

DANIELS FUND

2006 REPORT TO THE COMMUNITY



Measuring
IMPACT
on our communities.
State by state.

GRANTS

SCHOLARSHIPS

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2006 Report to the Community

Bill Daniels, a pioneer in cable television known for his kindness and generosity, established the Daniels Fund to provide help and hope to those in need. He defined his philanthropic goals for the Daniels Fund in precise terms through the articles of incorporation and supporting documents. When he passed away in the year 2000, the bulk of his estate transferred to the Daniels Fund, making it one of the largest foundations in the Rocky Mountain Region.

Daniels Fund Scholarship Program

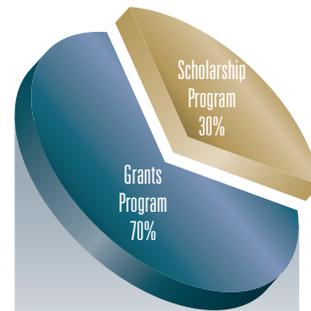
Bill’s targeted percentages for charitable allocations include 30 percent for the Daniels Fund Scholarship Program. He directed that the funding be used for scholarships and other financial assistance to students from the Fund’s four-state region in the following approximate percentages: 75% in Colorado; 10% in New Mexico; Utah 5%; and Wyoming 10%.

Daniels Fund Grants Program

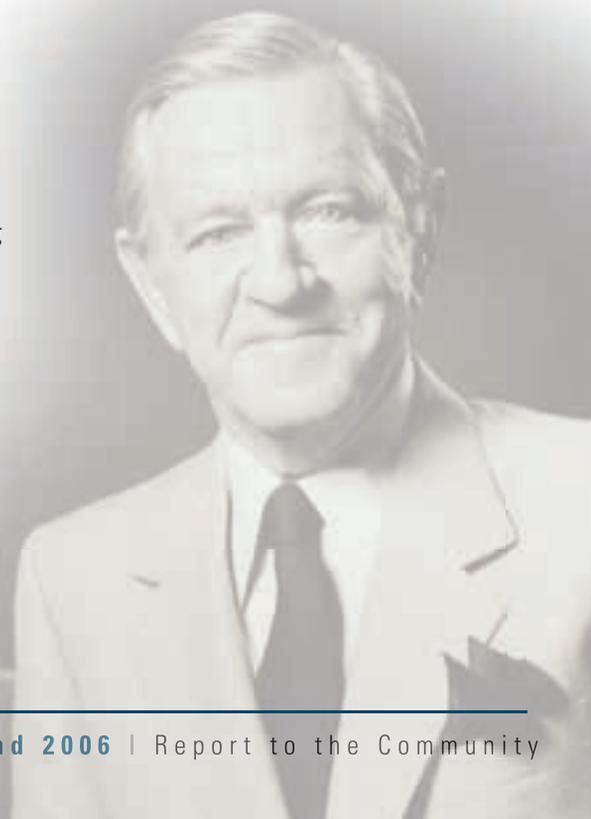
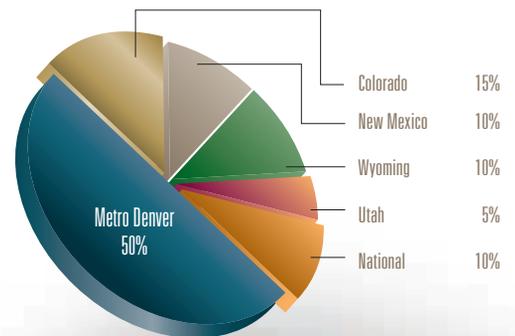
Bill targeted 70 percent of the Fund’s distributions for the Daniels Fund Grants Program according to the following approximate percentages: Metro Denver 50%; Colorado 15%; New Mexico 10%; Utah 5%; Wyoming 10%; and National Grants 10%.

The Daniels Fund is dedicated to honoring Bill’s mission of
*“Making Life Better ...
 One Individual at a Time.”*

Grants Program/Scholarship Program Comparison



Grant Allocations by State Percentage



MESSAGE FROM THE PRESIDENT & CEO

Bill Daniels was the most generous man I've ever known. He never hesitated to help those in need — from the homeless, to friends in trouble, even people he read about in the paper. To every situation, he brought a very personal concern for, and involvement with, individuals in need and the organizations that serve them.

Bill helped many people during his lifetime and continues to do so via his legacy, the Daniels Fund. Establishing the Fund was Bill's dream. He was a man who always knew very clearly what he wanted and how to make it happen, and the Daniels Fund was no exception. Before he died, he outlined very specific charitable causes and geographic areas for allocation of the funds that he left behind. He also suggested individuals to serve on the Fund's board of directors.

The Daniels Fund is dedicated to carrying out Bill's wishes and we incorporate his philanthropic style into everything we do. Bill would be proud of the impact the Fund is having and he would expect us to continue to strive to do even more in the future. In this *2006 Report to the Community*, we are proud to share with you a glimpse into that impact and how we are honoring Bill's wishes through charitable allocations, program impact, and growth of charitable assets:

- **Charitable allocations** – In 2006, we paid a total of more than \$47 million in grants and scholarships across our four-state region of Colorado, New Mexico, Utah, and Wyoming, as well as to programs with national impact. On the following pages we share how those funds were distributed among our grants and scholarship programs.
- **Program impact** – Bill wanted to make a difference in the lives of others and he spent a great deal of time with those he helped. You will see through the features and stories in this report how the Daniels Fund grant and scholarship programs are about more than distributing financial assistance. They are about reaching out and working closely with communities, organizations, and individuals to maximize impact.
- **Growth of charitable assets** – Bill's vision was for the Fund to live on in perpetuity, and the chart showing our asset growth in the financial summary shows how we are honoring that vision.

On behalf of the board of directors and all the staff at the Daniels Fund, we hope you enjoy reading about some of the incredible organizations and students we supported in 2006 – their stories are truly heartwarming.

Sincerely,



Linda Childears
President and CEO



MESSAGE FROM THE CHAIRMAN OF THE BOARD

I dedicate this Chairman's Letter to a topic that is as essential today as it will be hundreds of years from now when future board members and staff will dedicate their talent and energy in fulfilling the mission of the Daniels Fund. That is, honoring donor intent.

The Daniels Fund is continuously presented with opportunities to help those in need. While many worthy causes exist, it is our job as an organization to remain true to our mission and focus on the intent that Bill defined for his foundation.

Bill spent the final years of his life defining his philanthropic goals for the Daniels Fund in precise terms. He specifically defined the regions to be served, the programs to be funded, and other key issues for his foundation. He also established it as a resource to live on in perpetuity.



Bill Daniels and John Saeman at Daniels & Associates



Bill at Young Americans Bank

As we make funding decisions, it is not only these directives that guide us, but also the values and morals that Bill embodied. The values to which he was absolutely committed included Honesty, Integrity, Fairness, Loyalty, and Accountability. He expected no less from his friends and associates and took pains to put his beliefs down on paper to communicate them to everyone.

Prominently displayed throughout the Daniels Fund and posted on our website is a collection of "philosophy statements" that Bill created. Here are a few samples of his thoughts and words and how we strive to allow them to direct our efforts:

AMERICA remains the greatest nation on earth, where boundless opportunities still exist for each and every one of us. – BILL DANIELS

Bill believed that everyone comes into this world with an innate and unique potential for success and fulfillment. He encouraged people to take a chance on themselves, explaining that "unless you do, you may never know what you're missing out on, and neither will the rest of the world." By sharing his wealth, Bill hoped to provide the means for more people to realize their unique potential.

ALL TOO OFTEN people in high places forget where they came from. And while they make every effort to treat their peers and superiors with friendliness and respect, they don't always afford others the same common courtesy ... You have the ability to make people happy with just a few thoughtful words. Why not start using them? – BILL DANIELS



Bill during his 1974 campaign for governor of Colorado

From corporate leaders to homeless persons, Bill treated everyone alike. The Daniels Fund is called not only to honor his intent, but his commitment to treating all people with dignity and respect.

IMAGINE a world where people give of themselves simply because they want to. Now, instead of imagining this kind of world, do your part in making it happen. Make a charitable donation. Volunteer your time to improve your community. Give back to the world that gives so much to you. – BILL DANIELS

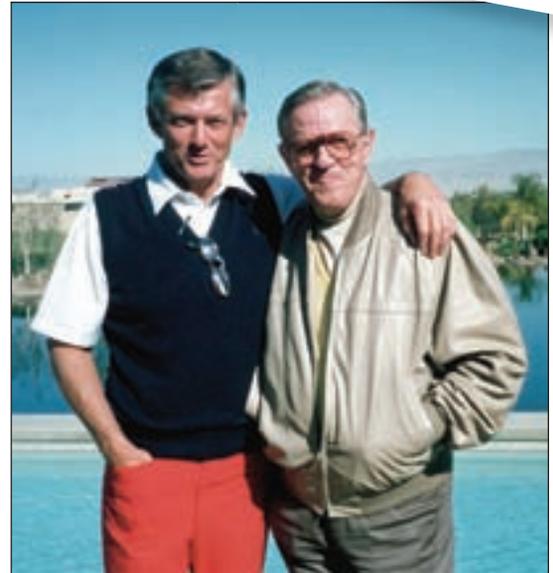
Bill loved America, and believed that each of us has a duty to offer help and hope to others. He gave many people second chances in life, but expected them to work hard, act with integrity, and in turn to give back to their communities.



We honor Bill's legacy when we remain true to his convictions and purposes. We must not forget the high standards for which he aimed. By rising to these challenges we not only remember Bill's positive influences, but we become better people too. We carry on his legacy by repeating the values that guided his life. That's the highest honor we can give to Bill and, for all the success that he achieved, this is the honor of which I'm sure he would be most proud.

Sincerely,

John V. Saeman
Chairman of the Board



John with Bill at his home in California

Grants Program

*...we work to identify areas of greatest need
in an effort to make a significant impact...*

Program Overview

Giving back to the community was an important part of Bill's life and before his death, he started the Daniels Fund to ensure his legacy of giving continued on for many more lifetimes. Upon establishing the Fund, Bill directed that approximately 70% of charitable allocations be awarded through the Daniels Fund Grants Program in seven key areas:

- **Aging**
- **Alcoholism and Substance Abuse**
- **Amateur Sports**
- **Disabilities**
- **Education**
- **Homeless and Disadvantaged**
- **Youth Development**

Each one of these areas held personal roots for Bill, as you will read on the following pages where we expand on each funding area and showcase several very special organizations who received Daniels Fund grants in 2006.

At Bill's direction, we focus our funding in four states to which he had personal ties: Colorado, New Mexico, Utah, and Wyoming. We consider funding for national programs provided they are far-reaching, have a national impact, and are replicable.



Daniels Fund supports programs ensuring older adults achieve maximum independence



Daniels Fund impacts the quality of early childhood education to ensure quality and school readiness

Helping People in True Bill Daniels Style

It wasn't like Bill Daniels to simply write a check and move on. He took the time to get to know the individuals he helped and personally connect with them. He also had high expectations – he often followed up with people, checked on their progress, and made sure they used his assistance to help themselves.

To honor Bill's style, the Daniels Fund employs an engaging approach to grantmaking. We spend time building relationships and partnerships with the communities and the organizations that serve them. Together we work to identify areas of greatest need in an effort to make a significant impact and achieve the broadest geographic reach. We collaborate with the organizations we support to help them maximize the impact their programs have on the communities they serve. We require all grant applicants to demonstrate measurable outcomes from the funding support and follow up on those outcomes at the end of the grant period.

2006 – A Record Year

2006 was an important year for the Daniels Fund Grants Program. Nearly 761 grants totaling more than \$36 million were paid by the Daniels Fund to nonprofits in all seven funding areas. The result to communities across Colorado, New Mexico, Utah, and Wyoming was that many outstanding organizations and projects were able to improve the quality of life for thousands of people, one individual at a time.

In 2006, we reached out to communities throughout our four-state region by convening community meetings to share our funding strategies and grants priorities, performing site visits, and meeting individually with current and potential grantees. In Wyoming alone, we held seven community meetings in every region of the State to update community stakeholders and nonprofit agencies on the opportunities that exist in our funding areas. Additionally, in an effort to learn more about our grantees' work, we launched monthly President's Luncheons. Each month grantees join our CEO, Linda

Childears, to share insight and feedback on the issues affecting their work and the people they serve.

In 2006, grants program officers visited nonprofit organizations throughout our region. Collectively, program officers conducted site visits with 70% of our grantees to develop a stronger understanding of the work going on within the communities they serve. To ensure that we continue to respond to the needs of the communities we serve, program officers were assigned regional areas of focus across Colorado.

As we reflect on the impact we were able to have in 2006, we are also aware of the tremendous need that still exists in our communities and we will continue to seek out ways to learn from the organizations we fund. As the grants program moves forward, an engaging



Mile High Down Syndrome offers quality programs in Colorado

philosophy will continue to be our approach as we look for opportunities to make a tremendous impact on our community, one individual at a time.

