



GOODWILL INDUSTRIES INTERNATIONAL  
**2017 ANNUAL REPORT**



[Watch: 115 Years of Goodwill](#)

## OUR MISSION, VISION AND VALUES

### Our Mission:

Goodwill® works to enhance the dignity and quality of life of individuals and families by strengthening communities, eliminating barriers to opportunity, and helping people in need reach their full potential through learning and the power of work.

### Our Vision:

We at Goodwill Industries® believe that every person has the opportunity to achieve his or her fullest potential and participate in and contribute to all aspects of life.

### Our Values:

Respect, Stewardship, Ethics, Learning, Innovation



# OUR SUCCESS STORIES

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For more than 115 years, autonomous community-based Goodwill organizations across the United States and Canada have helped people find jobs, support their families and feel the satisfaction that comes from working. Local Goodwill organizations assist people through a variety of employment placement services, job training programs and other community-based programs.

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## 2018 NATIONAL AWARD WINNERS

The 2018 Kenneth Shaw Graduate of the Year and the 2018 Achiever of the Year are two shining examples of the millions of people who look to Goodwill organizations for career services and related support.

The Kenneth Shaw Graduate of the Year Award honors an outstanding person for completing a Goodwill Industries career program and becoming competitively employed by a non-Goodwill employer in the community. The Graduate of the Year Award honors a person who has shown great progress and accomplishment in overcoming challenges to finding employment, and who still benefits from the Goodwill work environment or receives services to support employment at a community site.



[Watch 2018 GII Achiever of the Year Tim Zarzecki's Story](#)



[Watch 2018 GII Graduate of the Year Michael Merriman's Story](#)

Visit our [My Story](#) blog to read even more incredible stories about people who have found success with help from Goodwill organizations.

**Goodwill helps people of all backgrounds to improve their quality of life and reach their potential through learning and the power of work.**

- Goodwill provided support to more than 38 million people through mobile and online services to help connect to jobs in their communities.
- Two million people engaged in face-to-face services with local Goodwill organizations to advance their careers and build financial assets.
- Goodwill placed more than 288,000 people in gainful employment; that equates to one out of every 200 hires in the United States.
- Goodwill organizations diverted more than 3 billion pounds of usable goods from landfills.

# OUR IMPACT



[Watch “Why Goodwill?”](#)

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## Every 25 seconds of every business day, a person served by Goodwill earns a good job.

Ten years ago, many of today’s top jobs — mobile developer, data scientist, site reliability engineer — did not exist. Ten years from now, yet-to-be in-demand jobs will take center stage.

These new positions will require a workforce skilled in technology and social intelligence that is ready to work and collaborate both in-person and virtually. Industries such as information technology, health care, online and brick-and-mortar retail, hospitality, manufacturing, construction and automotive services are expected to boom, with more positions opening in the coming decade.

As work changes, Goodwill organizations and our partners are building resources, training and connections needed to prepare individuals for the careers of today and tomorrow.

## OUR ENTERPRISE

Goodwill Industries® was established in 1902 to improve the quality of life of people with disabilities and other disadvantages, such as unemployment, illiteracy or lack of work experience. Each local Goodwill organization is a separate 501(c)(3) corporation. In the United States and Canada, 161 organizations comprise the Goodwill network. Goodwill also has a presence in 13 other countries.

All Goodwill members are independent, community-based nonprofit organizations that provide job placement, job training, career services and supportive services for people of all walks of life.

Goodwill Industries International provides Goodwill members with various services, including consulting for workforce development, retail, and commercial operations, financial and management information, education and training, public relations and marketing, and legislative information.

## **Goodwill was involved in one out of every 200 hires in the United States.**

In 2017, Goodwill's network of 161 organizations placed 288,000 people into employment, which is equivalent to one out of every 200 job placements in the United States (based on data from the U.S. Bureau of Labor Statistics). The estimated total annualized earnings of these individuals placed in employment are more than \$5.7 billion.

