

ANNUAL REPORT 2013



GOODWILL
of Silicon Valley



“

MISSION STATEMENT:

Goodwill of Silicon Valley's mission is to

SUPPORT

our employees, our customers and people with challenging barriers to employment;

RAISE

to

their

STANDARD OF LIVING

and

IMPROVE

their

LIVES

through our services and social enterprise.”

For Goodwill of
Silicon Valley,
2013 was a year of
IMPACT.



Measured in financial terms, Goodwill contributed \$54 million in economic output, \$22.5 million in total wages and \$1.87 million in fiscal impact. Retail revenues were up double digit.

However, the numbers only point to the real impact that was made in improving the lives of those with barriers to employment. For example, in 2013, Goodwill of Silicon Valley's E-commerce achieved new highs, growing to more than \$2 million, while providing employment to young adults on the Autism/Aspergers spectrum. We added four new public high schools to our highly successful after-school programs. We continued to positively impact Santa Clara Counties re-entry programs by providing employment services and vocational training to 68 recently incarcerated individuals, successfully employing 48 in permanent jobs. Our veterans programs continued their success serving 130 homeless veterans, employing 85 and keeping 50 veterans and their families at risk of homelessness in a home. We made additional impacts in our community by employing more than 300 people in our transitional work programs, providing paid work experience, employability skills training, and job search assistance. Our highly successful Good Guard program continued to train and place people in the security industry at above-minimum-wage salaries. In 2013 Good Guard trained 120 people with an 83% placement rate. We also continued to expand our community partnerships by providing additional collaboration and assistance to Teen Force, Loaves and Fishes, and Sunday Friends.

Additionally, Goodwill's activities had broad impact in improving the community as a whole. We continued our investment in facilities and operating assets by remodeling 2 stores, repainting our warehouses and headquarters, and adding new landscaping in the process. In 2013 we significantly invested in marketing, as we began to share the benefits of Goodwill in our community. We launched a TV and radio campaign resulting in an almost 10% increase in donations – continuing our role as one of the largest re-users and recyclers in the counties we serve. Social media continued to drive positive momentum as we launched a newly redesigned website and an increased Face Book presence.

We are excited about the future impact of Goodwill of Silicon Valley. Our audited financials continue to show that our organization, led by our board of directors, is fiscally strong, and our board governance is equally sound.

We hope you are enlightened by reading this report and that you will take the time to learn more about Goodwill of Silicon Valley and the significant, positive impact we have made and will continue to make in our community.

Michael Fox
President & Chief Executive Officer

Brian Shetler
Chairman of the Board

2013 Board of Directors

"Goodwill of Silicon Valley thanks its all-volunteer Board for its dedication and service"

Brian Shetler – Chairman of the Board

Phillip Boyce – Vice Chairman

Christopher Schumb – Secretary

Dale Achabal, Ph.D. – Treasurer

Jim Cunneen – Member

Erik Hallgrimson – Member

John Hirokawa – Member

Jeanice Owens – Member

Jessica Welker – Member

Inder Sidhu – Member

Jeanice Owens – Lifetime Member



In Memoriam

2013 saw the loss of our longest serving board member and Goodwill Volunteer Jeanice Owens.

Jeanice was an inspiration for all who had the privilege to know her. She accomplished so much for Goodwill over the plus 50 years she served as a board member, becoming the first ever female board president of a Goodwill organization. Jeanice founded the "Elegance of Yesteryear Fashion Show" and organized and executed them for many years raising over one million dollars. Jeanice's dedication to Goodwill and its mission was evident in everything she did. She served during good and challenging times always committed to the cause, our clients, and employees. Her enthusiasm and focus was always visible in her participation at board meetings. She continued to tour our facility over the years and enjoyed seeing the progress we made. Her encouragement and approach went a long way in instilling her passion and energy for Goodwill to the entire organization.

Thank you to our generous Donors!

