

Goodwill



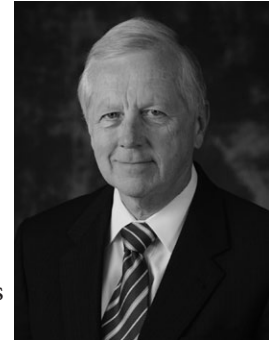
Goodwill Industries
of Central Indiana, Inc.

2010 | Report to the Community

www.goodwillindy.org/community

As the rate of change in our society has increased over the past 15-20 years, our planning processes at Goodwill have changed considerably. Strategic planning, which used to be a discrete event we would do every 3-5 years, has morphed into a continuous strategic thinking process. Instead of having a thick, detailed, rarely-consulted strategic plan on our shelves, we now have a much thinner, but frequently used document we label "Strategic Directions." We formally update that document every couple of years – more frequently, if circumstances warrant. Its contents include our corporate mission statement, values, basic principles, aspirations, and general directions. Except for occasional "wordsmithing", those typically do not change much from year to year. Sometimes, though, what we learn from small-scale experiments and/or innovations prompts substantive changes in our directions or priorities. Such changes can also result from significant changes in our external environment.

In 2010 Goodwill's Board of Directors approved an updated Strategic Directions document. Some of the key elements in that document are:



Jim McClelland

Corporate Mission Statement

Goodwill Industries is a social enterprise that offers opportunities, provides services, and leverages its resources with those of others to improve the education, skills, employability, and economic self-sufficiency of adults and the future employability of young people.

General Directions and Preferences

- We strive to offer services that result in long term impact vs. short term help.
- We prefer to develop long term vs. short term relationships with those we assist.
- We seek to incorporate holistic, whole family approaches with those we assist.
- We emphasize the enhancement of education levels and attainment of credentials that improve an individuals' employability and earnings potential.
- We emphasize prevention of problems and development of potential vs. remediation, rehabilitation, and repair.

How Can Goodwill Add the Greatest Value for Individuals and Communities?

- Help young people and adults who have struggled or failed in other educational settings complete high school and attain a post-secondary degree or other recognized credential.
- Employ people whose work options are limited by disability, criminal history, low education level, or other significant barrier to employment.
- Help unemployed people become employed.
- Leverage Goodwill's resources with those of others to help develop and implement practical, effective approaches to reduce major social problems.

Consistent with the above, we have developed a number of strategies and actions designed to:

- Grow our businesses so we can provide more employment and development opportunities for people with limited work options.
- Expand and improve the educational options we offer young people and adults.
- Add to our in-house talent pool to further improve our effectiveness, organizational strength, and long term impact in the lives of people and the communities in which we operate.

This report features some of the new developments and metrics that are aligned with our strategic directions. You'll also find stories of some of the individuals who are benefiting from or supporting our services. The online version of this report (www.goodwillindy.org/community) will be updated periodically.

We are deeply grateful to all who support our work.

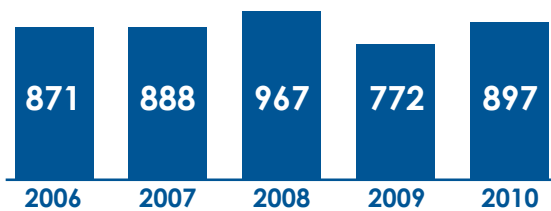


Jim McClelland
President and CEO



Job Placement

In 2010, 897 people found employment with other employers after receiving assistance from Goodwill.



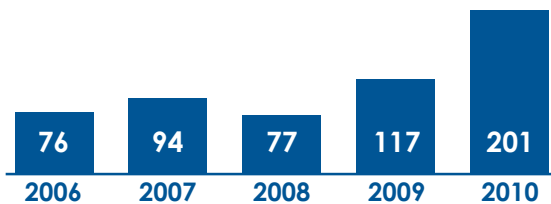
Average Wage

In 2010, the average hourly wage for individuals placed in jobs after receiving Goodwill employment services was \$9.94.



Job-Related Training

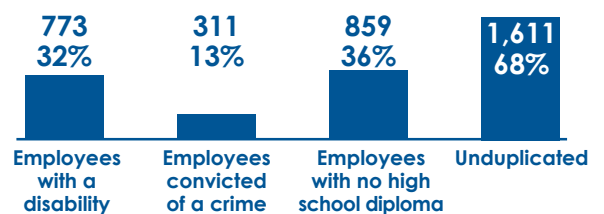
In 2010, 201 Goodwill employees with limited vocational options obtained a job-related educational credential or certificate.



Providing Jobs for People with Limited Options

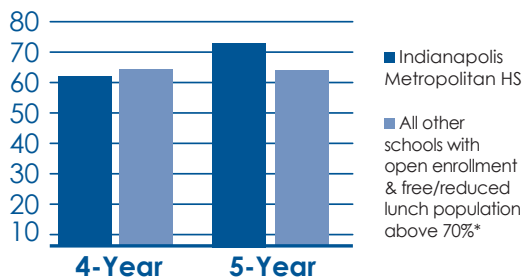
2,384 Total Goodwill Employees

In 2010, Goodwill increased the number of individuals employed with barriers of disability, criminal history or low education level from 61% to 68%.



