



DANIELS FUND

2017 Report to the Community

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COPY

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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.

About the Daniels Fund

Daniels Fund Grants Program

We provide grants to support highly effective nonprofit organizations in our four-state region, as well as some programs with national impact. Our grant funding areas, as well as geographic regions served, were personally defined by Bill Daniels, and do not change.

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

Daniels Fund Scholarship Program

- The Daniels Scholarship Program provides four-year college scholarships to young people who demonstrate exceptional character, leadership, and a commitment to serving their communities.
- The Boundless Opportunity Scholarship Program provides funding to select colleges and universities to offer scholarships directly to non-traditional students.

Daniels Fund Ethics Initiative

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

Learn more at DanielsFund.org



From the Board Chair and the President & CEO

Dear Friends of the Daniels Fund,

Nearly 20 years after his passing, the name “Bill Daniels” still means something special. Bill is fondly remembered as a patriot who loved and fought for his country. He is regarded as a champion of ethics and integrity. And, Bill is remembered as someone who invested in young people, both as a mentor and as a philanthropist.

In this year’s *Report to the Community*, we are proud to show you how the Daniels Fund continues to be inspired by our founder to make a difference in Colorado, New Mexico, Utah, and Wyoming.

We will detail how our grants program is addressing the alarming lack of civics knowledge demonstrated by America’s young people. You will meet some outstanding students who are achieving great things and giving back while pursuing their educational goals. We’ll also show you the impact a new ethical leadership course is making in classrooms across the nation through our ethics initiative’s High School Program.

It’s a genuine pleasure to share this report with you, and to continue our work in the communities our founder — and all of us — care about so deeply.


Jim Nicholson | Board Chair


Linda Childears | President & CEO

2017 Highlights

Grants Program

We evaluated and refined our Wyoming grantmaking strategy to maximize impact within the funding areas defined by Bill Daniels ■ Continued to focus on the principle of work and its importance throughout our Grants Program — from helping people achieve self-sufficiency to helping youth develop clear pathways to meaningful employment ■ **\$2.9 million** in grants supported civics education (*read more on pages 6-7*)



Volunteers of America Northern Rockies
Camp POSTCARD
Casper Mountain, Wyoming

Scholarship Program

Nearly **275 community volunteers** interviewed hundreds of Daniels Scholarship Program finalists in **20 communities** across our four states ■ **235 new Daniels Scholars** (50% are first in their family to attend college) ■ Completed comprehensive evaluation and refinement of the Daniels Scholarship Program to ensure we most effectively achieve Bill Daniels' intentions (*read more on pages 8-9*)

Ethics Initiative

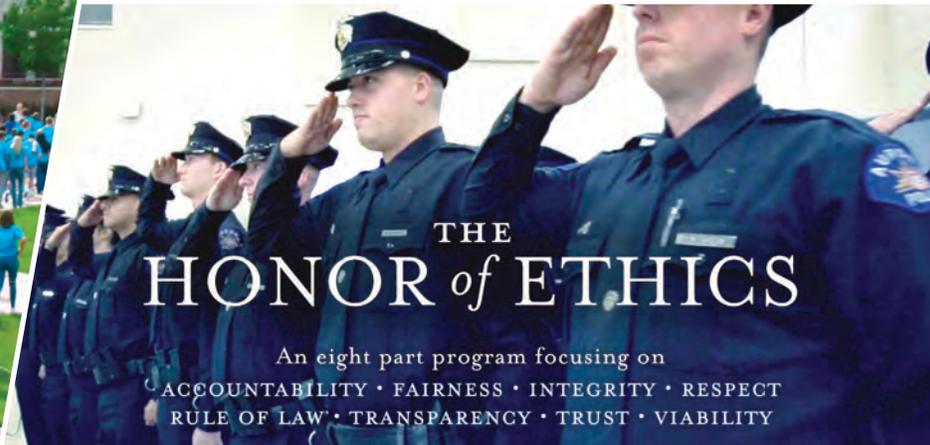
The new High School Program curriculum was rolled out nationwide (*read more on pages 10-11*) ■ Law Enforcement Program developed a series of **8 ethics videos** ■ **11 universities** brought **175 students, faculty, and business leaders** to the Collegiate Program's 4th annual Ethics Summit in Loveland, Colorado ■ **10 teams** of undergraduate business students competed in the Collegiate Program's 6th annual Case Competition in Denver

