



GOODWILL
of Silicon Valley

2017 Annual Report

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2017 was a challenging year for our organization. San Jose and surrounding cities had their second minimum wage increase in 1½ years as we experienced an increase of \$3.2M on an annualized basis. The prospect of another large increase beginning in 2018 resulted in our decision to close our mattress recycling business and car detailing/washing operations. Those operations had employed over 80 people annually, with most coming from our homeless veterans and re-entry programs. We took additional steps to soften the impact of further minimum wage increases that will take place in the next 2 years. They included reorganization of our supply chain, increasing the pay of our production personnel, developing a plan to lower turnover, and reorganizing our board to take better advantage of their skill sets. We are confident that these steps will better position Goodwill of Silicon Valley for future opportunity and mission expansion.

Our 2017 Mission Services organization continued to have great success. We increased people served to 17,000 and achieved our 3 year goal in the first year. We expanded our mission to the Gilroy area with the opening of our new Gilroy job center which provides job search assistance, resume coaching, and interviewing skills assessment.

While 2017 did not measure up to our past financial performance, we did prepare the organization for future opportunity despite the financial headwinds we face. Our balance sheet is strong and we are debt free. We are in a great position to weather the large payroll increases over the next couple of years. Additional work will be done in 2018 to make us more efficient and focused on our operations and mission. Our team looks forward to overcoming the challenges of the future.

Michael E. Fox, Jr.
President & Chief Executive Officer

Jim Cunneen
Board Chair

Goodwill of Silicon Valley has been serving Santa Clara County since 1928

2017 GWSV Board of Directors

Officers

Jim Cunneen – Board Chairman
 Michael E. Fox, Jr. – President & Chief Executive Officer
 Inder Sidhu – Vice Chairman
 Phillip Boyce – Immediate Past Chairman
 Jim Campagna – Treasurer
 Jessica Welker – Secretary

Directors

Dale Achabal, Ph.D – Member
 Erik Hallgrimson – Member
 Victor Gomez – Member
 Lydia Ortega, Ph.D – Member
 Dave Sanders – Member
 Christopher Schumb – Member
 Brian Shetler – Member

2017 Senior Leadership Team

Michael E. Fox, Jr. – President & Chief Executive Officer
 Christopher Baker – Chief Financial Officer
 Don Aguilar – Vice President of Human Resources
 Trish Dorsey – Vice President of Mission Services
 Josh Altieri – Director of Marketing
 Stephen Borasi – Director of Retail
 Johnny Cochran – Director of E-Commerce
 Ryan Gleason – Director of Operations
 Cynthia Harvey – Director of Contracts & Maintenance
 Jose Montes – Director of Loss Prevention
 John Seaman – Director of Workplace Safety

Thank You to Our Generous 2017 Donors

- Arguendo Guanlao, Jr.
- Martin McVeigh
- International ProInsurance Services, LLC.
- Christine Kerr
- Goodwill Industries International, INC.
- Adobe Systems
- Claudine Nagamine
- Inder Sidhu
- Jim Cunneen
- Jessica Welker
- Jim Campagna
- Christopher Schumb
- David Sanders
- Dale Achabal
- Erik Hallgrimson
- Victor Gomez
- Lydia Ortega
- Brian Shetler
- Don C. Watters
- Paul K. Joachim
- eScrip
- Marina Koifman
- Mikayla Pratt
- Roshni Cooper
- Kathy Sloan
- Leslie Guinnane
- Patricia Yeung
- Patrick Gartland
- John Frenzel
- Josh Altieri
- Douglas Standing
- Catherine Lavin
- Albert Cerussi
- Rahim Ladak
- Laura Patten
- Sean Collins
- Yuan Yao
- Manjeet Dhindsa
- My Kristine Lu
- Ernest Ortiz
- Facebook, INC.
- Larry Pratt
- John B. Tanner
- George Winter
- Max Steinke
- Andrew Ritger
- Thao Tran
- Steve Hunt
- Cheryl Downing
- Michael E. Fox, Jr.
- Michael Konevecki
- Jack Baker
- Bozzuto Insurance Services

Veterans Individualized Placement (VIP) Program

We work with veterans that are facing homelessness by facilitating employment readiness and job placement. Each veteran partners with a member of the Goodwill support team to develop and execute a job placement plan. These job seekers are provided with housing assistance, food, transportation, and other basic needs during and after the job search phase.

Veterans Family Services (VFS) Program

Veterans and their families that are homeless or facing homelessness are invited to Goodwill for help. Our support team works with them to facilitate a plan to secure and sustain safe housing. We do this by providing financial assistance, location of appropriate housing, and case management.