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## **More than 38 million people strengthened their skills through Goodwill's online and mobile services.**

Across North America and around the world, people are using virtual tools to strengthen skills and advance careers. [GCFLearnFree.org](http://GCFLearnFree.org) and [GCFAprendeLibre.org](http://GCFAprendeLibre.org), owned by the Goodwill Community Foundation, innovated and operated by Goodwill Industries of Eastern North Carolina (Durham), are leveraged by 34 local Goodwill organizations as well as almost 4,000 other entities, including libraries, schools, employer portals, faith organizations, senior centers and correctional facilities. The platforms feature 251 topics that attracted 36 million users in 2017.

Through virtual career fairs and online learning tools, Goodwill organizations are able to help even more individuals and families around the world receive skills training for in-demand careers, job placement and financial strengthening services.

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## **Goodwill is helping people stretch their hard-earned dollars.**

Financial education, counselling and coaching are integrated into Goodwill career, education and training services. People are learning, earning and building financial foundations for themselves and their households.

In collaboration with many other organizations, Goodwill is helping diverse populations strengthen their careers and financial wellness.

In 2017, Goodwill organizations provided more than 31,000 financial education classes, conducted more than 42,800 one-on-one financial coaching sessions, and helped individuals claim 7,400 federal Earned Income Tax Credits (EITCs).

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## **Adults are gaining education through The Excel Center® model.**

Thirty million adults in the United States lack a high school diploma, and an estimated 3 million more drop out each year. The Excel Center is a free public high school for adults established by Goodwill of Central and Southern Indiana (Indianapolis) that uniquely addresses the challenging social problem of improving the educational attainment of adults who dropped out of high school and therefore face limited options for career advancement. In 2017, The Excel Center served thousands of students through 18 locations nationwide, including schools operated by Goodwill organizations in Arkansas, Indiana, Tennessee, Texas and Washington, DC. Since 2010, more than 3,000 adults have earned their high school diplomas at no cost to them, along with college credits and a variety of industry-recognized certifications.

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## **Goodwill is serving veterans and military families to advance careers and financial wellness.**

In 2017, local Goodwill organizations provided services to more than 54,000 military veterans and their families. Of these, 6,663 were enrolled in Goodwill's Operation: GoodJobs, a program supported by a Walmart Foundation investment dedicated to skills attainment, financial wellness and employment for veterans and military families, with a special emphasis on women veterans. The program is operated by ten Goodwill organizations across California, New York, North Carolina, South Carolina, Texas and Washington.

USAA is enhancing services with Operation: GoodJobs Plus, funding services to equip veterans and military families to address needs like work clothing and equipment, child care and transportation.

Today, these local Goodwill organizations are helping close the wage gap for veterans, supporting long-term job retention for veterans and military families, and catalyzing better results by collaborating with community partners.

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## **Goodwill is advancing its retail employees with GoodPaths career navigation.**

Goodwill joined forces with the Hope Street Group to create GoodPaths, a career navigation approach to help prepare retail employees to advance into hard-to-fill leadership roles within their organizations. The Walmart Foundation invested funding in support of this evidence-based career navigation program for the retail industry that advances Goodwill's commitment to addressing the talent development and retention challenges of the retail sector. GoodPaths is being piloted at three local Goodwill organizations across Texas, South Carolina and Montana.

## **The Goodwill Digital Career Accelerator<sup>SM</sup> is fueling economic mobility.**

As the future of work is becoming clear, more than four out of five middle-skill jobs require digital skills. Digital middle-skill jobs represent almost 40 percent of overall job postings and digitally intensive middle-skill jobs pay more than non-digital middle-skill jobs. Digital skills and digital literacy have become a minimum standard for middle-skill jobs in most sectors.

In 2017, Goodwill advanced digital skills training with investments from the U.S. Department of Labor Employment and Training Administration, Accenture, the Google.org Charitable Giving Fund of Tides Foundation, and Google. Integration of digital and classroom skills building was enhanced with investments from Accenture and Bank of America.

These investments provided the groundwork for Goodwill organizations' work with Google.org to launch the Goodwill Digital Career Accelerator that is providing grants, volunteers and other resources to support digital skills training enhancement and expansion at 126 local Goodwill organizations in communities across the United States.

## Goodwill is an entrepreneurial leader, environmental pioneer and social innovator in the “reduce, reuse, repurpose” practice.