Graduation Rate

Indianapolis Metropolitan High School falls a few points below on the 4-year rate and above on the 5-year rate.

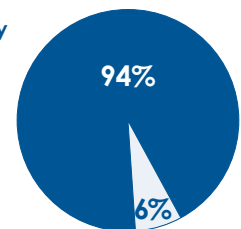


*All other schools include 14 other schools in the state that represent Indianapolis, Fort Wayne, South Bend and the Gary region.

Post-Secondary Education

94% of Indianapolis Metropolitan High School graduates were accepted into at least one post-secondary institution.

Year Graduated	Post-Secondary Acceptance
07-08	49 / 90%
08-09	78 / 96%
09-10	62 / 95%
Total	189 / 94%



The Excel Center

education: *any time, any place, any pace*

The Excel Center opens, giving adults a second chance at education

The Excel Center, a mayor-sponsored public charter high school operated by Goodwill Education Initiatives, Inc., opened in September 2010 to 300 students and a waiting list of more than 1,200. The center provides adults the opportunity and support to earn a high school diploma.

The Excel Center students range in age from 17 to 56. Nine percent of students receive special education services, and more than 68% currently earn less than \$10,000 a year. Students must meet all of the Indiana academic standards to earn a high school diploma and can take college classes. The first student graduated from The Excel Center in March.

“We have an opportunity to affect real and lasting change in every student,” says Scott Bess, vice president and chief operating officer of Goodwill Education Initiatives. “Even more profound is the impact we can have on the children of our students, as growing up a child of a graduate is much different from growing up as the child of a dropout.”



Vic King | Motivated



For Vic King, a second chance was what he needed to change his life dramatically.

Vic, now a forklift driver at the Goodwill Outlet Store-East, came to Goodwill through a work release program. He had been incarcerated for selling drugs, and his daughters were taken and placed in foster care. To regain custody, he took parenting classes while in prison.

After his release, Vic was hired full-time and regained custody of his daughters.

“I still have my kids, and I’m still working,” Vic says proudly. “Goodwill has helped me along the way by giving me steady employment so I don’t have to get back out there in the streets.”

Vic now embraces opportunities. He enrolled in Goodwill services and has set goals and plans for his life, including starting a savings and college funds for his daughters. Now, he also is working toward completing his high school education at The Excel Center, a public charter school operated by Goodwill Education Initiatives.

“To complete my high school education, it will give my kids a better incentive to stay in school and get theirs while they can, while they’re younger,” Vic says.

Vic says he is motivated every day by how his life has changed.

“I want people to know that you can learn from your mistakes, and you can further your education no matter how old you get,” he says. “To have a second chance is great because it makes you look at all the things around that you want to do better.”

www.theexcelcenter.org



Rhonda Gill | Determined

Determination, a strong work ethic, and a willingness to learn make Rhonda Gill a success in the workplace and in life.

Working for Goodwill Commercial Services since 1983, Rhonda, who has a developmental disability and significant medical issues, helps assemble laboratory kits and subassemble medical supplies for Covance.

“I like working at Goodwill and meeting new friends, new people,” she says. “Goodwill helps me do anything.”

In 1984, shortly after moving to Indianapolis and starting at Goodwill, Rhonda’s life was suddenly turned upside-down.

“I was in a group home, and I got a long-distance phone call, and they told me that my family was killed in a house fire – my mother, father, sister and brother, and my cousin,” Rhonda says. “It was sad.”

Despite this devastating personal tragedy, Rhonda persevered, learning to live independently, to manage her finances, and to seek out assistance available to her. She also has enjoyed participating in the Special Olympics since childhood.

“Rhonda’s exceptional because I see her always trying to motivate herself and make herself better,” says Walter Bebley, team lead for Covance.

www.goodwillbusiness.org



Ronnisha Davis | Driven

Indianapolis Met student Ronnisha Davis, who is known to be driven, ambitious, a good student, and a leader among her peers, has a bright future.

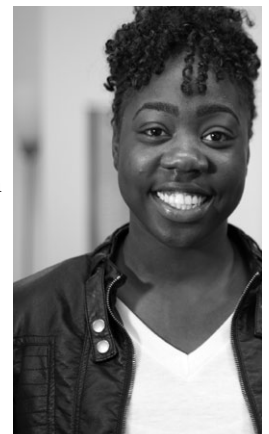
“After I graduate high school, I want to become an elementary school teacher,” she says.

But Ronnisha has had to overcome obstacles in her life to be on track to graduate early at Indianapolis Metropolitan High School, a public high school operated by Goodwill Education Initiatives. She has faced being placed in the foster care system and being suspended from school for fighting in 2009. The next year, she attended another school but stayed connected to Indianapolis Met.