New Opportunity Work (NOW) Program - Phase I

While in custody awaiting trial or completing their sentence at the county jail, Goodwill staff facilitates employability workshops and Moral Reconciliation Therapy for those that have self-identified as wanting to start a new life upon release. These workshops prepare the individual to transition back into employment in a positive and productive fashion. Many of the workshop attendees join the NOW Program Phase II upon release.

New Opportunity Work (NOW) Program - Phase II

Goodwill assists those that are starting over after having been involved in the criminal justice system. Upon enrollment into this program, these job seekers are placed into immediate paid employment as they work on their progression toward obtaining employment within our community. During this transition period, Goodwill support staff works with each person on an individualized basis to facilitate Moral Reconciliation Therapy, mentoring, and ultimately placement into a job that has promise.

Employment Readiness Program

Goodwill uses its social enterprises to offer transitional employment opportunities for people that are struggling to obtain employment. While in the paid work program, these job seekers also participate in paid workshops that address cognitive behavior and employability skills training. The support team works individually with each job seeker to assist in the transition to mainstream employment within our community.

After-School Programs

Goodwill manages after-school programs at four high schools in San Jose. We work with at-risk students to help them achieve their goal of earning a high school diploma. These programs also engage the students in activities that enrich their experiences such as learning a second language, fitness activities, music, robotics, and much more. Hot meals are available to these students as well. Goodwill is on campus at these schools every afternoon during the school week.

GoodHealth

This program is designed to strengthen independent living skills for high school students that live with developmental disabilities. While this is the focus, we are also able to engage these students into activities that they may not otherwise experience such as attending a prom, a day at the bowling alley, being entertained by dancers, and more.

Autism Advantage

Improves the quality of life of people with disabilities by supporting and developing their abilities through social acceptance, advocacy, and employment. Our training, recruiting, and support programs help people on the spectrum become more self-aware and apply their wonderful skills in the modern workplace.

Transition Youth with Disabilities Programs

These programs address the primary barriers to successful employment for transitioning age youth with disabilities. As a key component to this program, we also connect with and provide support to the family to ensure all challenges are addressed. In addition, with our partnership through the Department of Rehabilitation (DOR) and the East Side Union High School District (ESUHSD), we are able to provide support to students that enables them to successfully transform from high school to post secondary education or directly into the world of work.

Goodwill of Silicon Valley's Mission Services Department operates an array of programs which provide services to the general public, here are the 2017 highlights:

2,123
Therapy Sessions
provided in our Wellness Center


15,018
high school students
attended the After School Program

20 students
from Autism Advantage
Program
got employed **AND**
together combined they are earning
1.4 million
in annual salaries

101
people with disabilities
were served

156
Job Placements
from NOW Program

Launched
WorkConnect
Employment Resource Center
(Gilroy Store)

90
Families
of Veterans received
housing services


1,008
Enrollments
into NOW Program

253
people
received services in
our Wellness Center



350
people
placed into jobs via
Mission Services
Department

82
Homeless
Veterans
got jobs



109
Training
to work in Constructional Training Program
feeder into Labor Union

7,061
Classes
conducted in the county jail



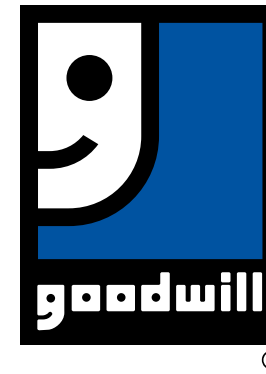
173 people
received services
AND
43 people
obtained employment
via
WorkConnect

55
A+ Computer Training
Certifications
AND

88%
of graduates got jobs

30
people with disabilities
got placed into jobs

WE ARE



GOODWILL

of Silicon Valley



WE ARE



GOODWILL of Silicon Valley



Jose

Employment Readiness Program Success Story

Before coming to Goodwill of Silicon Valley, I was in a very dark place, living a life that led me to decide whether to live or die. I chose to seek help which led to a transitional program. I did not know which way to go especially in a big city like San Jose. A friend of mine who was already enrolled in Goodwill's Employment Readiness Program (ERP), suggested that I check it out. At the time, all I heard was JOB OPPORTUNITY! While attending ERP, I had many possibilities and attended many workshops while working as a Customer Service Specialist at a Goodwill Store. Even though I was afraid of learning the register, my manager always believed that I could do it. If it had not been for my manager and ERP Support Specialist, Andrea, I am not sure that I would have had the confidence. Through customer service hands on training, workshops, and coaching, I learned patience and communication skills that I apply daily in my current job. Goodwill's ERP helped me move forward in life, and because of this experience, my eyes were opened to things that I could do!