Goodwill organizations create thousands of jobs and contribute to the economic health of communities while preserving resources and the environment. Through the collection and sale of donated goods, Goodwill organizations help communities extend the life of usable items and prevent items from contributing to local landfills. In 2017, these organizations collectively diverted more than 3 billion pounds of clothing and textiles from landfills by recovering the value in people’s unwanted material goods.

Additional impacts are achieved through supporting activities such as Dell Reconnect®, a program operated in partnership with Dell that provides free electronics drop-off to consumers to responsibly recycle used computer equipment at more than 2,000 participating Goodwill locations. To date, more than 500 million pounds of computer electronics have been recycled through the program.

Local Goodwill organizations also partner with college campuses in their communities to hold campus move-out donation drives, allowing students to donate items versus throwing them away before returning home. Through these drives, each year, tens of thousands of pounds of donations are diverted from landfills.



## Goodwill operates in the United States, Canada and 13 other countries. Goodwill’s presence in South America is growing rapidly to serve more people.

In 2017, Goodwill Industries International signed a new international partnership to develop a Goodwill social enterprise with *Obras Sociais do Centro Espírita Fraternidade Jerônimo Candinho* (OSJC), a Brazilian social services organization based in capital city Brasília. OSJC provides a variety of educational and recreational opportunities to children from vulnerable communities to promote their holistic development.

Since 2010, the number of Goodwill’s international partnerships has grown by 18 percent.



# OUR FINANCIALS

## GOODWILL INDUSTRIES INTERNATIONAL, INC. AND RELATED ENTITIES

### CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2017 with 2016 Totals

	2017				2016
	GII/LLC	GMJCS	Eliminations	Total	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,493,444	\$1,015,692	\$ –	<b>\$3,509,136</b>	\$4,295,947
Investments	16,337,069	–	–	<b>16,337,069</b>	13,207,791
Accounts receivable	952,604	–	(12,095)	<b>940,509</b>	1,000,334
Pledges receivable	803,137	–	–	<b>803,137</b>	1,086,189
Grants receivable	4,768,306	–	–	<b>4,768,306</b>	2,990,357
Prepaid expenses and other assets	745,430	8,675	–	<b>754,105</b>	746,896
Notes receivable	–	2,958,963	–	<b>2,958,963</b>	5,819,337
Property and equipment	8,208,022	–	–	<b>8,208,022</b>	7,442,050
<b>Total assets</b>	<b>34,308,012</b>	<b>3,983,330</b>	<b>(12,095)</b>	<b>38,279,247</b>	<b>36,588,901</b>
<b>LIABILITIES AND NET ASSETS</b>					
Liabilities					
Accounts payable	6,725,874	12,095	(12,095)	<b>6,725,874</b>	4,080,584
Funds held for others	–	–	–	–	500,000
Accrued expense	2,390,033	15,724	–	<b>2,405,757</b>	2,494,245
Deferred revenue	374,970	–	–	<b>374,970</b>	467,124
Rebates payable	77,228	–	–	<b>77,228</b>	77,228
Notes payable	–	2,974,643	–	<b>2,974,643</b>	5,848,508
Bonds payable	–	–	–	–	1,200,000
Interest rate swap agreement	–	–	–	–	5,946
<b>Total liabilities</b>	<b>9,568,105</b>	<b>3,002,462</b>	<b>(12,095)</b>	<b>12,558,472</b>	<b>14,673,635</b>
Net assets					
Unrestricted	15,569,468	980,868	–	<b>16,550,336</b>	16,262,074
Temporarily restricted	7,755,824	–	–	<b>7,755,824</b>	4,329,757
Permanently restricted	1,414,615	–	–	<b>1,414,615</b>	1,323,435
<b>Total net assets</b>	<b>24,739,907</b>	<b>980,868</b>	<b>–</b>	<b>25,720,775</b>	<b>21,915,266</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$34,308,012</b>	<b>\$3,983,330</b>	<b>\$(12,095)</b>	<b>\$38,279,247</b>	<b>\$36,588,901</b>