Awards given

We presented *Bill Daniels True Blue Awards* to **3 police officers** in Albuquerque, New Mexico, for going beyond the normal call of duty to help citizens in need ■ *Bill Daniels Neighborhood Hero Awards* were presented to **4 Denver citizens** for their heroic efforts to help others

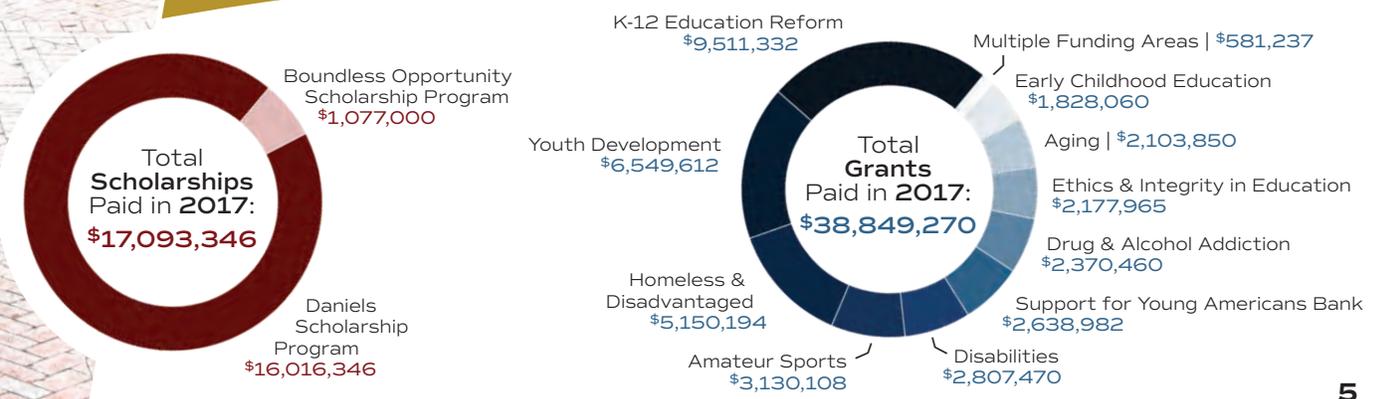
Awards received

The Rose Arom Center recognized the Daniels Fund's support with the *Mitch & Maggie Morrissey Community Leadership Award* ■ Daniels Fund President & CEO Linda Childears received Goodwill Industries of Denver's *Community Leader Award* for her passion and commitment to philanthropy ■ Linda Childears was honored at the Urban League of Metropolitan Denver's *Whitney M. Young, Jr. Awards*



Also noteworthy

27,044 participants attended **1,322 meetings** held by nonprofit organizations in our public Meeting Space ■ Our board of directors hosted their annual *Community Reception* in Denver (rotates among communities in Colorado, New Mexico, Utah, and Wyoming)



Grants

Bill of Rights Institute
Life, Liberty, and the Pursuit of Happiness:
A History of the American Experiment

Confronting the civics crisis

Bill Daniels loved America and was known for his unwavering patriotism. He encouraged others to be engaged citizens, involved in their communities, and active in the political process. Bill also stressed the need for young people to understand our democratic form of government and how communities, states, and the nation function. Therefore, civics education is a priority in our Youth Development funding area.

Sadly, our country is falling behind in the knowledge of how our government works, and the rights and responsibilities of being a citizen. Only 24% of U.S. 12th graders performed at or above the proficiency level in civics in 2010¹, the last year that a civics assessment was administered to students across the nation.

Our sense of civic duty is diminishing as well. A recent poll found that Americans are far less engaged in their civic duties than they were 30 years ago².