Currently, I am looking at becoming a mechanic while still working full-time. If it had not been for Goodwill, today, I would not be where I am in life.

Thank you, Goodwill and Andrea K.

~ Jose



Robert

Autism Advantage Success Story

I found the program helpful and would recommend it. It helped me with public speaking, social skills, and resolving conflict, while allowing me to think about things that I do not normally think about. Also, I appreciated the encouragement and assistance with healthy eating.

Today, Robert is working at drchrono as a software engineer.

~ Robert

Retail Success Story

Goodwill gave me a chance when others would not. After making bad choices in my youth, I found it hard to get a job. Rejection after rejection started to take its toll on me and any hope that I had for my future. Then one day, I saw the Goodwill Milpitas Store's opening and hiring signs, so I thought that I would go ahead and give them a try. I was so happy and thrilled when they gave me the job! With no prior experience and a history of bad choices, they were willing to take a chance on me. For that I am grateful!

It has been 3 years, and I am working in a job that I love with a company that does so many wonderful things for so many people. I am honored to be a part of the Goodwill of Silicon Valley!

~ Robin



Robin



**Wellness Center
Success Story**

Goodwill has provided me with great training during my tenure in graduate school. I received credits for my practice hours in therapy while obtaining licensing as a psychologist. In 2013-2015, I had been a trainee at Goodwill, but returned in 2017 as a post-doctoral trainee and employee!

Recently, I completed my requirements and I am on my way to becoming an official licensed psychologist.

~ Dr. Gurneet C.

Dr. Gurneet C.

**Veterans Program
Success Story**

I am a United States Army Veteran enrolled in the Veterans Individualized Placement Program (VIP) at the Goodwill of Silicon Valley. Prior to enrolling in the program, I was homeless, jobless, and had lost all hope. After attending the orientation and meeting with my VIP Case Manager, Steve Munoz, he said, 'I think that I have found you a job.' I thought to myself, "no way, could this be possible? Not that fast!" Steve had set up an interview and provided transportation for me. I was hired on the spot! Next, I was introduced to Goodwill's Business Developer, Karl Darr, who helped organize and devise a successful plan to begin my career and provide for my future. He stressed the importance of being transparent and honest about my past which ensured the best plan for my future. Having a criminal background and history of drug addiction made the idea of a prosperous future seem unimaginable. Together, we developed a plan that set up progressive steps in small attainable goals that I would need to work towards to be successful.

Currently, I am enrolled and taking classes at NPower Technology School while working part-time at the Palo Alto Goodwill Store. Also, I have been working with a Goodwill Housing Specialist and will be moving into my own apartment this month. My gratitude for these men at Goodwill's VIP Program is boundless. They saw something in me that I did not see in myself. They helped to restore my dignity! From the bottom of my heart, THANK YOU SO MUCH!

~ Shawn
United States Army Veteran – OIF Expeditionary Forces & OIF III



Shawn

**Youth Program
Success Story**

As a sibling of four, with a single mother in a low-income neighborhood, the odds were against me and my success. Compared to my siblings who graduated high school and went to prison, I found the drive to succeed academically which led me to great opportunities and to give back to the community. Through GoodHealth at the Goodwill of Silicon Valley, I have obtained an internship as a health educator for special needs students which allows me this opportunity to give back. Because of my experience, I can relate to my students that come from similar backgrounds. These students have their own unique hardships such as cognitive and behavioral development setbacks. Nevertheless, these students receive opportunities through GoodHealth by Goodwill of Silicon Valley to help them manage their lives as an individual and community member through engaging lessons and community events. During these moments, I have seen students' excitement when they have the courage to participate in class, a soccer tournament, or a school dance. Seeing a student, that I had presumed lacked motivation, burst out of their shell and score a goal in front of a large crowd, demonstrates to me that they have the will to succeed if they have a supportive environment.

Although there may be odds against us, it does not have to define us! My upbringing did not define me or my worth and similarly, my students' disabilities do not define them or their potential contribution. GoodHealth and Goodwill of Silicon Valley reflect my passion and perseverance.

~ Rubi



Rubi

**NOW Program
Success Story**

For years, I lived in a fog of addiction, jail, and institutions. Everyone knew me by my street name and not my real name because I felt undeserving of my real identity. I always thought less of myself and always settled for less as well. I had dreams of a good life that I thought I would never have. Then one day, as I sat in a prison cell, I vowed to do my best at anything from that point on.

My life has changed in such a drastic way. Now, I am an active member in my families' lives, and I have become determined and willing to do whatever it takes to keep this life that I have worked so hard to achieve. I am not afraid anymore, and I do not live in fear of what might happen next. Today, my name is Rebekah Machado and I would not want it any other way!