On the following pages we share impact highlights from each program area as well as profiles of several deserving organizations we supported in 2006.

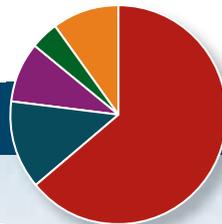
Total Grants Paid in 2006: \$ 36,002,364
(all dollar amounts below are millions)

What it Takes to Operate the Grants Program

- 8 staff
- Operating costs: \$2,700,000 (7%)
- Overhead goal: 5-10% of total program spending

Grants Paid by State (in dollars):

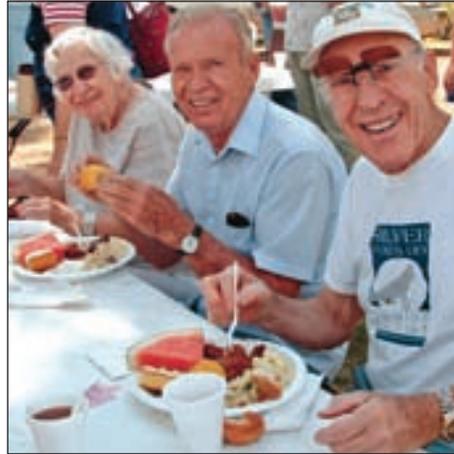
■ Colorado	23,049,362
■ New Mexico	3,136,413
■ Utah	1,356,717
■ Wyoming	3,552,460
■ National	4,907,411



Grants Paid by Program Area (in dollars):

■ Aging	2,881,604
■ Alcoholism & Substance Abuse	2,594,566
■ Amateur Sports	1,476,517
■ Disabilities	2,052,960
■ Education	11,162,441
■ Homeless & Disadvantaged	6,106,439
■ Youth Development	7,109,832
■ Cross-Program	2,618,005





Left: Golden Age Center provides nourishing meals for seniors

Right: Archuleta County Senior Services provides a wide array of programs in rural Colorado

Bill Daniels' concern for the aging stems from watching his mother, and then later himself, experience the aging process. It was important to his mother to maintain her dignity and independence as she aged. Later, as Bill began to age himself, he understood very clearly what his mother had previously gone through. While Bill could afford services that allowed his mother and himself to age in comfort and with dignity, he recognized that others weren't as lucky. In establishing the Daniels Fund, Bill directed that support be provided for programs that ensure older adults achieve maximum independence and quality of life.

2006 IMPACT SUMMARY

According to the US Census, the country's proportion of older adults (65+) is at a record 13% and is expected to rise to 20% by 2030. Our Aging program is proactively working with communities and organizations across our four-state region to respond to this trend and the growing needs for seniors. 2006 saw particular growth in "aging in place" programs and services that help older adults live independently. Such programs are a strong fit for our In-Home Services focus and 61% of our 2006 Aging grants were to In-Home Services programs and organizations. Other 2006 highlights include:

- We helped fund two major capital expansion projects that enabled the completion of hospice facilities in Wyoming and Colorado.
- We helped fund development and expansion of a new senior volunteer program in Central Wyoming.
- We helped fund the development of cutting-edge Aging programs such as "Naturally Occurring Retirement Community Supportive Services," a concept that is gaining national recognition and one with which the Daniels Fund is closely involved. You can learn more about it in the following feature.

Program Goal:

Ensuring older adults achieve maximum independence and quality of life.

Funding Areas:

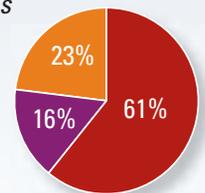
- In-Home Services*
- Community Engagement*
- End of Life/Palliative Care*

Total Grants Paid in 2006:

\$ 2,881,604 (8% of all grants)

Grants Paid by Funding Area:

- *In-Home Services*
- *Community Engagement*
- *End of Life/Palliative Care*



Total Number of Grants Awarded:

51 grants

Grants Paid by State (in dollars):

<i>Colorado</i>	1,625,317
<i>New Mexico</i>	260,595
<i>Utah</i>	100,000
<i>Wyoming</i>	745,692
<i>National</i>	150,000

Funding Area: In-Home Services

Impact Location: National

Grant Amount: \$ 150,000

Naturally Occurring Retirement Communities

When Fred Jeffries' son offered to move Fred and his wife into a home for seniors, Fred replied "no thanks, we just like it where we are." Mary Esralew's son offered to find her an apartment closer to his home. "I looked at him and said why in the world would I ever do that?" Mary said. "That's a lovely thought, but you're both employed and I won't see you at all. Here, I'm busy all day."

Fred and Mary live in a Denver apartment complex that is home to a 2-year-old program called Senior Connections, the first of its kind in Denver under a new concept called Naturally Occurring Retirement Community Supportive Service Programs. Naturally Occurring Retirement Communities (NORCs) are defined as geographic areas not originally built for seniors but that over time become home to a large concentration of older people. Fred and Mary's apartment complex is a perfect example. Although it's an all-ages apartment community, approximately one third of the residents are seniors.

More and more, Americans are choosing to "age in place," preferring to remain in their familiar communities just like Fred and Mary. The NORC supportive service program concept identifies these naturally occurring communities and brings services and programs to those who live there. Meal delivery, transportation, wellness clinics, and

exercise classes are a few of the many types of programs that might be facilitated.

The folks in Senior Connections couldn't be more pleased with the concept. Not only do they have access to services that help them stay safe and healthy, they have a community of friends and neighbors that spend time together and look out for each other. Mary, who is handicapped and requires a walker to get around, comments: "When I moved here, I was not handicapped as I am now. Had I not been in Senior Connections, I would be sitting quietly in a room doing nothing,

More and more, people are choosing to "age in place," and we helped a host of organizations respond to this growing trend.

being ignored. [The program] truly allows you to be with people, to meet people, and that's so wonderful." Fred and his wife don't plan on ever leaving. "My wife won't leave for lots of reasons, but one is Senior Connections," explains Fred.

Senior Connections is one of more than 80 NORC supportive service programs operating across the U.S., and is part of a nationwide study being conducted



Senior Connections participants, David Crane and Barbara Counley take advantage of free Wellness Clinic services provided by RN, Elizabeth Ruff, of Dominican Sisters

by the United Hospital Fund, with \$150,000 in support from the Daniels Fund. The United Hospital Fund is working to establish best practices that will help maximize the success of existing and future supportive service programs. The result of this project will be an Action Blueprint that will capture the experience, knowledge, and expertise that has accumulated to aid others in developing successful programs like Senior Connections.



During his lifetime, Bill Daniels supported Step 13, a program established by Bob Cote (center) to help men overcome addiction to alcohol and substance abuse

Bill Daniels was intent on funding programs that help people face the challenges of alcoholism and substance abuse. Helping such people was extremely personal to him, as he himself was an alcoholic who received treatment at the Betty Ford Center. During his lifetime, he supported the efforts of many organizations helping people with alcohol and substance abuse addictions.

2006 IMPACT SUMMARY

In 2006, we carried on Bill's legacy by partnering with organizations that ensure youth and adults with alcohol and substance abuse challenges achieve stability in their lives. A critical focus area was the devastating effect that methamphetamine (meth) abuse is having throughout the region, especially in rural areas. We developed a number of strategies to help address the meth issue:

- Major grants were awarded to substance abuse treatment programs helping people who are struggling to overcome the grip of meth addiction. From the Stout Street Clinic in Denver to the Central Wyoming Counseling

Center, we funded programs across our four-state region.

- Through *Parents are the Power*, a partnership between 9NEWS, the Daniels Fund, Denver Office of Drug Strategy, and the Colorado Alcohol and Drug Abuse Division (ADAD), we developed a focus on meth and launched a public awareness campaign around the menace of meth addiction.
- We participated in strategic learning sessions with the Colorado Meth Task Force and the National Alliance for Drug Endangered Children to further identify and develop effective strategies focusing on meth addiction.

Program Goal:

Ensuring youth and adults with alcohol and substance abuse challenges achieve stability.

Funding Areas:

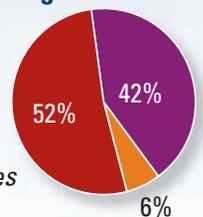
- Prevention (emphasis on youth)
- Treatment
- Supportive/After-Care Services

Total Grants Paid in 2006:

\$ 2,594,566 (7% of all grants)

Grants Paid by Funding Area:

- Prevention
- Treatment
- Supportive/After-Care Services



Total Number of Grants Awarded:

37 grants

Grants Paid by State (in dollars):

Colorado	1,337,552
New Mexico	229,154
Utah	180,000*
Wyoming	500,000
National	525,000

* The net amount of grants paid in Utah was \$2,860 due to the recovery of an unused grant

Central Wyoming Counseling Center

Funding Area: Treatment

Impact Location: Wyoming

Grant Amount: \$ 1 million (over 3 years)

Key leaders in Wyoming participate in a press conference announcing a residential treatment program for meth addiction

“Mike” entered the residential treatment program for meth addiction at the Central Wyoming Counseling Center (CWCC) in 2006, hoping to put the pieces of his life back together.

“The last months of my life had been hell on earth,” he explained. “I entered treatment full of self-doubt and telling myself, *I am certain to fail again.*”

Methamphetamine is a synthetic drug that induces a strong feeling of euphoria and is highly addictive. It is typically injected or smoked, resulting in a “high” that lasts for hours. Addicts frequently binge on the drug for several days before finally collapsing in exhaustion.

CWCC provides residential substance abuse care to those in need without regard to their ability to pay. The program gave Mike the time and support he needed to overcome his meth addiction.

“The program helped me slowly put the pieces together,” he explained. “I left treatment feeling good about myself, yet with a new respect for the sickness I’ll have to continue to confront,” he added.

According to Casper Police Chief Tom Pagel, the use of meth in rural Wyoming has grown at an alarming rate and is causing significant problems in terms of increased crime rates, domestic violence, and neglected or abused children.

“While many would see this problem as best addressed by increased law enforcement and incarceration, we believe the long-term solution lies in greater prevention efforts and increased treatment options,” explained Chief Pagel.



In 2006, the Daniels Fund awarded a \$1 million grant to CWCC to fund construction of a 95-bed residential treatment facility. The remaining

The first step in overcoming addiction is to help the person realize they have a problem they cannot control.

\$7 million cost of the project is being met by generous support from the McMurry Foundation, the state government, and other local support in Wyoming.

“No one chooses to become a drug addict,” explains Mike Huston, CWCC’s executive director who is spearheading the effort to build the residential treatment facility. “The first step in overcoming addiction is to help the person realize that they have a problem they cannot control,” he continued.

“The good news is that treatment works,”

Huston added. “When a person is willing to take personal responsibility for their addiction, they are able to enter the process of recovery that leads to a happier, more fulfilling life for both them and their loved ones.”

The new facility at CWCC will offer a 12-18 month program that includes intensive care to assist people through the physical effects of withdrawal from meth, a structured residential treatment program, and a halfway house that allows individuals to begin the process of reintegrating into the workplace. After receiving treatment, residents are integrated into an Alcoholics Anonymous or Narcotics Anonymous group to help them continue on their journey of recovery.

“The Daniels Fund played an important role in bringing together the community support needed to make the residential treatment facility a reality,” said Huston. “This program will benefit individuals, families, and our community, and we are grateful to those making it possible,” he added.

Left to Right: Colfax Marathon Partnership; Young people learn discipline and teamwork through basketball and boxing programs offered by the Native American Indigenous Games; A participant competes in the Colorado Police and Fire Games



Bill Daniels had a life-long passion for sports. As a young man, he was an outstanding athlete in basketball and football, and was a two-time Golden Gloves state boxing champion. Later in life, Bill enthusiastically invested in numerous sports ventures. In 1998, he was inducted into the Colorado Sports Hall of Fame as a sign of the love and respect that he had earned from athletes and fans alike.

Bill believed that competition and teamwork reinforce the importance of hard work, setting goals, playing fair, and never giving up. We carry on those beliefs by supporting organizations that ensure opportunities for amateur participation in quality sports programs that foster increased sportsmanship, confidence, discipline, and leadership. We also support national and international amateur sports competition.

2006 IMPACT SUMMARY

The Amateur Sports program focuses on providing access to a variety of sports for youth, regardless of economic status or ability. We support volunteer-run, community based programs, after-school sports, and organized leagues. We also work to improve the quality of youth sports programs by supporting youth coach training programs. Access to quality facilities for recreational sports programs is a key focus, particularly in rural communities where recreational options and facilities are limited. We support competitions for all ages and abilities, providing a venue for athletes to compete and excel. 2006 highlights include:

- + We helped rural communities in Colorado and Wyoming finish numerous facility construction projects, including an ice rink, soccer fields, a football field, an aquatic center, baseball fields, and a skate park.
- + We increased access to sports by supporting programs that provided opportunities for more than 23,000 youth, both able-bodied and disabled, to participate in a variety of sports in communities across our four-state region.
- + We supported amateur competitions for athletes ages 6 to 92, including state games, senior games, an international competition for indigenous athletes, and the Police and Fire Games.

