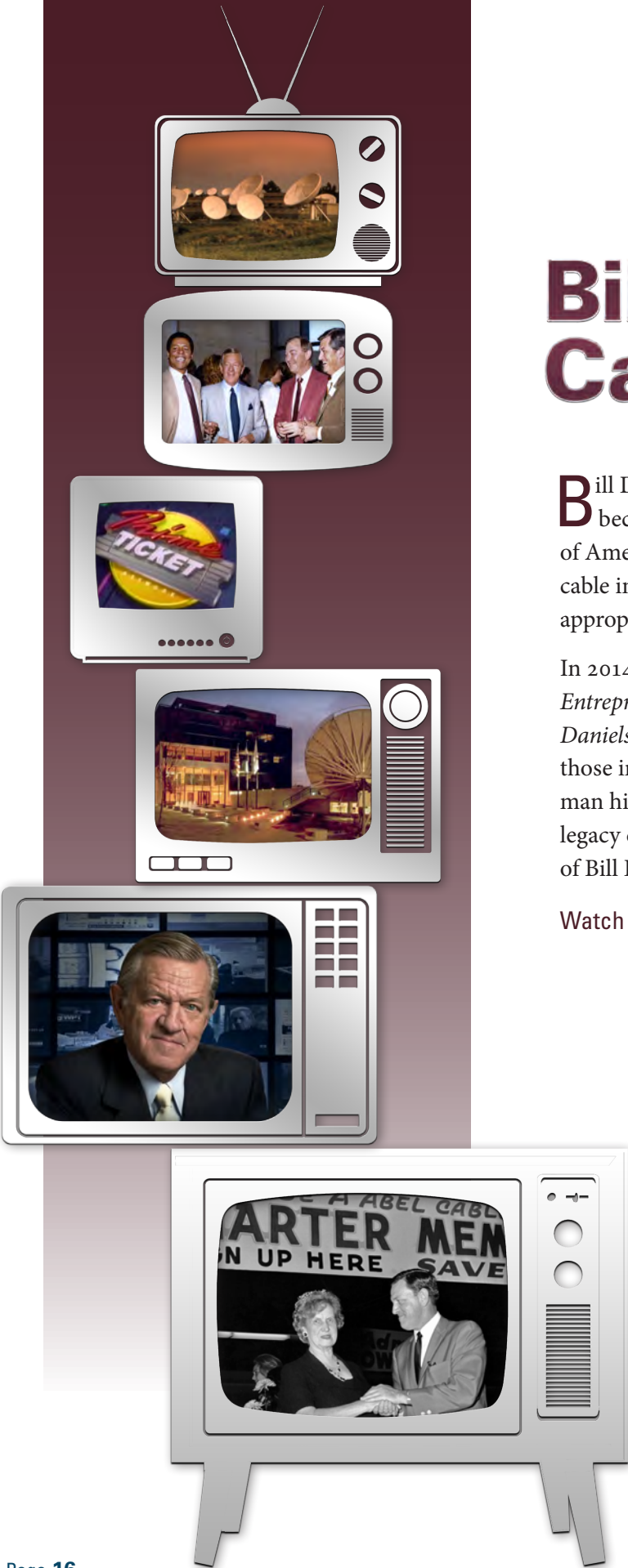
In 2014, our Boundless Opportunity Scholarship Program marked 12 years of financial support to non-traditional college students. The program continues to be a tremendous resource for a variety of students working toward their educational goals — whether the focus is a degree, skill enhancement, or lifelong learning.

Populations served by the Boundless Opportunity Scholarship Program

Totals for all states



- Total awarded: \$13,045,491
- Total students served: 4,366
- Top reasons for attending college:
 1. Further professional goals
 2. Fulfill personal goals
 3. Earn more money
 4. Be a good example
 5. Start a business



Bill Daniels' Cable Legacy

Bill Daniels is a big part of the reason Denver became known as the cable television capital of America. The story of Bill's role in the rise of the cable industry is fascinating, and we've captured it—appropriately—on video.

In 2014, we produced a new video, *American Entrepreneur: The Cable Television Legacy of Bill Daniels*, which tells this captivating story first-hand by those involved, including historical footage from the man himself. The video is an important addition to our legacy collection which documents the life and legacy of Bill Daniels.

Watch it at DanielsFund.org/Media

Board of Directors

A community gathering in northern Colorado



Photo taken on the Colorado State University campus in August 2014

BACK ROW, LEFT TO RIGHT

*Tom Marinkovich
Hank Brown
Jim Nicholson
Jim Griesemer
Gayle Greer
Tony Acone*

FRONT ROW, LEFT TO RIGHT

*Francisco Garcia
Board Chair June Travis
President & CEO Linda Childears
Brian Deevy*

In August, the Daniels Fund Board of Directors hosted their annual community reception. The location rotates among our four-state region and was held in Fort Collins, Colorado in 2014. Our board members welcomed grantees, community leaders, government officials, and Daniels Scholars from communities throughout northern Colorado to learn more about the region's opportunities and challenges.