Cisco

Suresh Pachiappan

PWC • PricewaterhouseCoopers Campaign

VMWare Foundation Matching Gift Program

Goodwill Industries International

Microsoft Matching Gift Program

Richard or Sheryl I. Haller

Josephine Ruscigno & family

Carol Lee Ishikawa

UWSV • Western Digital 2012

Google TRIPS for Charily

Richard and Emily Levin Foundation

Robert N. Schaff

Howard & Barbara Shaw

Big Joe Leasing Rentals

William Martin

JustGive.org

WFB Ohio • Foundation (MN)

UWSV • Western Digital 2012

Network for Good

Richard & Judith Kato

JUNE

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2014

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JULY



MISSION SERVICES 2013

In 2013 Goodwill created a 12 month paid experience program for people with barriers to employment, unemployed or who are not ready to join mainstream workforce called Employment Readiness Program (ERP). During the 12 month period the employees are given the opportunity to enroll in workshops preparing them for their next employment. In 2013 Goodwill enrolled 228 people in the ERP program. Of those completing the program 70% moved on to permanent employment.

Goodwill's GoodGuard training program provides their students the tools and skills necessary to succeed in the security industry. Of the 56 students who enrolled in 2013, 80% obtained employment.

Goodwill is passionate on helping our Veterans. In 2013, the Veterans program was able to assist 160 Veterans who were homeless or at-risk of becoming homeless. Of the veterans who were enrolled in our employment services program, 80% were placed into unsubsidized employment.



Goodwill provides after school academic and enrichment activities to over 2,874 high school students. In addition, Goodwill served 326 young adults with developmental disabilities by providing them with the skills to live a more independent life.

Over 70,000 people in Santa Clara County are in need of mental health services. Approximately 25% of those individuals are unable to receive services due to lack of resources. The Wellness Center, is a mental health clinic at Goodwill. It provides services to people at no cost. In 2013 Goodwill served 317 people for an average of 20 sessions per person. The Wellness Center's work is lead by award winning Psychologist Dr. Eval Gal-Oz.

The New Opportunity for Work (NOW) Program was launched in 2013. This program reduces recidivism for people reentering mainstream society after incarceration by giving them the opportunity to work and earn a paycheck within a few days of enrollment.

**"No joy can
equal the
joy serving
others"**

- Sai Baba



AUGUST

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2014

SEPT

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201

RETAIL

Goodwill's retail enterprise performed well above plan in 2013. Revenues increased by approximately 2.9 million dollars almost 13% over last year.

Retail was bolstered by strong same store sales trends as well as focused production. In over a year, Retail employed 285 people in our transitional employment program. As part of their employment Mission Services provided workshops on employability skills, positive thinking, resume writing, job searches, interview skills, and computer skill training. Our year was highlighted by the remodeling of 2 new stores Sunnyvale and Gilroy. Our Gilroy Grand re-opening set a record for the largest 3 day opening in our history with sales of \$137,700.

Revenues increased by approximately

2.9

Million



Retail employed

285

People in our transitional
employment program



OCT

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2014

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E-COMMERCE

Overall **SALES** for 2013
\$2,240,957

E-Books \$1,520,927

E-Goods \$720,030

Total items **SOLD**
192,000



Antique Violin
marked J.B.
Vuillaume
1829 Paris
\$3005



71 piece
Roger's Sterling
Wedding bells
Flatware
\$1122



RARE Franz
Bergman
Bronze
Figural Lamp
\$3101

Launched an overhaul of E-Commerce facility to increase operating capacity.

Increased the output of the E-Books and E-Goods businesses through more efficient listing processes.

Redesigned the warehouse process for storing goods to allow for accurate inventory control and re-listing process.

Started a weekly newsletter to engage the whole agency with E-Commerce.

DECEMBER

2014

2015

JAN

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“

Protect the work of Goodwill employees and guard the trust of the community that supports Goodwill”

LP

Q & A

What is the main purpose of a Goodwill LP agent?

An LP agent ensures that the Goodwill employees work in a safe and accident free workplace by enforcing regulations and monthly safety audits.

What are some responsibilities of an LP agent?

A major portion of the job responsibilities of an LP agent is criminal activity detection, investigation, and promotion of safe practices.

How important is Team work within the LP department?

Each LP agent is assigned a number of stores that they are responsible for to enforce LP and Safety issues. When required, the agent will also “team up” to investigate specific types of crimes and provide the necessary manpower and expertise to solve the crime.

What is included in an LP Anti-theft Arsenal?

Social media, stealth technology, digital video, crime prevention / law enforcement associations and employee partnerships.

Has the LP department received awards?

In 2013 the LP department was awarded the Goodwill International Industries “Eagle” award for “Excellence in Loss Prevention”.

Do the LP agents collaborate with the local law enforcement?