Program Goal:

Ensuring the opportunity for amateur participation in quality youth sports programs, as well as national and international competition.

Funding Areas:

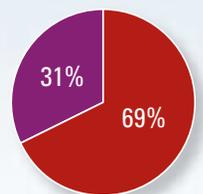
Youth Sports
Competition

Total Grants Paid in 2006:

\$ 1,476,517 (4% of all grants)

Grants Paid by Funding Area:

- Youth Sports
- Competition



Total Number of Grants Awarded:

52 grants

Grants Paid by State (in dollars):

Colorado	1,023,666
New Mexico	121,250
Utah	96,250
Wyoming	135,351
National	100,000

Southwest Youth Services, Inc.

Funding Area: Youth Sports

Impact Location: New Mexico

Grant Amount: \$ 35,000

Youth in rural New Mexico pueblo communities face numerous health and social challenges. Organized health and fitness programs offer significant benefits, however pueblos often lack financial resources to make them available to youth. An innovative program from Southwest Youth Services is working hard to change that situation.

Using the game of soccer to reach out to pueblo youth, Southwest Youth Services teaches the importance of teamwork, discipline, and respect, and strives to help Native American youth live healthier, more productive lives. A \$35,000 Daniels Fund grant in 2006 helped the organization take its soccer program to 1,000 young people in 14 tribal communities.

“Soccer appeals to youth of all ages and the equipment required is minimal,” said Alec Rekow, president of Southwest Youth Services. That makes it well suited to the pueblo communities that can’t afford expensive gear and have children ranging in age from 4 to 19 in need of after-school and summer athletic programs. Children learn about sportsmanship and teamwork — ideals that Bill Daniels valued — while learning about healthy lifestyles that are imperative for the pueblo communities.

Lauren Frinkman, who spent summers with her mother’s family on the Cochiti Pueblo near Santa Fe, says the program establishes trust and encourages a positive attitude among the young people it serves. “What I remember as a kid was that there was just no stability,” said Frinkman, adding that the soccer

program has become a sign of hope in her community.

Last year for the first time, youth from 16 tribal communities in northern and

One or two coaches or tutors can make all the difference to kids who don’t have a network of support.

central New Mexico tried out for spots on two competitive teams participating in the North American Indigenous Games. The girls team earned a silver medal, and the boys team earned a bronze medal at the event.

Frinkman, who used to spend her summers on the pueblo, is now a summer staff member and youth leader for Southwest Youth Services. She’s witnessed a transformation among the older children who participate in the soccer program. “It instills in the older kids, the seniors in high school, that

they can give so much back to their community so easily,” she said.

A key element of the program teaches about the importance of doing well in school, and helping the youth understand how the discipline they are learning in sports has a direct application to their studies. That kind of philosophy embodies Bill Daniels’ belief in the valuable lessons that can be learned through sports.

“One or two coaches or tutors can make all the difference to kids who don’t have a network of support,” Rekow concluded.



An innovative soccer program operated by Southwest Youth Services benefits youth in New Mexico’s pueblo communities

Left: Adelante Development Center in New Mexico helps the disabled enjoy greater independence

Center: A young person's hearing is tested at the Bill Daniels Center for Children's Hearing at The Children's Hospital

Right: From employment to fellowship, Bayaud Industries provides innovative services to the disabled



Bill Daniels understood the stress placed on caregivers of children with special needs. His mother cared for his sister, Dorothy, who was developmentally disabled, keeping her at home at a time when society often institutionalized children with disabilities. She was ahead of her time in how she cared for Dorothy and her ability to give her a better quality of life. That experience led Bill Daniels to support programs that ensure other developmentally disabled individuals and their families receive maximum independence and quality of life.

In addition, Bill's own hearing disability gave him a personal understanding of the challenges associated with a physical disability. He directed funding support for equipment for those who are physically disabled.

2006 IMPACT SUMMARY

Throughout 2006, we were honored to partner with organizations providing valuable and innovative services to individuals with disabilities. Bill Daniels' vision is being realized thanks to the efforts of dedicated providers throughout our four-state region. 2006 Disabilities program highlights include:

- ✦ The demands for physical disability equipment are great, and for people on fixed incomes, purchasing needed equipment can be extremely difficult. In 2006, we supported several disability equipment programs that enable people to purchase equipment at affordable pricing.
- ✦ Early identification of deaf and hard-of-hearing children remains a major commitment of the Daniels Fund

through our multi-year grant to The Bill Daniels Children's Center for Hearing at The Children's Hospital. The Center provides comprehensive multidisciplinary assessment and diagnosis for infants, including supportive counseling to families.

- ✦ 2006 developmental disability grants helped continue the strong supportive efforts of organizations dedicated to serving people with developmental delays. Organizations offering respite care to families, supportive services to families/caregivers of Down Syndrome children, and summer camp experiences for developmentally delayed youth were all supported with Daniels Fund grant dollars.

Program Goal:

Ensuring physically and developmentally disabled individuals and their families achieve maximum independence and quality of life.

Funding Areas:

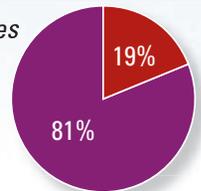
- Developmental Disabilities (Supportive Services)*
- Physical Disabilities (Equipment)*

Total Grants Paid in 2006:

\$ 2,052,960 (6% of all grants)

Grants Paid by Funding Area:

- *Developmental Disabilities (Supportive Services)*
- *Physical Disabilities (Equipment)*



Total Number of Grants Awarded:

29 grants

Grants Paid by State (in dollars):

Colorado	1,551,060
New Mexico	110,000
Utah	30,000
Wyoming	186,900
National	175,000

Zach's Place

Andrea Rutan's son, Corwyn, had been kicked out of four daycare centers by the time he was five years old. One child-care service told Rutan they could not handle Corwyn after he was there for only one day.

Corwyn, now seven, has Autism with severe language delays equal to that of a one- or two-year-old. He is also, what his mother calls, an "escape artist," with a penchant for climbing and acrobatics. "These talents require someone to watch Corwyn constantly," she said.

Rutan, a single mother who works full time to support Corwyn and his little sister Fiona, had difficulty finding a child-care program that could handle her son's special needs. That is, until she found Zach's Place. Zach's Place is a child-care and respite program for children, ages 5 to 21, who have disabilities. It's operated by the Colorado Springs, Colorado-based Special Kids/Special Families, a child placement and foster care service.

The Daniels Fund granted Special Kids/Special Families \$25,000 in 2006 for its Zach's Place respite care program. The grant specifically supported respite care for 20 low-income families, representing nearly half of the families that use the child-care services of Zach's Place.

Zach's Place maintains a caregiver-to-child ratio of one-to-one with a maximum ratio of one-to-two when the center is at capacity. The strict ratio is required because some children are at risk of hurting themselves or others. Zach's Place employs eight workers who are assisted by volunteers. Many of the families that come to Zach's Place have

only one parent who works full time, and in some cases, families have more than one special-needs child, said Linda Ellegard, Special Kids/Special Families executive director.

"Many of our families have to work to have a place to live and put food on the table, and there's no other place that can care for their child," Ellegard said.

Zach's Place is open to parents 24 hours a day, seven days a week, to help reduce stress in households caring for a disabled

There isn't anybody else who provides this kind of care, especially for single parents who can't afford it.

child. Some children are cared for Monday through Friday while parents are at work. Other families only use Zach's Place after school. Zach's Place also is open on the weekends to give parents much-needed breaks from child-care.

"Children can stay overnight at Zach's Place if parents need to catch up on their sleep," Rutan said. "Many special needs children do not maintain regular sleep patterns and are awake much of the night, leaving parents fatigued," she said. "There isn't anybody else who provides this kind of care, especially for single parents who can't afford it," Ellegard said. "If it wasn't for the Daniels Fund, we couldn't run Zach's Place."

Funding Area:	Developmental Disabilities
Impact Location:	Colorado
Grant Amount:	\$ 25,000



Top: Zach's Place children enjoy a backyard picnic

Bottom: C.T. is one of the many children cared for at Zach's Place

Bill Daniels’ focus on education centered on the power of the free market and alternative approaches to provide greater educational opportunities to all students. He directed support for education initiatives — such as charter schools, voucher programs, and elementary class adoptions — that tend to improve the private or public educational system or allow disadvantaged students an opportunity to succeed.

Bill further directed the Fund to provide assistance to child-care centers and other programs in order to promote a healthy, safe, nurturing, and stimulating environment for children. He also directed support for educational organizations that include courses in their curricula which emphasize ethics and integrity.

To accomplish Bill’s goals, the Daniels Fund provides funding for Early Childhood Education quality improvements, K-12 Education Reform, and Ethics Curriculum (or Character Education). Supporting educational initiatives is a top priority for the Fund, and this is why 31 percent of all grants in 2006 were awarded in the three Education funding areas.

2006 IMPACT SUMMARY

In 2006, we continued our strong support to enhance the quality of education and expand educational opportunities in our four-state region, as well as nationally. Focused on systemic reforms, we aim to improve academic achievement among all students by supporting truly innovative education programs.

Early Childhood Education Reform: In 2006, we invested in numerous Early Childhood Education programs, including in-home visitation programs, child-care center quality improvements, parental involvement, and teacher professional development programs. An important effort in 2006 was helping support more rigorous standards for professional competence. We provided funding to help ensure that every classroom teacher in Early Childhood Education has at least an Associates degree in their field.

K-12 Education Reform: Guided by the belief that the “one size fits all” model of education is not working, we supported a variety of quality, choice, and reform efforts.

Ethics & Integrity: Because Bill Daniels believed that character and ethics are essential elements in a truly successful life, we supported K-12 and collegiate business programs proven effective in instilling these values in students. Two significant collegiate program grants went to the University of Denver and the University of Wyoming to improve and expand their respective business ethics programs. You can learn more about the University of Wyoming grant on the following pages.

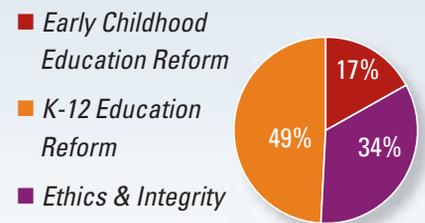
Top: Colorado Bright Beginnings offers high quality early childhood programs

Bottom: Sister Jean Panisko (center) with students at Annunciation School, which offers high-quality education in a struggling urban neighborhood



Total Grants Paid in 2006:
\$ 11,162,441 (31% of all grants)

Grants Paid by Funding Area:



Total Number of Grants Awarded:
155 grants

Grants Paid by State (in dollars):

Colorado	8,203,816
New Mexico	515,714
Utah	386,000
Wyoming	795,000
National	1,261,911

Jardin de los Niños

Funding Area: Parental Involvement

Impact Location: New Mexico

Grant Amount: \$ 25,000

EARLY CHILDHOOD EDUCATION

Program Goal:

Impacting the quality of the early childhood education system to ensure quality and school readiness.

Funding Areas:

Teacher/Leadership Quality
Facility Quality
Parental Involvement



Jardin de los Niños in Las Cruces, New Mexico, is an organization that strives to create new possibilities for homeless and near homeless children and their families through child-care, education, and the use of community resources.

For Maya Medrano and her family, the organization has been a lifesaver.

“We had no resources when we arrived in Las Cruces and the homeless shelter we were in only allows people to stay for three days and that time passed very quickly,” explained Maya. “We had no place to go and did not know what to do,” she added.

Shirley Jaquez, executive director of Jardin de los Niños, recalls looking out her window that Saturday morning and seeing Maya, her husband, and their five children sitting on the sidewalk across the street.

“I could tell they were homeless and in need and did not feel that I could ignore the situation,” recalled Jaquez. “They accepted our offer to help, so we got them a waiver for two more nights at the shelter and then met with them on Monday to begin the process of getting them stabilized,” she added.

Maya’s husband works long hours as

Children and families enjoy outdoor activities and games offered through Jardin de los Niños, a program that creates new possibilities for homeless and near homeless families in New Mexico



a day laborer, so she has struggled to provide adequate care for their five children — the youngest being 2 year-old fraternal twins, Angel and Angelica.

Strong community leadership in Las Cruces has established a network of support that provides resources to people

in crisis. Jaquez was able to arrange for temporary housing and other services, including getting the older children enrolled in school.

Only 23 percent of homeless children score at grade-level in math, and only 38 percent score at grade-level in reading.

“Only 23 percent of homeless children score at grade-level in math, and only 38 percent score at grade-level in reading,” explains Jaquez. “This is not because they cannot

learn, but the result of chaotic living situations, multiple relocations, and continuous school transfers,” she added.

Angel and Angelica are now receiving high quality care in the early childhood education program at Jardin de los Niños. Maya and her husband are also taking part in the “Parents as Partners” program where they are learning how to take an active role in their children’s education.

The name Jardin de los Niños means “Garden of the Children.” It is a program supported by the Daniels Fund that is making a difference in the lives of countless children and their families.