In 2017, \$2.9 million in Daniels Fund grants supported highly effective organizations that teach civics education, including:

- YMCA Denver — Our support expanded the *Youth in Government* program. Students explore major aspects of state government by filling roles as politicians, lobbyists, attorneys, and journalists. They convene for a mock General Assembly at the Colorado State Capitol to write bills, lobby, debate, and vote in the chambers of the House and Senate.
- Bill of Rights Institute — We supported the creation of *Life, Liberty, and the Pursuit of Happiness: A History of the American Experiment* for Advanced Placement (AP) U.S. History teachers and high school students. As a national leader in civics education, the Institute was uniquely positioned to create this digital resource to provide free access to hundreds of content sources, narratives, activities, and assessments.

For a list of Grants Program funding areas, see page 2

Learn more at DanielsFund.org/Grants

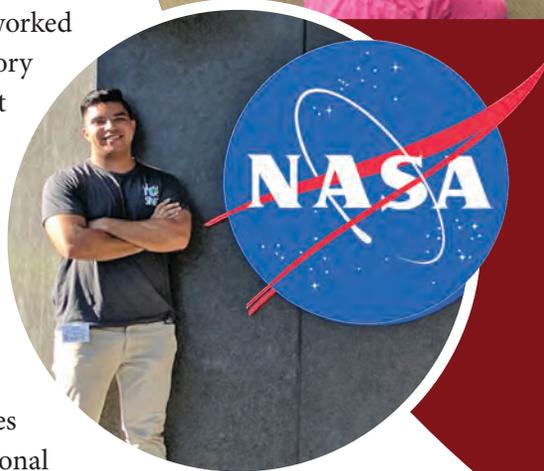
Scholarships

In 2017, we completed a top-to-bottom review of the Daniels Scholarship Program. A few highlights include:

- Current Daniels Scholars and Daniels Scholar Alumni reported that our Scholar Relations Officers (SROs) are their main support system while in college, and the top contributing factor to their success. A team of seven SROs supports more than 1,000 active scholars at any given time.
- Targeted research informed us that the probability of graduation in four years (an objective of the Daniels Scholarship Program) is much higher for students who complete their required math class and 30 credits toward a degree in the first year. This prompted us to add these requirements.

Countdown to career liftoff at NASA

Stephanie Rocha, a Daniels Scholar at University of New Mexico (UNM), spent a semester as an intern at NASA's John C. Stennis Space Center in 2016. She worked in the cryogenics laboratory testing rocket engines that will be used on future space missions. "Working for NASA validated the career path I want to pursue," she says. Stephanie graduated from UNM in May 2017 with plans to enroll in the Masters of Space Studies Program at the International Space University in France. "Bill Daniels passed away before I even had the thought of going to college, and now I owe my degree in mechanical engineering to him."



The **Daniels Scholarship Program** provides a four-year college scholarship for graduating high school seniors in our four-state region who demonstrate strong character, leadership, and a commitment to serving their communities. Our goal is to help Daniels Scholars become independent, successful in a rewarding career, and actively engaged in their community.



Daniels Scholar **Teddy Herrera** completed an internship at NASA's Jet Propulsion Laboratory in 2017. "My internship was a dream come true for me. I spent it working on the Mars 2020 Rover project with a team of mechanical engineers with decades of experience in the aerospace industry," he says. Teddy graduates from New Mexico State University in May 2019. "Being a recipient of the Daniels Scholarship means that I'm among a select group of people who support each other and embody the values of Bill Daniels."

The **Boundless Opportunity Scholarship Program** serves non-traditional students who are enrolled in undergraduate degree programs at select two- and four-year colleges and universities in Colorado, New Mexico, Utah, and Wyoming. The Daniels Fund awards grants to the schools who then award need-based scholarships to their students.

Connected to Bill Daniels in more ways than one

Thirty-two-year-old **William Washington** feels a special connection to Bill Daniels. They both proudly served in the U.S. Navy, both lived in Hobbs, New Mexico, and both share a passion for giving back to their communities.

“Since joining the Navy, I’ve lived in many communities and felt a great need to give something to them all,” shares William.

After serving four years in the Navy, a Boundless Opportunity Scholarship helped William graduate with an Associate of Science degree from the Community College of Denver. While pursuing his degree he served as a volunteer working with middle and high school youth. “These opportunities were very enriching for me because I was giving back something tangible.”

With his degree, William plans to contribute to the field of biochemistry. He also hopes to make a difference in the world.