Yes. LP assisted law enforcement in the identification and arrest of a robbery suspect as well as identifying the victim in a homicide investigation. In 2013, LP investigated a total of 134 cases; this included 12 sobriety tests administered and 25 terminations. Of the 134 cases 62 were directly related to LP. As a result, 15 cases were sent to the DA for prosecution.

FEB

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2015

MAR

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GOODSOURCE

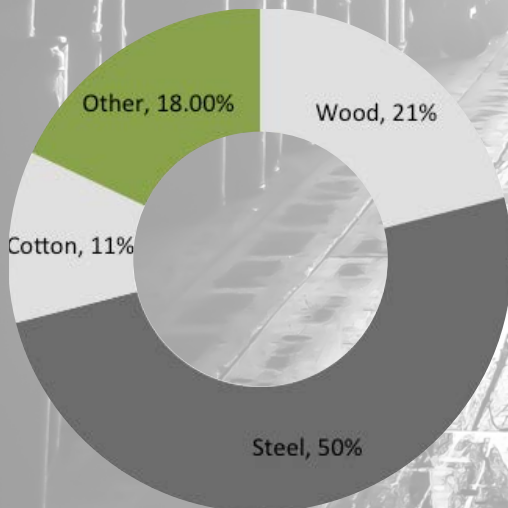


22,702
Mattresses

Number of veterans
in the program

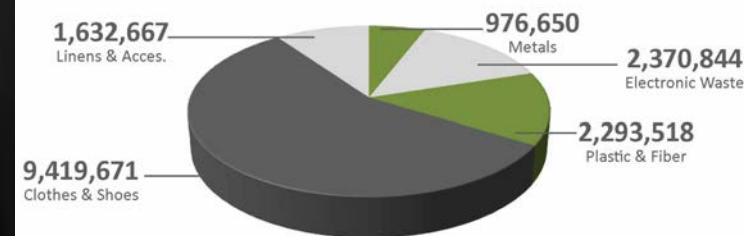
23

Mattresses consist of:



Goodwill of Silicon Valley serves our community by providing convenient ways for people to repurpose their household goods. Currently there are 38 locations throughout Santa Clara and San Benito Counties that receive donations to fuel our social enterprises. Over 758,000 donations were received in 2013 and are the source of valued merchandise in our retail stores. Approximately, only 15% of the estimated 41 million pounds of donations received were sold. Goodwill of Silicon Valley also operates a robust aftermarket and recycling program to generate mission supporting revenues and jobs, while also helping maximize landfill diversions. In 2013 we diverted 86% from landfill as a result of our green initiatives while staffing these businesses with mission related program participants.

Aftermarket/ Recycling



OPERATIONS

APRIL

2015

MAY

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FINANCIALS 2013

PUBLIC SUPPORT AND REVENUE:	TOTAL 2013	SUMARIZED 2012
Retail Programs	\$25,603,307	\$22,710,537
Donated Goods	\$8,760,447	\$8,999,304
Operations Programs	\$5,950,862	\$6,170,512
E-commerce	\$2,280,456	\$581,350
Grants and Contributions	\$1,848,772	\$1,507,711
Production Programs	\$914,808	\$1,084,571
Rent Income	\$304,483	\$329,452
Miscellaneous	\$296,427	\$403,858
Investment Income	\$282,262	\$146,150
Vocational School Fees	\$22,935	\$259,186
Net Assets Released From Restrictions	\$46,264,759	\$42,192,631
Total Public Support and Revenue		
EXPENSES		
Program Services:		
Retail Programs	\$25,660,745	\$21,536,321
Cost Assigned to Donated Goods Sold	\$8,515,800	\$8,524,712
Production Programs	\$1,339,379	\$1,531,372
Vocational School Programs	\$3,268,439	\$2,927,117
Total Program Services	\$38,784,363	\$34,519,522
SUPPORTING SERVICES		
Management and General	\$3,968,250	\$3,667,697
Fundraising	\$87,529	\$77,723
Total Supporting Services	\$4,055,779	\$3,745,420
Total Expenses	\$42,840,142	\$38,264,942
Change in Net Assets Before Pension Plan		
Investment (loss) and Impairment	\$3,424,617	\$3,927,689
Pension Plan Investment Loss	\$510,448	\$(254,530)
Impairment Loss on Antique Collection	\$(10,000)	\$(62,500)
CHANGE IN NET ASSETS	\$3,925,065	\$3,610,659
Net Assets, Beginning of Year	\$16,793,848	\$13,183,189
Net Assets, End of Year	\$20,718,913	\$16,793,848