Cesar Chavez Academy

Funding Area: Reform/School Choice

Impact Location: Colorado

Grant Amount: \$ 250,000 (over 2 years)

K-12 EDUCATION REFORM

Program Goal:

Impacting the quality of K-12 education to ensure increased student achievement.

Funding Areas:

Reform/School Choice

Parental Involvement

Teacher/Leadership Quality

“After transferring to Cesar Chavez Academy (CCA), [my child’s] attitude toward school changed drastically. School for him became more than just a place to learn. It was a place where he felt he belonged and a place where all valued his opinion. He has shown more interest in every subject and has improved his grades,” shared Lorraine Trujillo, a CCA parent.

Lorraine’s son attends Cesar Chavez Academy Public Charter School in Pueblo, a school founded with the belief that every child has the capacity to attain high levels of academic achievement while being excited about education and the prospects for their future.

“Working with parents, we teach students to stand strong, guided by a set of values and beliefs forged through education,” explains Dr. Lawrence Hernandez, CCA’s CEO. “Parents do not need to hear excuses for their child’s lack of academic progress; they need to know how to help their child succeed in school and move on to a happy and successful life,” he added.

After only a few short years, a projected 98 percent of the at-risk students attending CCA will graduate from high school and most will continue on to college.

The school was awarded the prestigious James Irwin Award for Excellence for the last three years, is rated the top school in its category in Colorado, and is recognized as one of the top six schools in the country for closing the achievement gap.

Many students come to the school speaking Spanish as their primary language. After two years of instruction, 100 percent were rated “proficient” in English on the Colorado Student Assessment Profile (CSAP).

The promise of Cesar Chavez Academy is fulfilled through the extraordinary commitment of parents, staff, students, and the community. “We have parents who drive nearly 60 miles each way every day to bring their



A teacher at Cesar Chavez Academy uses a computer to instruct young students; students learn to play musical instruments and develop performance skills in the school’s mariachi program

... a projected 98% of the at-risk students attending CCA will graduate from high school and most will continue on to college.

children to our school so they can graduate and move on to college,” said Dr. Hernandez. Parents sign a “School Parent Contract” requiring they take an active role in their children’s education by making sure they arrive on-time and ready to learn each day, helping them with projects, reading to them at night, and volunteering for special school events.

“CCA listens to the parent and students

and creates a learning environment for everyone. This environment is welcoming and positive,” added Trujillo.

Thanks to the school’s extended hours and rigorous instruction, many students complete high school early and begin earning as many as 60 college credits that are transferable to nearby Pueblo colleges. Every graduating senior is given a \$2,000 scholarship to encourage continued education.

A \$250,000 Daniels Fund grant over two years will help develop a comprehensive, research-based, K-12 Math Program designed to assist marginalized, at-risk students.

FEATURED ORGANIZATION

The University of Wyoming College of Business

Funding Area: MBA/Business Programs

Impact Location: Wyoming

Grant Amount: \$2.6 million (over 10 years)

ETHICS & INTEGRITY

Program Goal:

Impacting the quality of ethics curriculum to foster principle-centered leadership.

Funding Areas:

K – 12 Education

MBA/Business Programs



Linda Childears, president and CEO of Daniels Fund, joins UW President, Tom Buchanan, announcing a business ethics partnership



The University of Wyoming College of Business instills ethics as an essential part of a truly successful life

The University of Wyoming (UW) College of Business is partnering with the Daniels Fund to launch a business ethics education program in Wyoming that will impact similar programs across the nation.

“Corporate scandals involving ethical misconduct have damaged stakeholder confidence and increased pressure for organizations to improve their ethics programs,” said Brent Hathaway, dean of the UW College of Business. “This crisis in business ethics causes serious concern for all of us. It also creates an opportunity to strengthen management education and to elevate the importance of business ethics curricula.”

In 2006, the Daniels Fund awarded a \$2.6 million, ten-year grant to fund the Bill Daniels Distinguished Professor of Business Ethics program. The program focuses on attracting leading ethics professors, integrating business ethics concepts throughout UW’s business curriculum, offering opportunities for non-business majors to learn business ethics and principle-based leadership, implementing business ethics curriculum statewide through partnerships with

**Making ethical decisions
in our professional and
personal lives has a profound
impact not only on our
professional success, but in
our personal lives as well.**

Wyoming’s two-year community colleges, developing nationwide visibility for UW’s business ethics initiatives, and becoming a resource on ethics and social responsibility for Wyoming businesses.

The University of Wyoming in Laramie is the state’s only four-year comprehensive institution of higher education. However, it is a nationally-recognized research institution that attracts faculty and students from across the globe, while remaining committed to serving the people and concerns of the state.

Dr. John Fraedrich, the 2006 Bill Daniels Distinguished Professor of Business Ethics, has brought dynamic leadership

to UW’s state-wide ethics initiative. He is recognized as one of the top professors of business ethics in the nation, is the author of two books and more than 50 articles, and has lectured extensively across the globe.

As the Bill Daniels Distinguished Professor of Business Ethics, Fraedrich is dedicated to helping students understand the importance of incorporating an ethical decision-making process as an essential element in daily life.

“Making ethical decisions in our professional and personal lives has a profound impact not only on our professional success, but in our personal lives as well,” he added. “Helping students understand this simple reality has been one of the greatest joys of being the Bill Daniels Distinguished Professor of Business Ethics,” he concluded.



Left: LaPuente Home offers help and hope to those who were formerly homeless
 Above: Hands of the Carpenter provides skilled labor to improve living space for the disadvantaged

Bill Daniels grew up during the Great Depression and learned first-hand how tough life could be for the poor.

That experience had a profound effect on him and helped fuel an incredibly strong sense to give back to those in need, especially homeless individuals and families. Bill helped countless people in need, but he also expected them to make something of themselves with his help. He used to say “Everyone gets down. It’s how you pull yourself back up that makes the difference.” The Daniels Fund carries on Bill’s passion for helping the homeless through two major types of support: Emergency Services, and Transitional Housing with Supportive Services.

2006 IMPACT SUMMARY

We funded a range of Homeless and Disadvantaged organizations and programs, each of which were tightly aligned with Bill’s wishes. 2006 Homeless and Disadvantaged grants focused on:

- Accountability** – Bill supported programs that promote personal responsibility and hold their clients accountable. Programs that help the homeless achieve self-sufficiency through supportive services are an excellent example of how we carry out this philosophy. In 2006, we provided funding to 46 organizations for programs of this nature.

- Outcomes** – Just as we seek out programs that hold their clients accountable, we look for organizations which hold themselves accountable. We carefully evaluated each of the 2006 grant recipients based on their projected desired outcomes and plans for demonstrating measurable success.
- Geographic impact** – In 2006 we focused on funding a combination of programs — small, regional, and larger programs that provide the broadest reach of homeless services across our four-state region.

Program Goal:

Ensuring that homeless individuals and families achieve and maintain self-sufficiency.

Funding Areas:

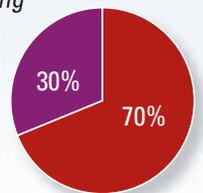
- Emergency Services
- Transitional Housing with Supportive Services

Total Grants Paid in 2006:

\$ 6,106,439 (17% of all grants)

Grants Paid by Funding Area:

- Emergency Services
- Transitional Housing with Supportive Services



Total Number of Grants Awarded:

236 grants

Grants Paid by State (in dollars):

Colorado	4,062,422
New Mexico	942,500
Utah	332,200
Wyoming	545,817
National	223,500

The Road Home

Funding Area: Emergency Services

Impact Location: Utah

Grant Amount: \$ 50,000

“It was hard to explain to my kids why we had to go to a homeless shelter,” explains Shamika, a Road Home resident. Like Shamika, most who come to The Road Home shelter are first-time homeless. They are men, women, families, and children who have been knocked down by a tough situation and left unable to afford a home.



The Road Home works to help people step out of homelessness and back into the community through emergency services, personalized case management, and collaboration with other resources. The Daniels Fund awarded the organization a \$50,000 grant in 2006 to support their continued efforts to help the homeless get on the path to get back into their own homes.

homeless. Families like Shamika and her kids are the fastest growing segment of that homeless population, according to Celeste Eggert, director of development for The Road Home.

Shamika is an example of the typical Road Home client. A single mom since 17, she had always managed on her own, always maintained a job and had never been homeless. “I don’t do drugs. I’m not an alcoholic. I just made some bad choices and ended up in a bad situation,” she says about how she and her five children, ages 3 through 8, ended up at The Road Home shelter.

It was hard to explain to my kids why we had to go to a homeless shelter.

“Becoming homeless felt pretty devastating. I had been able to maintain my lifestyle for so long. I never had to ask anyone for help, even my relatives.”

On any given night in Salt Lake County, Utah, more than 2,000 people are

Families that stay at The Road Home shelter must participate in a self-sufficiency case management program. Case managers help people like Shamika develop a plan for self-sufficiency, with an immediate focus on employment and savings. Shamika welcomed the help. The program helped her find a job, learn how to budget and manage her money effectively, and even obtain her high school diploma.

Shamika and her kids are now on the path home. After nine months in the shelter, they moved into a Road Home



The Road Home in Utah works to help homeless individuals and families transition back to the community

transitional housing unit where they will stay until federal housing assistance becomes available. “The day I moved into that house, I had to just cry. I just couldn’t believe it,” said Shamika. She truly appreciates her case manager, who continues to check in to make sure she’s paying the bills, maintaining her job, and saving money. Shamika has taken everything The Road Home has offered and run with it. “I don’t want to be homeless. I want to be able to provide for my kids,” she states. “I thank The Road Home for everything. They’re wonderful. I plan on working there one day.”



From left, programs like the Boy Scouts, Girl Scouts, and I Have A Dream Foundation help youth develop character and gain life skills to become successful adults

Bill Daniels took a sincere interest in the families of people he met, even though he had no children of his own. Near and dear to his heart was helping young people develop smart money management habits at an early age. In 1987 he founded the Young Americans Bank which offers a “hands on” banking experience designed to help youth prosper in life by teaching them the importance of financial responsibility.

Bill directed the Daniels Fund to support programs that promote a healthy, safe, nurturing, and stimulating environment for youth and teenagers. To carry out that vision, we partner with organizations that provide the opportunity for youth to participate in character development programs and gain the necessary life skills to become successful adults. We specifically focus on academic and supplemental services, civic literacy and community engagement, financial literacy and entrepreneurship, and vocational training programs.

2006 IMPACT SUMMARY

The Daniels Fund works with organizations and networks that create and sustain positive growth opportunities for youth. Our continued support of organizations like Goodwill, Boy Scouts, Girl Scouts, and Open World Learning helps them to reach thousands of young people, building strong skill sets in youth. In addition, we supported the start-up or rebuilding efforts of organizations such as Youth Venture and Camp Fire USA.

In 2006, we also focused our efforts on top-quality organizations that were trying to expand their programs. Our support helped Leader’s Challenge to develop new programming for high school seniors, to expand statewide,

and to formally evaluate the impact of their work. A national grant to Citizen Schools assisted them in expanding to two new states.

The Daniels Fund also recognized the efforts being made by youth development groups to create efficiencies, reduce overhead costs, and demonstrate cooperation and collaboration. We joined other organizations in supporting the Youth Mentoring Collaborative of Metro Denver. Its member organizations are working hard to create synergies to enable them, as a whole, to more than double the number of youth who are paired with a mentor in the metro area.

Program Goal:

Providing the opportunity for youth to develop character and gain the necessary life skills to become successful adults.

Funding Areas:

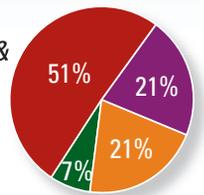
- Academic & Supplemental Services*
- Civic Literacy & Community Engagement*
- Financial Literacy & Entrepreneurship*
- Vocational Training*

Total Grants Paid in 2006:

\$ 7,109,832 (20% of all grants)

Grants Paid by Funding Area:

- *Academic & Supplemental Services*
- *Civic Literacy & Community Engagement*
- *Financial Literacy & Entrepreneurship*
- *Vocational Training*



Total Number of Grants Awarded:

159 grants

Grants Paid by State (in dollars):

<i>Colorado</i>	4,581,790
<i>New Mexico</i>	905,200
<i>Utah</i>	362,142
<i>Wyoming</i>	635,700
<i>National</i>	625,000

Goodwill Industries of Denver

Funding Area:	Vocational Training
Impact Location:	Colorado
Grant Amount:	\$ 100,000

Most might recognize Goodwill Industries for its thrift stores and donated goods program, but the organization also operates several very successful youth development programs. Goodwill's Youth Services Programs help at-risk and economically disadvantaged students in Metro Denver and Northern Colorado beat the odds by graduating from high school and providing the life skills necessary to become successful adults. Such programs are a perfect example of what Bill Daniels wanted to do for others.

Goodwill began working with youth about 15 years ago, when leaders of the organization realized they could improve the way they served disadvantaged individuals. "We found we were trying to fix problems late in life for some people and it might be better to work at preventing unfortunate decisions from being made such as dropping out of school, getting pregnant, or criminal behavior," said Tim Welker, president and CEO of Goodwill Industries of Denver.