Daniels Scholarship Program Highlights

Learn more at DanielsFund.org/Scholarships

3,718

Daniels Scholars
selected since 2000

88%

of active scholars are
on track for graduation
within four years

1,920

scholars have graduated
from college

52%

are first in their family
to go to college

Boundless Opportunity Scholarship Program Highlights

Learn more at
DanielsFund.org/Boundless

Median age of
32

\$1,313
average scholarship
(2015-2017)

Ethics

New ethics course targets high school students

2017 marked the first full academic year that high school students across the country learned about ethics through the Daniels Fund Ethics Initiative High School Program. The new Ethical Leadership course was developed by Daniels Fund grantee, MBA Research and Curriculum Center.

In the course, students learn how to identify ethical dilemmas and use a principle-based framework to work through them. They discuss and debate age-appropriate ethics scenarios.

The new course and other curriculum reached more than 120,000 students taught by 1,351 high school teachers across the country.

Learn more at DanielsFund.org/Ethics

What would you do?

Curious about the ethical dilemmas high school students debate and discuss in the Ethical Leadership course? Check out an example at DanielsFund.org/Ethics/GrayZone and see what you would do.



“ Being able to teach this class in such a diverse community really opens your eyes, especially when a student states, ‘this class has helped me create my own ethical compass. I now realize there is more than what my parents taught me.’ That showed me how much this class is helping students.”

Natalie Johnson
Teacher
Vista PEAK Preparatory
Aurora Public Schools

Financials

The financials of our private foundation

The Daniels Fund is a private foundation. That means the funds for our giving came from a single source: Bill Daniels. We do not fundraise or accept donations. Bill established the Daniels Fund to exist in perpetuity – in other words, forever. Private foundations are required to disburse a certain percentage of our assets every year. This makes smart investing an important part of our operations. The return generated by these investments allows us to continue our ongoing charitable giving.

ASSETS

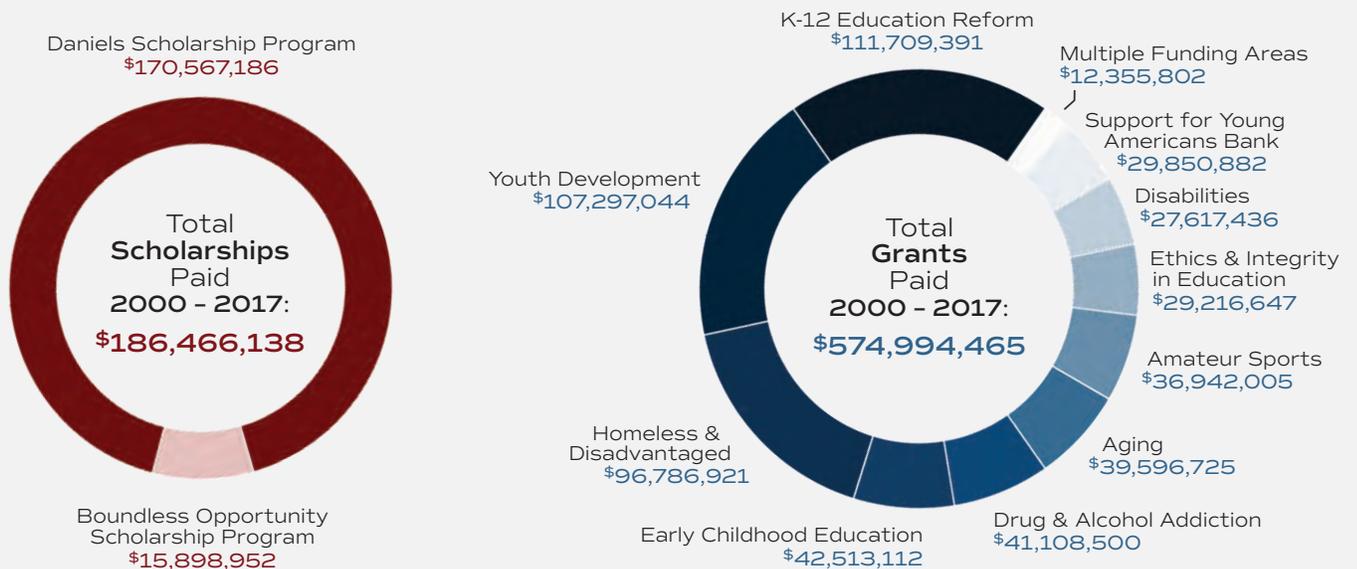
Investments, at market value	\$ 1,524,938,045	\$ 1,296,284,763
Property and equipment, net of depreciation	12,958,576	13,293,550
Taxes receivable (payable), net	548,530	(2,064,496)
Other assets	96,548	90,053
Net Assets	\$ 1,538,541,699	\$ 1,307,603,870