JUNE

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2015

JULY

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TIMELINE

JANUARY

"Start your new year with a DIY project"



FEBRUARY



MARCH

"Let the sun shine in, begin your Spring cleaning and donate to Goodwill"

APRIL

MAY

"Happy Mother's Day" and "Memorial Day"



JUNE

"Kick-off to summer" "Don't forget to pick-up your summer needs - sunscreen, sunglasses, sandals, bbq tools, etc". "Happy Father's Day"



JULY



AUGUST

"Don't be late...start your school year with all the right supplies. Shop at one of our Goodwill stores today"

Ask us about our Youth Programs

SEPTEMBER

"Don't be scared to save. Shop at one of our Goodwill stores for all your Halloween needs."

Goodfest Employee Appreciation event



OCTOBER

NOVEMBER

"Happy Thanksgiving"

"Veterans Day" Ask us about our Veterans Program.



DECEMBER

Thank you for your Donations!



“How can you make a difference..... **DONATE TODAY**”

RETAIL LOCATIONS:

Almaden Store
3060 Almaden Expwy, San Jose, 95118

Alum Rock Store
3020 Alum Rock Ave., San Jose, 95127

Blossom Hill Store
1339 Blossom Hill Rd., San Jose, 95118

Campbell Store
60 S. San Tomas Aquino Rd., Campbell, 95008

Cupertino Store
1125 De Anza Blvd., San Jose, 95129

Gilroy Store
845 First St., Gilroy, 95020

Hollister Store
550 Tres Pinos Rd., Hollister, 95023

Milpitas Store
91 S. Abbott Ave., Milpitas, 95035

Morgan Hill Store
17630 Monterey Rd., Morgan Hill, 95037

Mt. View Store
855 E El Camino Real, Mt View, 94040

Palo Alto Store
4085 El Camino Way, Palo Alto, 94306

San Carlos Store
1691 West San Carlos St., San Jose, 95128

Santa Clara Store
2800 El Camino Real, Santa Clara, 95051

Santa Tersea Store
7098 Santa Teresa Blvd., San Jose, 95139

Silver Creek Store
1640 E. Capitol Expwy., San Jose, 95121

Snell Store
461 Blossom Hill Rd., San Jose, 95112

Sunnyvale Store
151 E. Washington Ave., Sunnyvale, 94086

Willow Glen Store
1579 Meridian Ave., San Jose, 95125

Winchester Store
1303 S Winchester Blvd., San Jose, 95117

ATTENDED DONATION SITES:

Los Altos
2175 Grant Rd., Los Altos, 94022

Budd
2341 S. Winchester Blvd., Campbell, 95008

Calaveras
25 N. Milpitas Blvd., Milpitas, 95035

Cottle
Cottle LRT Station @ Cottle & Hwy 85
San Jose, 95119

Crown
6477 Almaden Expressway, San Jose,
95120

Curtner
Curtner Light Rail Station, San Jose, 95110

El Camino Express
715 Sunnyvale-Saratoga, Sunnyvale, 94087

Indian Blossom Hill
LRT-Park and Ride Station, San Jose, 95123

Lakewood
1119 N. Lawrence Expwy, Santa Clara,
95051

Lark
14800 Winchester Blvd., Los Gatos, 95030

Narvaez
Capitol Exp & Narvaez – Park and Ride Station
San Jose, 95136

Oliveras Ranch
3315 Sierra Rd., San Jose, 95132

Our Lady of Peace
2800 Mission College Blvd.,
Santa Clara, 95054

Park “N” Ride
Santa Teresa LRT Station, San Jose, 95119

Princeton
3510 Homestead Rd., Santa Clara, 95051

Safeway
840 E. Dunne Ave., Morgan Hill, 94022

Union
15549 Union Ave., Los Gatos, 95032

Valley Fair
3070 Stevens Creek Blvd., Santa Clara,
95050

West Valley
5205 Prospect Rd., San Jose, 95129



"How wonderful it is that nobody need wait a single moment before starting to improve the world." - Anne Frank



Goodwill of Silicon Valley
Transforming lives through the power of work.
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