Goodwill's pilot program mentored at-risk and disabled youth in Denver area high schools, but several school districts requested that Goodwill expand the program to all high school students.

Now, students who participate in Goodwill's Youth Services Programs have a 95 percent graduation rate compared to an average 73 percent graduation rate, according to the Colorado Department of Education.

The Daniels Fund granted Goodwill \$100,000 to fund programming and expansion of its Youth Services Programs, including a dropout



Ratha Sok, Goodwill Youth Spotlight Awardee from West High School standing in front of a mural he painted

Now, students who participate . . . have a 95% graduation rate compared to an average 73% graduation rate . . .

prevention program and several programs that focus on bridging the gap between school and the world of work. With the Daniels Fund's support, Goodwill served more than 15,000 young people in 27 schools, helping students set career goals, develop interviewing skills, learn money and time management, and build resume-writing and job-seeking skills.

Students who have benefited from Goodwill's youth services programs are now working to pass on the help they received to their younger counterparts. George Washington High School senior Donte Reynolds, 17, signed up to be a Goodwill Link Leader for 12 incoming

freshman this school year. During the first semester, he met once a week with them and continues to make time for periodic check-ins. "Helping them builds my character and leadership skills that can carry me through college and the rest of my life," said Reynolds, who will be studying pre-law in fall 2007 at the University of Northern Colorado.

Tim Welker wants to establish Goodwill's youth development services as the archetypal youth program within the community. "The Daniels Fund's vote of confidence through its grant has helped accomplish that," he said. "I didn't know Bill Daniels, but I know he certainly had a passion for people and he advocated personal responsibility, integrity, and leadership," Welker said. "I think Goodwill has brought those things into the classroom and I'd like to think he'd be proud to see his money used for Goodwill programs."

Scholarship Program

...it's about helping students
be successful, in college and life.

Program Overview

Bill Daniels believed in the value of a college education. He wanted to help deserving individuals go to college and stipulated that 30% of the Fund's distributions be used to help students from the Fund's four-state region of Colorado, New Mexico, Utah, and Wyoming.

Bill wanted to help a specific type of student. He was intent on discovering "diamonds in the rough" – students with clear financial need, but who may have been overlooked by other scholarship programs that focus on grades and class rank. Rather than academic performance alone, Bill focused on qualitative criteria such as strength of character, leadership potential, academic promise, well-roundedness, and potential to contribute to one's community. These are the defining characteristics that we use today in selecting each class of Daniels Scholars and in awarding Daniels Opportunity Scholarships to schools across our four states.

Daniels Scholarships – for graduating high school seniors in the Fund's four-state region with the intention to complete a bachelor's degree at any accredited college or university in the United States.

Daniels Scholarships – An Operating Program that Helps Students Succeed in College

The Daniels Scholarship program reaches out to a student population who, in many cases, might not otherwise have the opportunity to attend college.

This program incurs higher operating costs due to the amount of staff support dedicated to helping our students succeed in college.

Many Daniels Scholars are first generation college students, many have overcome tremendous challenges, and may not be adequately prepared for the rigors that college may present. However, each and every Daniels Scholar selected has demonstrated a willingness to work hard, a commitment to their community, and the potential to succeed in college and beyond.

The Daniels Scholarship is more than simply providing financial assistance



to attend college; it's about helping students be successful, in college and life. Beginning with initial selection, we maintain regular contact with our active Daniels Scholars throughout their college experience. Through programming, check-ins, and one-on-one contact, we provide moral support and help connect them with assistance when necessary. Ongoing contact also helps ensure that our scholars successfully meet our scholarship requirements, which include earning a minimum GPA, graduating in four academic years, working while in college, and upholding ethical and responsible behavior.

**Total scholarships awarded in 2006 (Daniels Scholars and Daniels Opportunity Scholarship Recipients):
\$ 11,309,105**

What it Takes to Operate the Daniels Scholarship Operating Program

- 12 staff
- Operating costs: \$ 2,800,000 (19.8%)
- Overhead goal: 16-20% of total program spending



Daniels Opportunity Scholarships

– for non-traditional students, such as adults pursuing education later in life, GED recipients, transfer students, young people from the foster care system, and students exiting juvenile justice programs. The scholarships are distributed directly to two- and four-year colleges and universities in the Fund's four-state region who then select recipients and manage the monetary distribution.

Above Left: Daniels Scholars prepare hygiene kits for homeless individuals and families

Right: Miguel Lovato (center) of the Daniels Fund, with Daniels Opportunity Scholarship recipients



New 2006 Daniels Scholars attend workshops to learn about the values and principles Bill Daniels considered important

2006 – A Year of Focus

In 2006, we ceased operating the Daniels College Prep Program to concentrate our efforts on managing the scholarship program. Going forward, this will enable us to dedicate more funds to scholarship awards and to help a greater number of deserving students get a college education.

Additionally, to maximize reach within our four-state region, we implemented a new, regionally focused Daniels Scholarship selection process. We partner with nearly 150 college prep programs and youth serving agencies throughout our four states who serve as “Referral Agencies” to help identify and nominate scholarship candidates within their communities. Volunteers from each community then review the applications and conduct applicant interviews to help in the final scholarship selection. The Class of 2007 Daniels Scholarship awards will be the first class to be selected through this new regional, community-based selection model.

Looking Forward

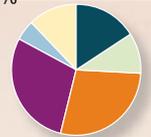
In existence since 2000, the Daniels Scholarship program has established the goal of achieving a higher-than-average graduation rate for the students we serve. With the first classes of Daniels Scholars now graduating from college, it is exciting to see how achieving the goal of a college education is changing their lives. Many have gone on to careers in business; while others have chosen to work in nonprofits to “pay forward” the help they have been given. On the following pages, we invite you to read about a few of the special recipients of Daniels Scholarships and Daniels Opportunity Scholarships and the impact they’ve experienced.

Daniels Scholars

- Class of 2006 Daniels Scholars named: 196
- Class of 2006 Daniels Scholars by state:

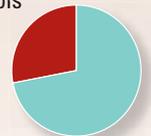
Colorado	149
New Mexico	17
Utah	10
Wyoming	20
- Total Daniels Scholars named since inception: 997
- 2006 Daniels Scholarships awarded: **\$ 9,809,105**
- Scholars by Ethnicity:

African American	16%
Asian	10%
Caucasian	28%
Hispanic	29%
Native American	5%
Multi/Other	12%



- Scholars Attending Schools in Four-State Region vs. Out of Region:

72% in region
28% out of region



- Scholars by Gender:

66% Female
34% Male



Daniels Opportunity Scholarships

- 2006 Daniels Opportunity Scholarships awarded: **\$ 1,500,000**
- 2006 Daniels Opportunity Scholarships awarded by state:

Colorado	\$ 1,125,000
New Mexico	\$ 150,000
Utah	\$ 75,000
Wyoming	\$ 150,000

Thanh Pham

When Thanh Pham and her family came to America from South Vietnam, they left behind a life that most can only imagine. From fleeing the country by boat after the Vietnam War, to living in a refugee camp for years, Thanh and her family had been through a lot. Intent on making a better life for themselves, they applied for a program to help Vietnam refugees, which brought them to the U.S. in 1998.

Once in America, things were looking up for the Pham family, but challenges still existed. It wasn't easy for Thanh, a shy teenage girl who spoke very little English, to enroll in the 10th grade at Abraham Lincoln High School. However, she was determined to make it. Thanh immediately sought part-time employment to help support her family. Then she began to think about the possibility of college. "For Asian families it's important to go to school, but I knew my parents wouldn't be able to pay for me to go to college," says Thanh. She also knew they could not help her with college applications due to their limited English and an unfamiliar process. Thanh explored her options and participated in a college prep program to help her through the confusing world of ACT/SATs, college essays, scholarship applications, and financial aid.

Thanh's hard work paid off and she eventually applied for and was awarded a Daniels Scholarship. She was accepted into the University of Denver (DU), her first choice, not only for its reputation, but also for its proximity to her family. She decided to major in engineering.



Thanh Pham appreciated the support and encouragement offered through the Daniels Scholarship program

During college, Thanh confronted plenty of obstacles. Engineering was a demanding area of study, particularly while juggling a part-time job. Furthermore, "as the only female Asian student in the DU engineering program, I often felt alienated and alone," explained Thanh. But it was not like her to give up, and she asked the Daniels Scholarship team for help. They connected her with help on campus, hired a tutor, and offered friendship and moral support. Thanh stuck with it and graduated in 2005 – in four years and a 3.67 GPA. Armed with a B.S. in Electrical Engineering, she landed a job at Lockheed Martin. She enjoys her work and knows what she's doing is important to the company and America.

"Going to college opened my eyes to so many things," says Thanh. "I'm more aware of what's going on in the world

and the country. I'm better informed on politics and vote for issues and people that are important to me."

Thanh also takes every opportunity to teach young people about the importance of the technical and science fields and encourages them to consider studying engineering.

"Meeting the Daniels Fund was a life-changing experience for me," says Thanh. "Not just the scholarship dollars but the emotional support and everything else that came with it. That's why the Daniels Fund is so different from the other scholarships out there. Where others just send a check to the school, the Daniels Fund cares about you, follows you, and supports you. I feel I formed a special bond with them."

Daniels Scholarship

Brent Buckingham

Brent Buckingham grew up riding horses on a ranch managed by his father in northern Wyoming. The second oldest of six children, he assisted his father with all the ranch duties — from feeding the herd to branding the livestock. He remembers his family always barely scraping by on his father's income. "Being poor you learn a lot — there are few lessons like it," Brent said. "The greatest lesson was the meaning of hard work," he explained. Brent and his siblings became his father's ranch labor. "I guess that's why you have six kids," he said.

Brent and his family had a secluded existence living in a town of about 240 people, 70 miles north of Casper, Wyoming. Their television picked up only one channel, so the Buckingham children read many books and developed keen imaginations. Despite his avid reading, Brent did not excel at school. By his junior year in high school, he had no plans after graduation. His plans changed when the Daniels Fund came to his school to talk about the Daniels Scholarship.

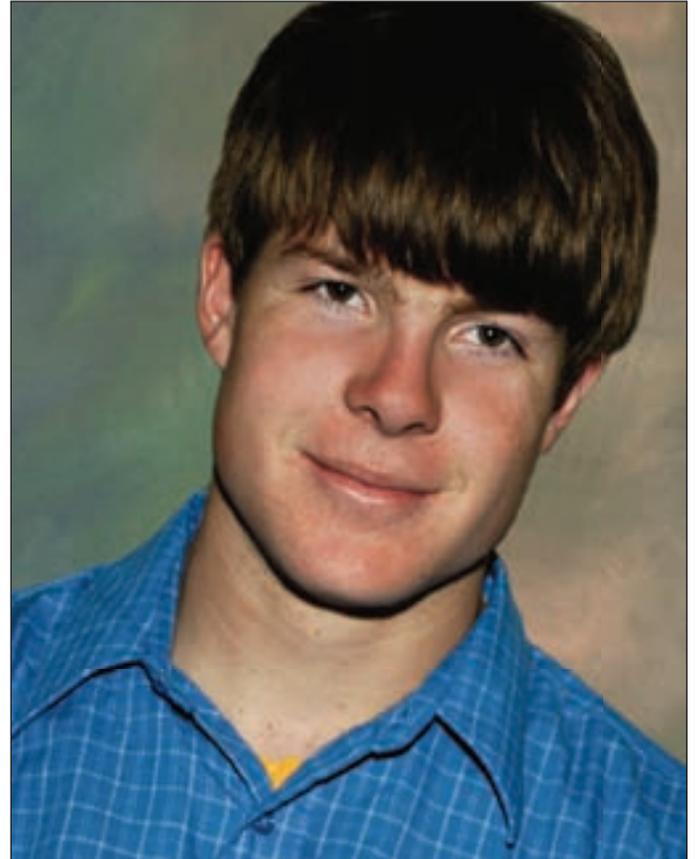
Brent applied to the scholarship program and went through the interview process not expecting to be accepted. He describes the feeling when he learned the Daniels Fund chose him to be a scholarship recipient as 'surreal.' "I was thinking I wasn't going to go anywhere [for college] and then they were telling me I could go anywhere I wanted to go," Brent said. "It was the biggest blessing. I probably would have just ended up as an oil-field worker."

Instead, Brent is in his senior year at

the University of Northern Colorado (UNC) in Greeley. He's working toward a dual degree in social science and history and would like to go into journalism. Brent said the Daniels Scholarship team "really cares a lot about you." He was assured that if he made mistakes, they would help.

Brent admired Bill Daniels' life and accomplishments. He learned that Bill made his share of mistakes and battled both depression and alcoholism. "Despite those challenges, Bill Daniels was extremely successful because he seized opportunities that came his way," Brent said. And Bill Daniels believed in strong work ethic — similar to his own, the UNC student said.