REVENUES

Investment income	\$ 74,963,681	\$ 58,147,346
Realized gains (losses) on sale of investments	27,432,361	14,834,708
Unrealized gains (losses) on investments	195,441,125	(2,016,463)
Total Revenues	297,837,167	70,965,591

EXPENSES

Grants paid	38,849,270	41,366,190
Scholarships paid	17,093,346	17,406,106
Administrative expenses	7,673,034	7,296,646
Investment management expenses	964,679	974,139
Excise and income taxes	1,835,807	2,230,445
Depreciation expense	483,202	429,646
Total Expenses	66,899,338	69,703,172
Change in Net Assets	\$ 230,937,829	\$ 1,262,419





The Daniels Fund Board of Directors
Daniels Great Hall | The Cable Center
Denver, Colorado

Board of directors keeps Bill at the table

To our board of directors there is no job more important than honoring donor intent. Board members have memorialized their relationship and experiences with Bill Daniels on video. Additionally, time is dedicated at each annual board meeting to reflect on Bill.

Board of Directors



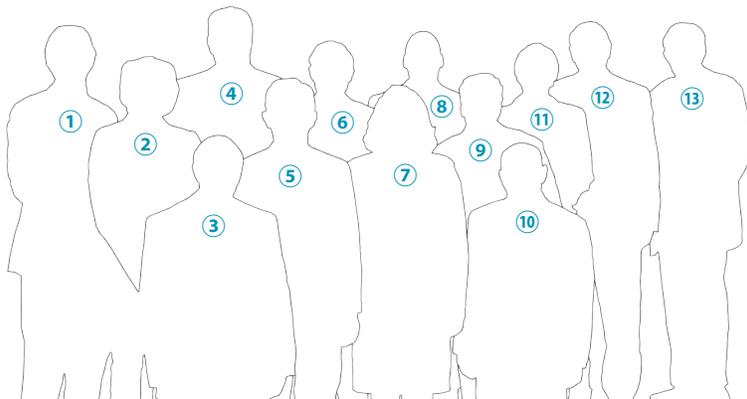
Being a resource on protecting donor intent

Over the years we have developed tools and resources to preserve and honor our donor's intent. Our efforts have caught the attention of others in the philanthropic community and we are often asked to share our experiences.

In 2017, Daniels Fund Board Chair, Jim Nicholson, and President and CEO, Linda Childears, presented on the topic at The Philanthropy Roundtable's Annual Meeting, an event that convenes hundreds of individual and family donors, and foundation trustees.

“ Jim Nicholson and Linda Childears gave an outstanding presentation on the Daniels Fund's clarification of Bill Daniels' donor intent, based on a comprehensive review of his correspondence and conversations about his giving and his fundamental principles. It was one of the highlights of our 2017 Annual Meeting.”

Adam Meyerson
President
The Philanthropy Roundtable



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|------------------------------------|--------------------|
| ① BRIAN DEEVY | ⑧ LEROY WILLIAMS |
| ② GAYLE GREER | ⑨ JOHN FITZGERALD |
| ③ JOHN SUTHERS | ⑩ FRANCISCO GARCIA |
| ④ TOM MARINKOVICH | ⑪ JUNE TRAVIS |
| ⑤ JIM NICHOLSON, BOARD CHAIR | ⑫ HANK BROWN |
| ⑥ JIM GRIESEMER | ⑬ TONY ACONE |
| ⑦ LINDA CHILDEARS, PRESIDENT & CEO | |



DANIELS FUND

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Denver, Colorado 80206

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