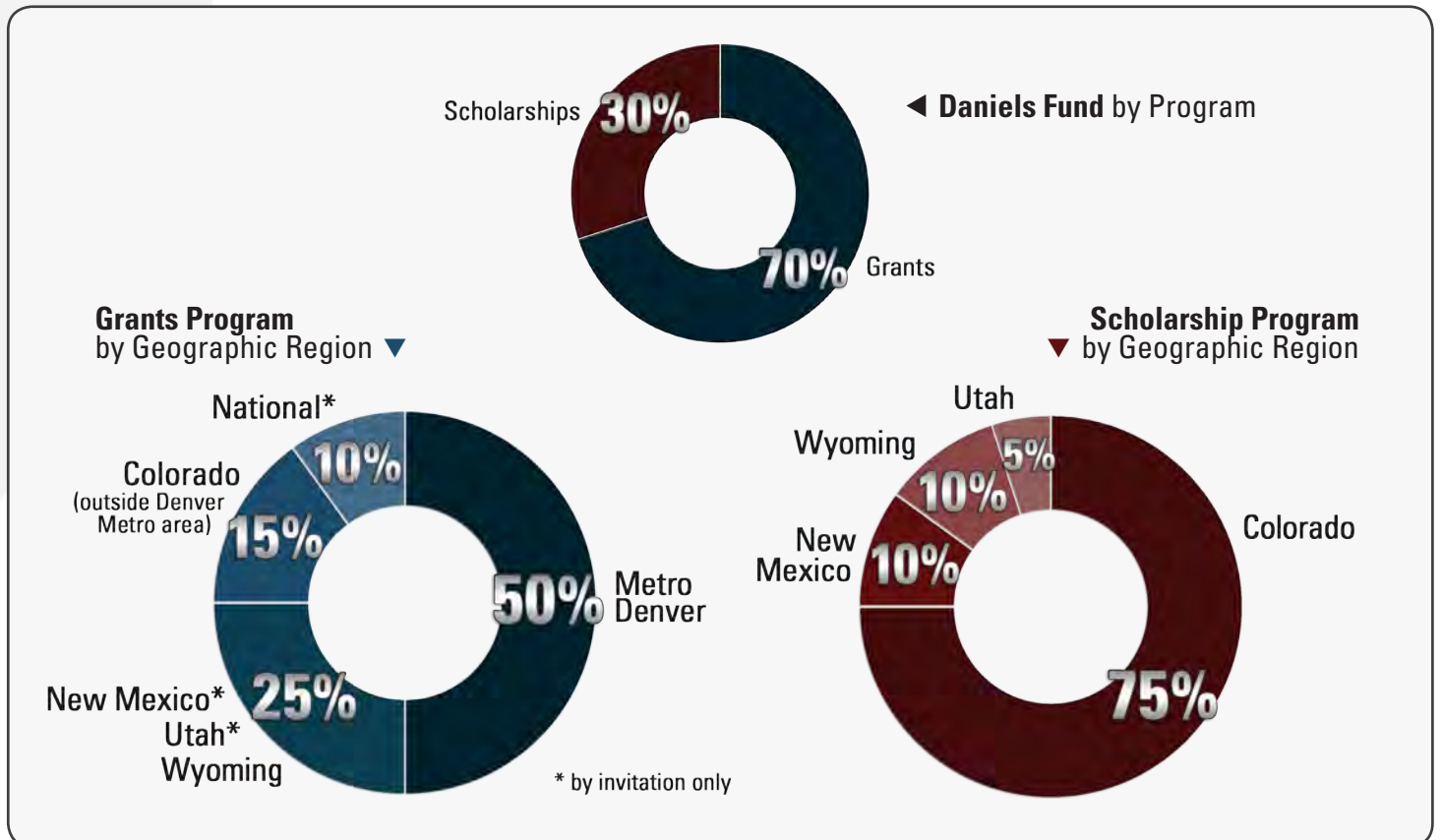
Financial Summary

Investing in our communities

	DECEMBER 31 (UNAUDITED)	
	<u>2014</u>	<u>2013</u>
ASSETS		
Investments, at market value	\$ 1,378,180,506	\$ 1,373,931,595
Property and equipment, net of depreciation	13,302,167	13,685,699
Taxes receivable (payable), net	(390,372)	9,781
Other assets	243,776	96,288
Net Assets	<u>\$ 1,391,336,077</u>	<u>\$ 1,387,723,363</u>
REVENUES		
Investment income	\$ 85,894,363	\$ 53,207,185
Realized gains (losses) on sale of investments	3,541,591	4,290,251
Unrealized gains (losses) on investments	<u>(13,747,068)</u>	<u>101,861,167</u>
Total Revenues	75,688,886	159,358,603
EXPENSES		
Grants paid	47,692,651	33,222,650
Scholarships paid	15,116,289	13,044,787
Administrative expenses	6,641,616	6,393,468
Investment management expenses	942,007	859,385
Excise and income taxes	1,180,521	1,485,982
Depreciation expense	503,088	532,025
Total Expenses	<u>72,076,172</u>	<u>55,538,297</u>
Change in Net Assets	<u>\$ 3,612,714</u>	<u>\$ 103,820,306</u>

	<u>2014</u>	<u>HISTORICAL</u>
GRANTS PAID BY FUNDING AREA		
Aging	\$ 4,836,177	\$ 31,165,997
Alcoholism & Substance Abuse	2,926,437	32,767,154
Amateur Sports	4,117,739	25,208,450
Disabilities	1,775,306	19,950,093
Early Childhood Education	3,082,036	33,292,479
Ethics & Integrity in Education	2,389,850	19,459,974
K-12 Education Reform	9,974,375	85,164,510
Homeless & Disadvantaged	7,162,717	79,618,026
Youth Development	9,481,105	86,898,249
Support for Young Americans Bank	1,586,924	23,761,047
Multiple funding areas	359,985	10,967,489
Total Grants	47,692,651	448,253,468
SCHOLARSHIPS PAID BY TYPE		
Daniels Scholarship Program	14,156,828	122,690,131
Boundless Opportunity Scholarship Program	959,461	13,045,491
Total Scholarships	15,116,289	135,735,622
Total Grants and Scholarships	\$ 62,808,940	\$ 583,989,090

Annual Funding Allocations





DANIELS FUND

101 Monroe Street
Denver, Colorado 80206