Ronnisha returned to Indianapolis Met for the 2010-11 school year. She changed her attitude, became focused on graduating early and going to college, moved into her own apartment, and balanced a job with school activities.

“When I started getting interested in what I wanted to do and having the bigger picture, it motivated me to do better,” she says.

Nothing is stopping Ronnisha. She will attend the University of Indianapolis this fall in the Bridge Scholars Program, which will provide her with a full-tuition scholarship for eight semesters.

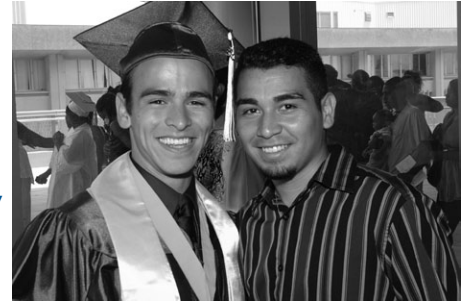


www.indianapolismet.org



The Ruth Lilly Science and Wellness Center, a \$1.36 million addition funded by the Ruth Lilly Philanthropic Foundation, opens at Indianapolis Metropolitan High School.

Indianapolis Metropolitan High School graduates the Class of 2010, which received nearly \$900,000 in scholarships and financial aid. **Ninety-five percent** of the class was **accepted into at least one post-secondary institution.**



Eighteen Goodwill employees complete **Getting Ahead**, a 16-week class **designed to help retail employees create an action plan** to develop resources to create secure, stable lives for themselves and their families.



New Goodwill stores open in Marion and in Nora Corners, Indianapolis. In Lafayette, the Goodwill store moves to a new facility.

Goodwill launches **Good Assets**, a financial education program funded by the Charles Schwab Foundation **to help individuals improve their financial decisions.**

Goodwill receives the **Healthiest Employer of Indiana award** for employers with 1,500-4,999 employees from the Indianapolis Business Journal and Mavum Consulting.



Development and expansion of Goodwill's online presence is complete through redesigned websites and social media.

Goodwill Retail ends its year with 5 million customer transactions and 1.7 million donations and **provides substantial support of Goodwill's mission.**

By year end, Goodwill Industries of Central Indiana has **2,400 employees** after adding more than 1,000 employees in the past five years.

Goodwill Industries of Central Indiana, Inc.
 GW Commercial Services, Inc.
 Goodwill Education Initiatives, Inc.
 Goodwill Industries Foundation of
 Central Indiana, Inc.
 2010 Summary Financial Statements

Balance Sheet Dollars in Thousands

January 1, 2011 Goodwill Consolidated

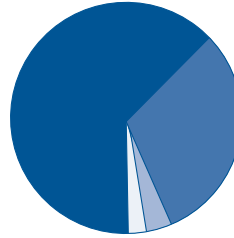
Assets	
Cash	\$4,777
Accounts receivable	6,569
Inventories	3,970
Land, buildings & equipment, net	37,859
Investments held	25,923
Other assets	1,283
Total Assets	\$80,381
Liabilities	
Accounts payable & accrued liabilities	\$10,580
Bonds & notes payable	14,247
Total liabilities	\$24,827
Net Assets	\$55,554
Total liabilities and net assets	\$80,381

Income Statement

For the Year Ended January 1, 2011

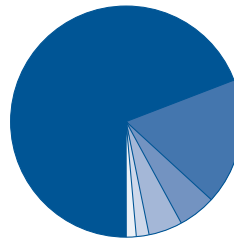
Revenues	
Retail sales - new & used goods	\$63,004
Commercial services	14,183
Workforce services	4,985
Education services	5,020
Community support	1,398
Other	1,055
Total revenues	\$89,645
Expenses	
Program expenses	\$77,002
General & administrative	9,010
Fundraising	288
Total expenses	\$86,300
Operating income	\$3,346
Unrealized gain (loss) on investments	\$3,373
Realized gain (loss) on investments	(810)
Gain/(loss) on interest rate swap	(91)
Net income	\$5,818

Asset Distribution by Goodwill-Related Entity



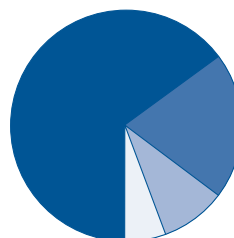
- Goodwill Industries 63%
- Goodwill Foundation 30%
- GW Commercial Services 5%
- Goodwill Education Initiatives 2%

Sources of Revenue



- Retail Sales-New and Used Goods 70%
- Commercial Services 16%
- Education Services 6%
- Workforce Services 6%
- Community Support 1%
- Other 1%

Program Expenses



- Retail 66%
- Commercial Services 18%
- Workforce Services 7%
- Education Services 9%

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www.goodwillindy.org

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—Vic King
student at The Excel Center

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