Brent is grateful to the Daniels Fund for providing him a college experience. It's hard for him to explain the impact the past four years at UNC have had on his life. He appreciates growing up in a small town, but does not plan to return now that he has been exposed to a campus of 14,000. "In addition to the education, it's the people you meet while getting that education that change and influence you," Brent said. The UNC



Brent Buckingham is determined to give back to the community as a result of his experience as a Daniels Scholar

student is passing along that influence to his younger brother who wants to attend community college. "He wouldn't go if he hadn't seen me in school," Brent said.

Brent wants to volunteer for a youth mentoring program after he graduates. He also wants to attend graduate school and teach college courses. Without the Daniels Scholarship, Brent Buckingham does not think he would have enjoyed college because of all the financial pressures that would have come with it. "The Daniels Fund allows it to be more about school without the stress," he said. "I feel blessed — this was a tremendous opportunity."

University of Colorado at Boulder

Works Hard to Support Daniels Scholars



The support offered to Daniels Scholars at the University of Colorado starts at the top with Hank Brown, president, shown meeting with Derek Patton, a Daniels Scholar

Daniels Scholars have a unique opportunity when they are awarded a Daniels Scholarship – they can choose to attend any accredited college or university, anywhere in the United States.

As a result, Daniels Scholars end up in all parts of the country. Currently, Daniels Scholars attend more than 200 colleges and universities across the nation. While many scholars choose to attend school outside of their home states, others elect to stay closer to home. The University of Colorado at Boulder (CU) is one such university in the Daniels Fund four-state-region that tends to attract a large number of Daniels Scholars each year. The school currently hosts 58 scholars.

CU saw an opportunity in the growing number of Daniels Scholars choosing

to attend the university. “We believe in the mission of the Daniels Fund,” says Matt Lopez, director of the CU Daniels Scholars program. “That is why our program does not end at admissions and financial aid. Our campus realized the importance of creating a support network made up of faculty and staff from across campus. As a result, the CU Daniels team was created.”

The CU Daniels team requires Daniels Scholars be part of the CU-LEAD (Leadership, Excellence, Achievement, and Diversity) Alliance, which builds community by providing a variety of tools: academic enrichment, leadership activities, a gathering place, scholarships, small group classes, and computer labs, to name a few.

“This not only aids in retention but it provides our students a much more academically fulfilling experience,” says Lopez, who has worked with the program for six years.

One of those students is Katrina Masters, who grew up in a single-parent home. “Acceptance to the program was a great opportunity. My mother felt really bad because she didn’t know how she was going to pay for [college]. She was really happy when we found out [I was selected for a scholarship].”

Masters is a junior working toward a degree in Language and Literature with an emphasis in Spanish and a certificate in Peace and Conflict Studies.

CU president Hank Brown is an interested observer of the Daniels Scholars. The former Daniels Fund CEO understands the importance of connections between the organization and CU. “The Daniels Fund offers a wonderful opportunity for young people in financial need to get a college education, and it’s important that we at CU do our part to help students succeed.”

One of those students succeeding is sophomore Derek Patton, who says his experience in the program is a big deal



Katrina Masters, a Daniels Scholar, is part of the team that runs "Ralphie," the CU mascot.

for someone from Rocky Ford, Colorado – population 4,000. “I’m the first person in a long time from my community to go to CU. They usually go to a community college,” says Patton, who is majoring in biology. “Big people never come to little communities. Now through the program I meet people who excel at everything they’ve done. Meeting them, you feel like you can accomplish the world. Being a Daniels Scholar is quite an honor.”

Fellow scholar Peter Straub echoes the sentiment. “For me it is about both pride and humility, both competitive achievement and a willingness to help others,” says Straub, a junior with a double major in economics and political science, and an eye on law school. “In honor of Bill Daniels,

I try my best to represent him, the organization, and those who share my title as a Daniels Scholar.”

Inspired by the community-building programs at CU, Straub has joined several other campus organizations, including the Kittredge Representative Council, where he is president. The group governs more than 1,300 on-campus resident students.

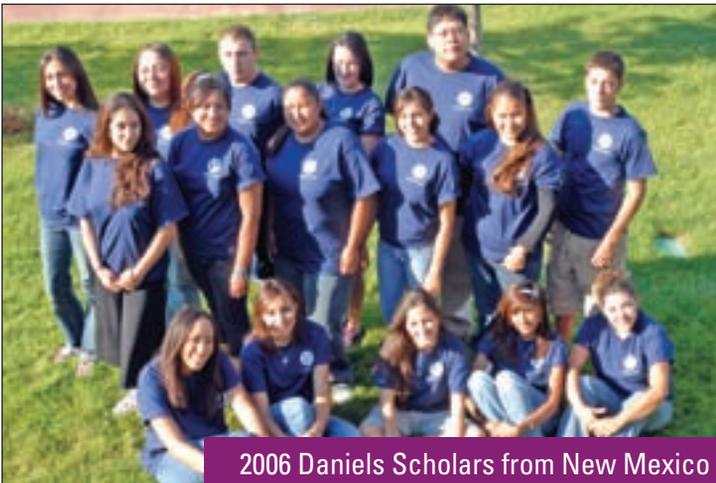
Patton, who grew up with a congenital heart defect, is on the Board for the Minority Association for Pre-Health Students, Wardenburg Health Center and is serving an internship in the Children’s Hospital as well as working part time in the president’s office at CU.

As part of the CU Daniels team’s ongoing support efforts, Daniels Scholars are invited to attend an annual dinner where they can come together to celebrate their accomplishments and meet with campus leaders and Daniels Fund program officers. “Daniels Scholars are very important members of our community and having the deans from across the campus emphasizes this,” says Lopez. “They have all the characteristics to make a successful CU student.”

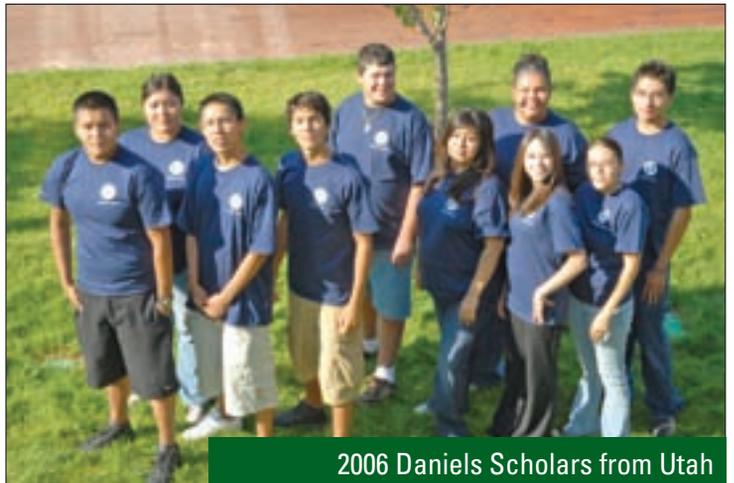
Patton sees a circle of success in the interactions with campus leaders. “You shake hands with them. It gives you a boost to keep excelling, and one day you will be the person making a difference in a kid’s life.”



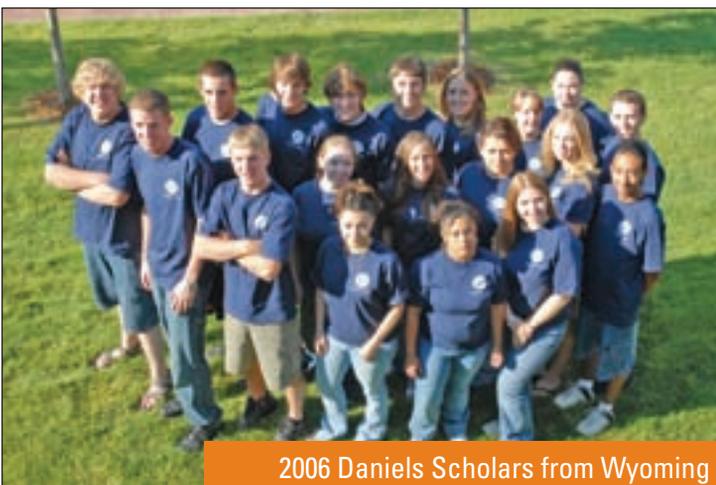
2006 Daniels Scholars from Colorado



2006 Daniels Scholars from New Mexico



2006 Daniels Scholars from Utah



2006 Daniels Scholars from Wyoming



Daniels Fund Scholarship Program Staff

John Kenji Bearchum Toeklen

John Kenji Bearchum Toeklen dropped out of high school when he was in ninth grade. Five years later, he's now working toward a college degree. By the time Kenji decided to return to school, he'd been married, divorced, and learned lessons that few people have learned. Yet, today this Utah State University freshman says he has "a decent GPA, about 3.66, but there is always room for improvement and I want to be sure to prove myself worthy of the scholarship and grants I've received." Kenji, who received a 2006 Daniels Opportunity Scholarship, explains he might not have pursued his education without the Daniels Fund's help.

Kenji's strength of character, perseverance, and commitment to community would make Bill Daniels proud. Students like him are exactly who the Daniels Fund targets with its Daniels Opportunity Scholarship program, which provides need-based scholarships for non-traditional students.

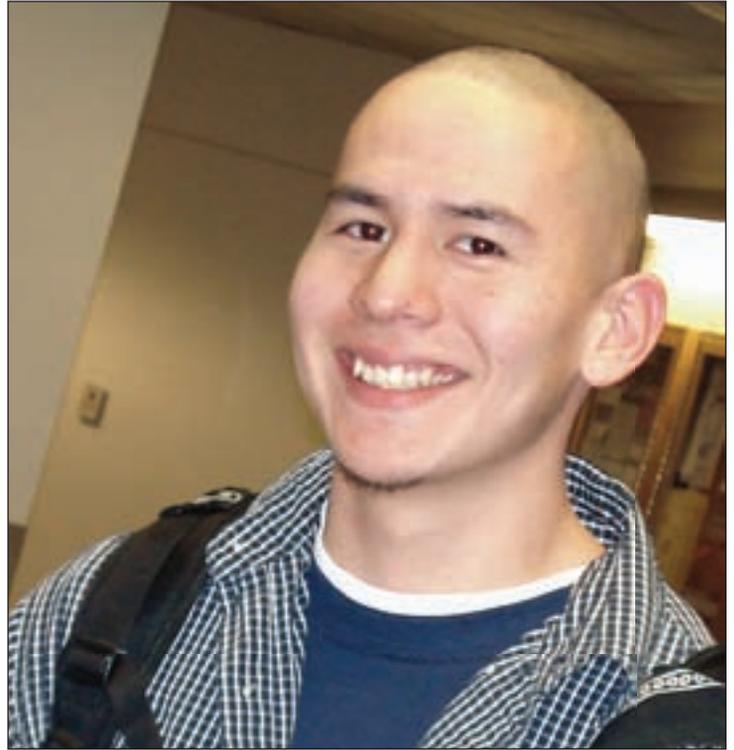
Kenji learned about the scholarship from Sam Curley, Native American Programs Coordinator for Utah State. Kenji's grandfather, folklore professor emeritus at Utah State, had been encouraging him to return to school and insisted he meet Curley to learn about support available for Native American students. Eventually, with Sam and his grandfather's encouragement, Kenji enrolled at Utah State and was awarded a Daniels Opportunity Scholarship from the school. Curley thanked the Daniels Fund, saying "Because of your generosity, I have the privilege of seeing good results take place among the lives of our students who might not otherwise achieve their

ultimate goal, which is to graduate with a degree."

Most Daniels Opportunity Scholarship awards average \$4,000. Kenji used his toward tuition, and also obtained student loans, a Utah grant, and worked to cover other expenses. Utah State University has received \$228,000 over the last three years for Daniels Opportunity Scholarships.

Before enrolling in school, Kenji spent a lot of time "hopping around, living in different homes," always feeling like a burden on those around him. At one point, he even slept in a newspaper bin. Those living conditions opened Kenji's eyes and he realized the importance of pursuing an education. Jokingly, he adds, "Sleeping in newspaper bins sounds a lot worse than it really is. The upside is you can read the newspaper and it's a lot warmer than a cardboard box, but the downside is that you wake up with Garfield printed on your cheek." Kenji had more than Garfield printed on his cheek; he had thoughts of pursuing an education imprinted in his heart and mind.

"[In college] there is so much I am interested in learning. I know some people are not willing to take a chance,



The Daniels Opportunity Scholarship program enabled John Kenji Bearchum Toeklen to return to school in Utah

but I want to learn about as many areas as possible," says Kenji. He believes his interests in political science, economics, and psychology will help him work within his native culture and help forge better relationships among other cultures. Kenji is involved with the Native American Student Council at Utah State and participates in Powwows to share Native traditions.

Outside of school, Kenji and his family carry on his grandfather's traditions by singing folklore songs in the community, particularly for retirement communities.

Kenji says with this great gift he has been given he wants to combine his life experiences and formal education to make the best of every situation.