~ Rebekah



Rebekah

Goodwill of Silicon Valley 2017 Financials

Public support and revenue:	2017	2016
Retail programs	\$ 29,656,055	\$ 28,862,673
Donated goods	5,624,164	7,841,673
E-commerce	4,581,445	4,733,294
Grants and contributions	4,083,112	3,831,359
Operations programs	4,043,322	4,197,884
Contract and business service programs	1,939,889	1,868,615
Rent income	364,375	326,765
Investment income, net	246,901	110,696
Miscellaneous	244,816	342,144
(Loss) gain on sale of property and equipment	(2,798)	2,135,483
Total public support and revenue	50,781,281	54,250,586

Expenses:

Program services		
Retail programs	34,069,792	31,171,218
Cost assigned to donated goods sold	5,813,660	7,664,903
Vocational school programs	5,137,236	4,859,923
Contract and business service programs	2,241,523	2,249,142

Total program services **47,262,211** **45,945,186**

Supporting services:

Management and general	3,626,571	4,073,297
Fundraising	60,428	57,445
Total supporting services	3,686,999	4,130,742

Total expenses **50,949,210** **50,075,928**

Change in net assets before pension plan investment gain (loss)	(167,929)	4,174,658
Pension-related changes other than net periodic benefit costs	177,504	(145,168)
CHANGE IN NET ASSETS	9,575	4,029,490
Net assets, beginning of year	28,388,346	24,358,856

Net assets, end of year **\$28,397,921** **\$28,388,346**

Store Locations

Almaden

3060 Almaden Expressway
San Jose, CA 95118

Alum Rock

3020 Alum Rock Avenue
San Jose, CA 95127

Campbell

60 South San Tomas Aquino Road
Campbell, CA 95008

Cupertino

1125 De Anza Boulevard
San Jose, CA 95129

Gilroy

845 First Street
Gilroy, CA 95020

Hollister

1703 Airline Highway
Hollister, CA 95023

Milpitas

311 West Calaveras Boulevard
Milpitas, CA 95035

Morgan Hill

17630 Monterey Road
Morgan Hill, CA 95037

Mountain View

855 East El Camino Real
Mountain View, CA 94040

Palo Alto

4085 El Camino Way
Palo Alto, CA 94306

San Carlos

1691 West San Carlos Street
San Jose, CA 95128

The Loft

1691 West San Carlos Street
San Jose, CA 95128

Santa Clara

2800 El Camino Real
Santa Clara, CA 95051

Santa Teresa

7098 Santa Teresa Boulevard
San Jose, CA 95139

Silver Creek

1640 East Capitol Expressway
San Jose, CA 95121

Snell

461 Blossom Hill Road
San Jose, CA 95123

Sunnyvale

151 East Washington Avenue
Sunnyvale, CA 94086

Willow Glen

1579 Meridian Avenue
San Jose, CA 95125

Winchester

1303 South Winchester Boulevard
San Jose, CA 95117

Attended Donation Sites

Budd

2341 South Winchester Boulevard
Campbell, CA 95008

Calaveras

25 North Milpitas Boulevard
Milpitas, CA 95035

Cambrian

14900 Camden Avenue
San Jose, CA 95124

Cottle

Cottle Light Rail Station @
Cottle & Highway 85
San Jose, CA 95119

Crown

6477 Almaden Expressway
San Jose, CA 95120

El Camino Express

715 Sunnyvale - Saratoga Road
Sunnyvale, CA 94087

Elk's Lodge

1680 Martin Avenue
Santa Clara, CA 95050

Indian

Blossom Hill Light Rail Station &
Highway 85
San Jose, CA 95123

Lakewood

1119 North Lawrence Expressway
Santa Clara, CA 95051

Lark

14800 Winchester Boulevard
Los Gatos, CA 95030

Los Altos

2175 Grant Road
Los Altos, CA 94022

Narvaez

Capitol Expressway & Narvaez @
Bus Station Park N Ride
San Jose, CA 95136

Our Lady of Peace

2800 Mission College Boulevard
Santa Clara, CA 95054

Palo Alto High School

50 Embarcadero Road
Palo Alto, CA 94301

Park N Ride

Santa Teresa Light Rail Station
San Jose, CA 95119

Princeton

3510 Homestead Road
Santa Clara, CA 95051

Safeway

840 East Dunne Avenue
Morgan Hill, CA 94022

Valley Fair

3071 Stevens Creek Boulevard
Santa Clara, CA 95050

West Valley

5245 Prospect Road
San Jose, CA 95129



GOODWILL

of Silicon Valley

**Transforming Lives Through the Power
of Work in Santa Clara County Since 1928**

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