GOODWILL INDUSTRIES INTERNATIONAL, INC. AND RELATED ENTITIES

**CONSOLIDATING STATEMENT OF ACTIVITIES**

Year Ended December 31, 2017 with 2016 Totals

	2017				2016
	GII/LLC	GMJCS	Eliminations	Total	Total
<b>UNRESTRICTED ACTIVITIES</b>					
Revenue and support					
Federal awards	\$ 25,241,764	\$ -	\$ -	\$25,241,764	\$14,759,582
Membership dues	20,716,618	-	-	20,716,618	20,689,176
In-kind contributions	17,346,116	-	-	17,346,116	22,273,745
Program service fees	2,475,800	-	-	2,475,800	3,171,841
Legacies and bequests	474,669	-	-	474,669	828,183
Rental	286,892	-	-	286,892	274,547
Contributions	200,125	-	-	200,125	424,807
Other income	77,759	149,095	(63,973)	162,881	217,468
Investment income	100,145	-	-	100,145	131,392
	66,919,888	149,095	(63,973)	67,005,010	62,770,741
Net assets released from restriction	5,286,270	-	-	5,286,270	4,519,388
<i>Total revenue and support</i>	72,206,158	149,095	(63,973)	72,291,280	67,290,129
Expense					
Program services					
Direct services to membership	37,225,550	135,899	(63,973)	37,297,476	42,988,697
Sponsored programs and grants	30,029,817	-	-	30,029,817	18,606,536
Support services to membership	1,091,101	-	-	1,091,101	1,872,071
<i>Total program services</i>	68,346,468	135,899	(63,973)	68,418,394	63,467,304
Management and general services					
General and administrative	3,556,037	-	-	3,556,037	3,547,256
Resource development	460,234	-	-	460,234	545,845
<i>Total management and general services</i>	4,016,271	-	-	4,016,271	4,093,101
<i>Total expense</i>	72,362,739	135,899	(63,973)	72,434,665	67,560,405
Change in unrestricted net assets from operations	(156,581)	13,196	-	(143,385)	(270,276)
Net gain on investments	492,316	-	-	492,316	272,126
Gain on interest rate swap	5,946	-	-	5,946	21,383
Loss on disposal of equipment	(361)	-	-	(361)	(13,006)
Bad debt expense	(66,254)	-	-	(66,254)	(75,802)
<b>Change in unrestricted net assets</b>	275,066	13,196	-	288,262	(65,575)
<b>TEMPORARILY RESTRICTED ACTIVITIES</b>					
Contributions	8,657,053	-	-	8,657,053	2,466,367
Net gain on investments	33,598	-	-	33,598	14,177
Investment income	21,686	-	-	21,686	28,377
Net assets released from restriction	(5,286,270)	-	-	(5,286,270)	(4,519,388)
<b>Change in temporarily restricted net assets</b>	3,426,067	-	-	3,426,067	(2,010,467)
<b>PERMANENTLY RESTRICTED ACTIVITIES</b>					
Net gain on investments	91,180	-	-	91,180	35,444
<b>Change in permanently restricted net assets</b>	91,180	-	-	91,180	35,444
<b>CHANGE IN NET ASSETS</b>	3,792,313	13,196	-	3,805,509	(2,040,598)
Net assets, beginning of year	20,947,594	967,672	-	21,915,266	23,955,864
<b>Net assets, end of year</b>	<b>\$24,739,907</b>	<b>\$980,868</b>	<b>\$ -</b>	<b>\$25,720,775</b>	<b>\$ 21,915,266</b>

# OUR DONORS

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## 2017 INSTITUTIONAL FUNDERS

**Goodwill Industries International wishes to thank those national corporate, foundation and institutional funders whose investments advanced the mission and impact of the Goodwill enterprise in 2017:**

Accenture

The Annie E. Casey Foundation

Bank of America Charitable Foundation

The Dulin Foundation

Google.org

Google.org Charitable Giving Fund of Tides Foundation

Microsoft Philanthropies

SafeLink Wireless

U.S. Department of Justice: Office of Juvenile Justice Delinquency Prevention

U.S. Department of Labor: Employment and Training Administration

USAA

Walmart Foundation

**Goodwill Industries International appreciates the pioneer investors who make possible the Goodwill Mission and Job Creation Services loan fund to support the expansion of Goodwill's social enterprise and associated mission:**

The Annie E. Casey Foundation

The Ford Foundation

The Kresge Foundation

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Estate of Mary Jean Yealdhall

Hal Holden Charitable Remainder Unitrust

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