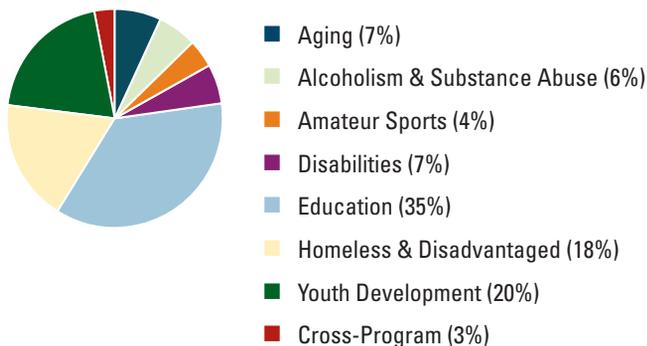
Total Paid (grants and scholarships) in 2006: \$ 32,127,477

Historical Impact (total paid since 2000): \$ 123,714,551

2006 Grants

- ♦ Total # of Grants: 498
- ♦ 2006 Grants Paid: \$ 23,049,363
- ♦ Grants Paid by Program Area (in dollars):
 - + Aging 1,625,317
 - + Alcoholism and Substance Abuse 1,337,552
 - + Amateur Sports 1,023,666
 - + Disabilities 1,551,060
 - + Education 8,203,816
 - + Homeless and Disadvantaged 4,062,422
 - + Youth Development 4,581,790
 - + Cross-Program 663,740

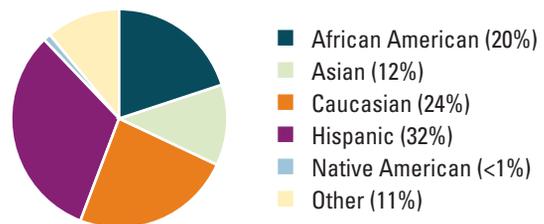
2006 Grants Paid by Program Area (dollars)



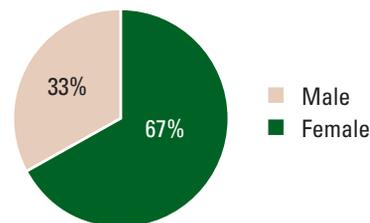
2006 Scholarships

- ♦ 2006 Scholarships Awarded: \$ 9,078,114
 - + Daniels Scholarships \$ 7,953,114
 - + Daniels Opportunity Scholarships \$ 1,125,000
- ♦ 2006 Daniels Scholars Named: 149
- ♦ Total Daniels Scholars Named Since Inception: 785

Colorado Scholars – by Ethnicity



Colorado Scholars – by Gender



For a complete listing of Daniels Fund Grants, please visit our website, www.danielsfund.org.



Total Paid (grants and scholarships) in 2006: \$ 3,969,493

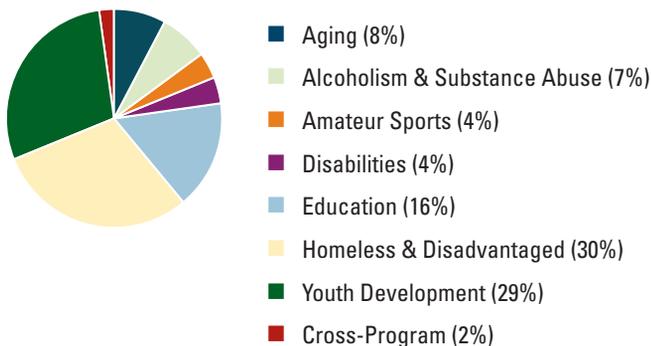
Historical Impact (total paid since 2000): \$ 36,519,993*

* includes a one-time \$20,000,000 grant made to the New Mexico Military Institute, Bill Daniels' alma mater.

2006 Grants

- ♦ **Total # of Grants:** 98
- ♦ **2006 Grants Paid:** \$ 3,136,413
- ♦ **Grants Paid by Program Area (in dollars):**
 - ♦ Aging 260,595
 - ♦ Alcoholism and Substance Abuse 229,154
 - ♦ Amateur Sports 121,250
 - ♦ Disabilities 110,000
 - ♦ Education 515,714
 - ♦ Homeless and Disadvantaged 942,500
 - ♦ Youth Development 905,200
 - ♦ Cross-Program 52,000

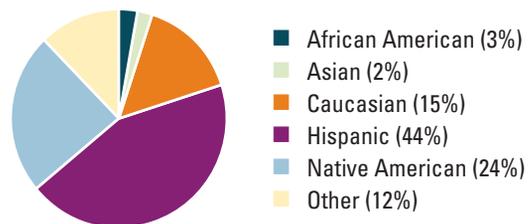
2006 Grants Paid by Program Area (dollars)



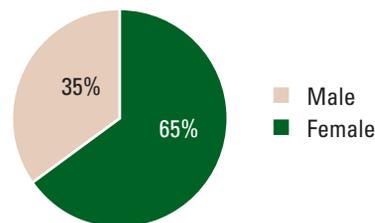
2006 Scholarships

- ♦ **2006 Scholarships Awarded:** \$ 833,080
 - ♦ Daniels Scholarships \$ 683,080
 - ♦ Daniels Opportunity Scholarships \$ 150,000
- ♦ **2006 Daniels Scholars Named:** 17
- ♦ **Total Daniels Scholars Named Since Inception:** 96

New Mexico Scholars – by Ethnicity



New Mexico Scholars – by Gender



For a complete listing of Daniels Fund Grants, please visit our website, www.danielsfund.org.



Total Paid (grants and scholarships) in 2006: **\$ 1,521,084**

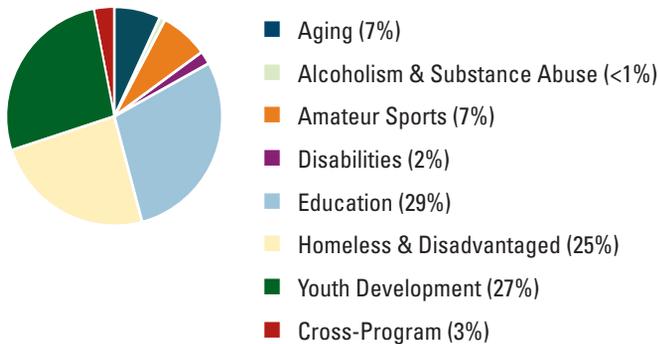
Historical Impact (total paid since 2000): **\$ 5,673,217**

2006 Grants

- + Total # of Grants: 52
- + 2006 Grants Paid: \$ 1,356,717
- + Grants Paid by Program Area (in dollars):
 - + Aging 100,000
 - + Alcoholism and Substance Abuse 180,000*
 - + Amateur Sports 96,250
 - + Disabilities 30,000
 - + Education 386,000
 - + Homeless and Disadvantaged 332,200
 - + Youth Development 362,142
 - + Cross-Program 47,265

* The net amount of grants paid in Utah was \$2,860 due to the recovery of an unused grant

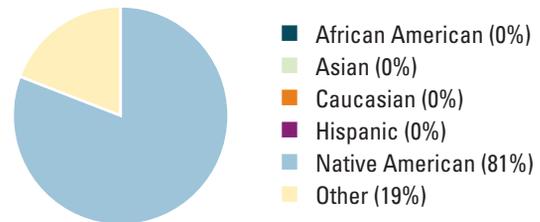
2006 Grants Paid by Program Area (dollars)



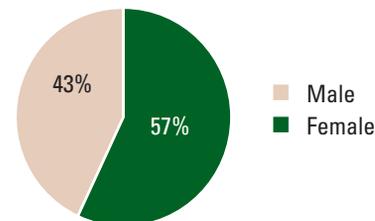
2006 Scholarships

- + 2006 Scholarships Awarded: **\$ 164,367**
 - + Daniels Scholarships \$ 89,367
 - + Daniels Opportunity Scholarships \$ 75,000
- + 2006 Daniels Scholars Named: **10**
- + Total Daniels Scholars Named Since Inception: **21**

Utah Scholars – by Ethnicity



Utah Scholars – by Gender



For a complete listing of Daniels Fund Grants, please visit our website, www.danielsfund.org.



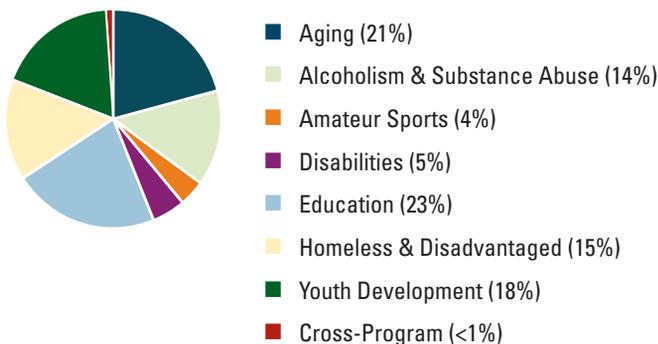
Total Paid (grants and scholarships) **in 2006:** **\$ 4,786,004**

Historical Impact (total paid since 2000): **\$ 13,848,793**

2006 Grants

- ✦ **Total # of Grants:** 54
- ✦ **2006 Grants Paid:** \$ 3,552,460
- ✦ **Grants Paid by Program Area (in dollars):**
 - ✦ Aging 745,692
 - ✦ Alcoholism and Substance Abuse 500,000
 - ✦ Amateur Sports 135,351
 - ✦ Disabilities 186,900
 - ✦ Education 795,000
 - ✦ Homeless and Disadvantaged 545,817
 - ✦ Youth Development 635,700
 - ✦ Cross-Program 8,000

2006 Grants Paid by Program Area (dollars)

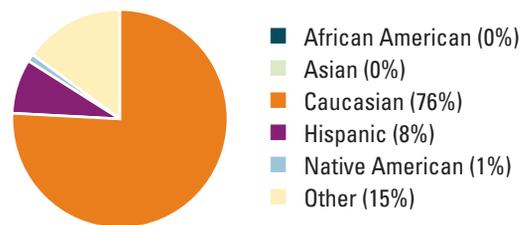


For a complete listing of Daniels Fund Grants, please visit our website, www.danielsfund.org.

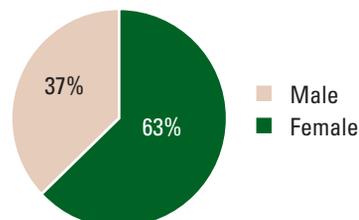
2006 Scholarships

- ✦ **2006 Scholarships Awarded:** \$ 1,233,544
 - ✦ Daniels Scholarships \$ 1,083,544
 - ✦ Daniels Opportunity Scholarships \$ 150,000
- ✦ **2006 Daniels Scholars Named:** 20
- ✦ **Total Daniels Scholars Named Since Inception:** 95

Wyoming Scholars – by Ethnicity



Wyoming Scholars – by Gender



When wildfires swept across the foothills near Hobbs, New Mexico in January 2006, area firefighters and police officers took heroic actions, saving the lives of many people as well as countless homes.

The Daniels Fund recognized the firefighters and police officers as “Bill Daniels Neighborhood Heroes.” In their honor, the Hobbs Red Cross was presented \$10,000 to assist families who lost their homes in the fire.

“Because of the severity of the fires, our annual budget to assist families displaced by a fire was nearly depleted,” explained Gladys Swisher of the Hobbs Red Cross. “This funding will enable us to respond to families in crisis, so our community is truly grateful for the support,” she explained.

The Bill Daniels Neighborhood Hero Awards were established in honor of Bill Daniels, a decorated fighter pilot in World War II, who held in high regard those who place their lives on the line for others. Working with police officials, candidates for the awards are selected for their willingness to “go above and beyond the call to duty in service to others.” 11 awards were given in 2006.



Another 2006 Bill Daniels Neighborhood Hero Award was to **David Van Cleave**, whose heroic efforts saved a young girl’s life and helped authorities capture three dangerous criminals. Although this incredible act occurred nearly 30 years ago, Van Cleave never received recognition.

Back in 1973, three armed men began firing shots after a failed robbery attempt at a Denver, Colorado Safeway. Customer, David Van Cleave noticed that a Girl Scout who had been selling cookies by the store’s entrance was standing in a state of shock, directly in the line of fire. As Van Cleave ran from his place of safety to push the child out of harms way, he was hit by gunfire. Despite his injuries, he chased down the assailants and assisted the police in capturing them.



The heroic efforts of Officer **Jack Bishop** were also recognized with a Bill Daniels Neighborhood Hero Award in August 2006.

Officer Bishop and his partner were both shot on May 8 while on duty. Yet Officer Bishop attempted to capture the assailant before returning to assist his partner, Officer Donnie Young, who sadly died in the shooting. “Nobody should go through what Donnie and I had to go through that night,” Officer Bishop said.

A dozen Daniels Scholars presented the award to Officer Bishop during a service at Denver, Colorado Police Headquarters honoring fallen officers. More than 100 officers and their family members attended the ceremony.

Clockwise at top: David Van Cleave receives belated thanks for saving the life of a young girl; a group of Daniels Scholars presents Officer Jack Bishop with a Bill Daniels Neighborhood Hero Award; At left: Linda Childears (center) presents an award to police, firefighters and the Red Cross in Hobbs, New Mexico, in honor of their heroic response to fires that swept the area in 2006

Daniels Fund Meeting Space



Bill Daniels loved Denver and for more than 30 years he maintained his principle residence and corporate offices within a mile of the site he later selected for the Daniels Fund.

In 2006, more than 13,000 people from 282 different organizations utilized the free meeting space we provide at the Daniels Fund building. The space provides a welcoming and productive environment for charitable organizations benefiting the people of Colorado, New Mexico, Utah, and Wyoming.

One organization who takes advantage of the meeting space is the Mile High Chapter of the Foundation Fighting Blindness, an organization dedicated to assisting people affected by an entire spectrum of retinal degenerative diseases. “Over half of the people who attend our meetings are visually impaired - most come with a sighted person or a guide dog, and the building is great for us because it is right on the bus route,

convenient for RTD’s access-a-ride, and the parking is wonderful,” explained Richard Faubion, director of development for the organization.

As an additional convenience for visitors, the lot just west of the building dedicated to event parking was expanded in 2006.

Another group that uses the space is the Byrne Foundation, provider of financial, academic and emotional support for adolescents facing risks that might prevent them from graduating high school. “The Byrne Foundation really takes advantage of the space,” explained Maria Krueger, program director. “Last year was the first year we used the building and it wasn’t until we received funding [as a Daniels Fund grantee] that



Above: The Mile High Chapter of the Foundation Fighting Blindness is one of the many groups that enjoy using the free meeting space at the Daniels Fund

we really got that ah ha moment that we should use the space for our meetings,” she added.

The Daniels Fund is located at 101 Monroe Street in Denver. For more information or to schedule a meeting, please call 303-393-7220 or 1-877-791-4726 (toll free) or visit www.danielsfund.org.



How do you communicate the spirit and personal style of one of the most remarkable figures in the 20th century to future generations of Daniels Fund board members and staff?

That question formed the basis for innovative efforts launched in 2006 designed to ensure that the Daniels Fund will always be accountable to the spirit and intent of Bill Daniels.

Bill Daniels carefully defined his intent for the Daniels Fund in the foundation's organizational documents, and identified board members from among his friends and associates whom he trusted to guide the organization through its formative years.

Recognizing that future generations of board members and staff will not have had the benefit of knowing Bill Daniels, we endeavored to create permanent archives of his business and personal correspondence, videotaped speeches, and other memorabilia.



Students learn more about Bill Daniels at the touch-screen kiosk at the Daniels College of Business

When Bill died in 2000, his voluminous personal files were collected and stored in the vault at Young Americans Bank in Denver. From writings to memorabilia, videotapes to photographs, the items offered valuable insights into his personal style. In an effort to make the information accessible to others, we began the process of digitizing Bill's correspondence and writings into documents that can be searched by keywords such as "honesty, ethics, integrity," and others. This information will be available to board members and staff seeking deeper insight into his values and direction for the foundation.

Nearly a thousand videotapes featuring Bill Daniels' interviews and speeches were transferred to DVD. Similar efforts are underway to identify and preserve his photographs.

Knowing that Bill Daniels loved innovation, the Daniels Fund created a touch screen kiosk and web-based interface to make his letters, photos, and videos available via the internet.



The interactive kiosk includes video clips, photos, and original documents highlighting the life of Bill Daniels

The "Remembering Bill Daniels Legacy Kiosk" uses a variety of media to highlight seven areas of his life: Early Years, Military Service, Cable Experience, Sports, Free Enterprise, Life Lessons, and Philanthropy.

The kiosk is available via the Daniels Fund website, as well as through touch screen interfaces at organizations that received major support from Bill Daniels during his lifetime: *The Daniels Children's Pavilion at the Betty Ford Center*; *Cableland – The Official Residence of the Mayor of Denver*; *The Daniels College of Business at the University of Denver*; *the Daniels Fund*; *The Daniels Leadership Center at the New Mexico Military Institute*; and *Young Americans Center for Financial Education*.

A Tribute to Phil Hogue

Phil Hogue, founding president and CEO of the Daniels Fund until 2002, passed away on February 20, 2007.

His leadership helped define the early years of the foundation established by his dear friend, Bill Daniels.

Phil began assisting Bill in the development of the Daniels Fund in 1998. As founding president and CEO, Phil helped establish the foundation's internal operating systems, staffing, annual budget, and other activities. As a member of the Investment Committee, he helped establish policies and procedures with the goal of providing a strong stream of funding for the grants and scholarship programs.

Prior to the Daniels Fund, Phil served as chairman of Bill's company, Daniels & Associates, one of the nation's most prominent and respected providers of investment banking services to cable television, mobile communications, and other media companies. Before Daniels & Associates, he was senior executive vice president of the First National Bank of Denver, then the largest commercial bank in the region.

In 1987 Phil played a lead role on the team established by Bill to create Young Americans Bank. The "nation's only bank designed specifically for young people" has grown from one small bank to three program facilities serving more than 60,000 young people annually.

Phil was born and raised in Colorado. He attended Stanford University and was awarded academic honors and a full-tuition athletic scholarship. After graduating from Stanford with a degree in Economics, he served in the U. S. Army field artillery at Fort Sill, Oklahoma. He graduated with honors from the Colorado School of Banking in Boulder.

Phil was a member of the board of directors of the Kauvar Foundation, a nonprofit foundation that works to fulfill healthcare needs of the elderly. He also served on the board of the Denver Sports Commission, and he was especially honored to serve as a member of the Board of Trustees of the University of Denver.

Phil, you are deeply missed.



Phil Hogue, founding president and CEO of the Daniels Fund, worked with Bill Daniels on a number of key projects. At left, he takes part in the groundbreaking for the new Daniels Fund building; above center, with Bill Daniels during a visit to their friend Msgr. C.B. Woodrich (Father Woody); and above, with the executive assistant to the president, Janet Friesen

So what goes on inside the doors of the Daniels Fund? On any given day, you might find us on the phone providing support to our Daniels Scholars; on the road visiting organizations in remote communities of Colorado, New Mexico, Utah, or Wyoming; or perhaps hosting a community forum on a local issue that relates to one of our funding areas.

From our Denver headquarters we must cover a lot of ground to serve a four-state region and operate seven grant program areas and an interactive scholarship program that serves hundreds of active college students. It takes a great deal of coordination, collaboration, and hard work to make our programs operate smoothly. But that's just how Bill Daniels would have wanted it. He believed in aiming high and working hard to get there.

Grants Program

Each of our seven grant program areas has a dedicated program officer. The program officers know their areas intimately and spend time with organizations and communities to stay on top of current trends and growing needs. Each of those same program officers also covers a specific section of our four-state region. In 2006, program officers assigned to states outside of our Colorado headquarters (New Mexico, Utah, and Wyoming) spent an average of one week per month in their respective states conducting site visits, outreach, networking with community leaders, and holding community meetings. In 2006, program officers conducted a total of 456 site visits, visiting 70% of our 2006 grantees throughout our four-state region.



Scholarship Program

A Selection and Programming team coordinates the entire scholarship selection process across our four-state region - from recruiting and training more than 150 Referral Agencies, to facilitating a community-based selection process that involves organizing hundreds of volunteers to read applications and interview candidates. This team also coordinates orientations, check-ins, and the week-long "Students Heading into the Future Together" program for new scholars selected each year. A Scholar Relations team keeps tabs on our hundreds of scholars, with each team member monitoring a cohort of students. They facilitate requests, verify compliance with expectations, manage scholarship payments, and provide support to help the students graduate. The team also works to build relationships and networks with colleges and universities that host Daniels Scholars and Daniels Opportunity Scholars nationwide.



Top: Staff gather for a group photo on the steps of the Daniels Fund

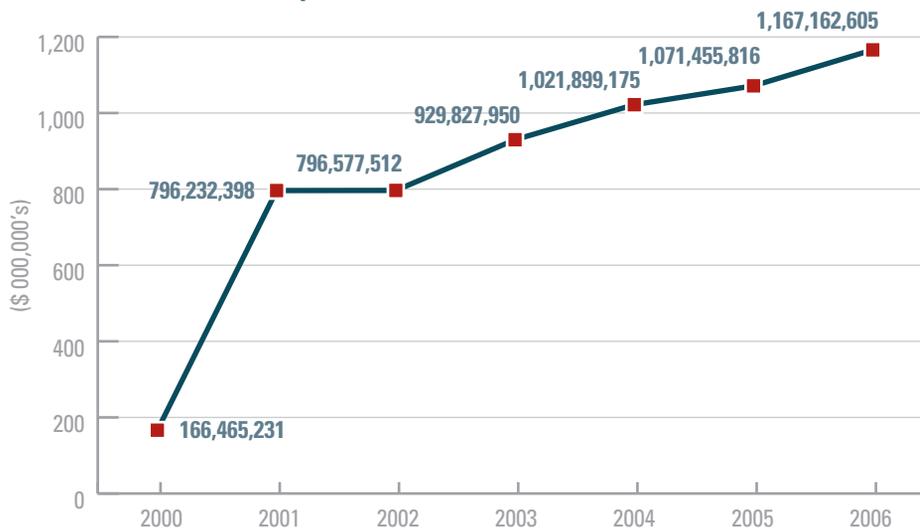
Bottom: Staff take part in a number of volunteer activities throughout the year, including a canned food drive to help support area food banks

A Diverse and Caring Group of People

Daniels Fund staff come from all walks of life and bring a range of valuable experience to help carry out our mission. Staff backgrounds include education, business, social work, nonprofit, foundations, university admissions, and more. Staff serve on the boards of many nonprofits, schools, and organizations.

Statement of Assets and Liabilities

	2006 (unaudited)
Investments, at fair market value	\$ 1,167,162,605
Property and equipment, net of depreciation	17,989,171
Other assets	549,500
Total Assets	\$1,185,701,276
Note payable	\$ 9,000,000
Net assets	1,176,701,276
Total Liabilities and Net Assets	\$ 1,185,701,276

Asset Growth (since inception)**Historical Impact (since inception)**

Since its inception in 2000, the Daniels Fund has disbursed over \$196 million in grants and scholarships. The Fund has also invested over \$21 million in capital assets that are used in connection with the Fund's charitable activities and operating programs.

**2006 Daniels Fund Financial Statements**

The 2006 Form 990PF and listing of grants are available on the Daniels Fund website at www.danielsfund.org/publications

THE DANIELS FUND BOARD OF DIRECTORS



John Saeman, chairman of the board of the Daniels Fund, began his association with Bill Daniels in 1965 and later served as president and vice chairman of all his companies. He is a founding partner of Medallion Enterprises, LLC, an investment and management company located in Denver.



Linda Childears, president and CEO of the Daniels Fund, worked directly with Bill Daniels in realizing his vision for Young Americans Bank and served as its president from its opening in 1987 until the board elected her to lead the Daniels Fund in 2005.



Hank Brown, president of the University of Colorado, served in both the U.S. House and Senate. He is also the former president of the University of Northern Colorado and served as the Daniels Fund president and CEO from July 2002 until his appointment as president of the University of Colorado in April 2005.



Brian Deevy is the chairman and CEO of RBC Daniels, formerly Daniels & Associates, a company established by Bill Daniels. He is responsible for strategic development of the firm's business, which includes mergers and acquisitions, private equity and debt capital formation, and financial advisory engagements.



Diane Denish is the lieutenant governor of New Mexico. In that capacity, she serves as the President of the New Mexico State Senate, Chair of the Children's Cabinet, and Chair of the Mortgage Finance Authority.



Bruce Dines, former executive vice president of First National Bank of Denver, is involved with family investments and is a professional wildlife artist exhibiting in prominent wildlife galleries primarily in the Rocky Mountain region.



Gayle Greer, former senior vice president of Time Warner Communications and group vice president of Time Warner Cable, resides in Round Rock, Texas, where she is involved with volunteering and advising small start-up companies.



Leo J. Hindery is managing partner of InterMedia Partners VII, LLP. He is the former chairman of the YES Network, a regional sports network featuring the New York Yankees. He is a member of the HELP Commission, which seeks to improve U.S. development assistance and food aid around the globe.



Tom Marinkovich, former president and COO of Daniels & Associates, lives in the Pacific Northwest where he has invested in real estate, various operating companies, and venture capital organizations.



Jim Nicholson serves as Secretary of Veterans Affairs and directs the Department of Veterans Affairs, the federal government's second largest Cabinet Department, responsible for a nationwide system of health care services, benefit programs, and national cemeteries for America's veterans and dependents.



Dan Ritchie, chairman and CEO of the Denver Center for the Performing Arts, concluded his service in 2006 as the chairman of the board of the University of Denver, where he served as chancellor from 1989 to 2005.



Steve Schuck is the founder of The Schuck Corp., a developer of commercial, residential, industrial, and mixed-use real estate projects in the Denver, Colorado Springs, Portland, and Phoenix markets.



June Travis served as executive vice president and COO of the National Cable Television Association. Prior to that, she served as the president and COO of Rifkin & Associates, a cable television operator.



DANIELS FUND

101 MONROE STREET · DENVER, CO 80206
TEL 303.393.7220 · WWW.DANIELSFUND.ORG