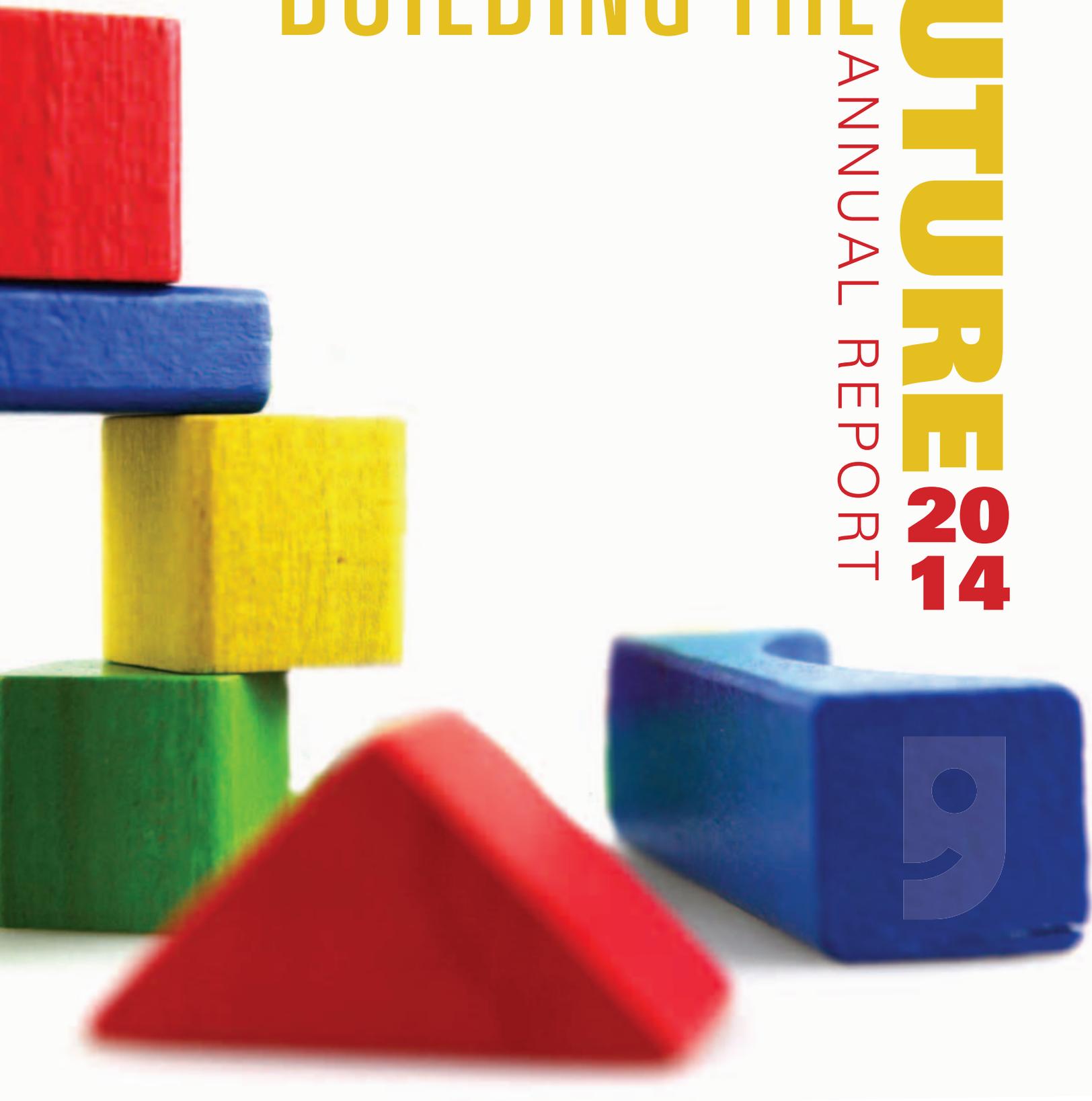


GOODWILL OF SILICON VALLEY

BUILDING THE **FUTURE**
ANNUAL REPORT **2014**



www.goodwillsv.org

CONTENTS



Scan this QR Code and watch video to learn how Goodwill of Silicon Valley impacted our community in 2014.



Serving
Santa
Clara
County
Since
1928



4
6

Mission Statement & Board Letter

2014 At A Glance

New Opportunity Work program (NOW)

8

Veteran Services Programs 10

12 Employment Readiness Program

14

Youth Services

16 Clean Wheels

18 Good Guard

20
2014 Retail

22 E-Commerce

26
Financials

24
Operations



MISSION STATEMENT

Goodwill of Silicon Valley's mission is to support our employees, our customers and people with challenging barriers to employment; to raise their standard of living and improve their lives through our services and social enterprise.

2014 BOARD OF DIRECTORS

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

OFFICERS:

- Phillip Boyce – Chairman of the Board
- Michael Fox – President and Chief Executive Officer
- Brian Shetler – Immediate Past Chair
- Jim Cunneen – Vice Chairman
- Christopher Schumb – Secretary
- Dale Achabal, Ph.D. – Treasurer

DIRECTORS:

- Erik Hallgrimson – Member
- John Hirokawa – Member
- Jessica Welker – Member
- Inder Sidhu – Member
- Dave Sanders – Member
- Winston Copeland – Member
- James Campagna – Member

Building the future

Our theme "Building for the Future" was an appropriate description of Goodwill's year. We built on our momentum growing donations to 783,000 and retail revenues to 25.7 million dollars despite the closure of our Milpitas store for most of the year. E-commerce continued its robust growth increasing sales by 40%. In 2 ½ years E-commerce has grown to a 3 million dollar business. A new business took form in our auto detailing and wash enterprise, (Clean Wheels), providing over 39 jobs for our re-entry program. Re-entry was a focus in 2014 and we made a big impact, employing 70% of all program participants in full time permanent employment.

2014 was a year of investment for the future as well as we remodeled our Mountain View store and added additional space to our Snell & Blossom Hill stores along with increased investment in our headquarters. We have now invested over 9 million dollars into our operations over the last 5 years and reduced our debt by \$2 million over the same period. This sets us up for better and greater opportunities in the future.

Additionally, we increased the number of grants and dollars we received with new funding for our Homeless Veterans program from the county of Santa Clara, increased funding for our re-entry program and our afterschool programs. Our Mission Services is poised for greater success in 2015 with the success we enjoyed in 2014.

Our board grew in size in 2014 as we added 2 board members to our organization with additional expertise around veterans and real estate. Our board now has representation and expertise from the business, banking, legal, retail, education, law enforcement, and veteran communities and we have representation on the Goodwill International board. We have positioned Goodwill of Silicon Valley for continued growth and success.

On a personal note 2014 was the anniversary of my 5th year at Goodwill of Silicon Valley. I have been inspired and enthused for the entire 5 years. I would be remiss if I did not thank all those who have served, and our board for making Goodwill the unique and successful organization it is. I love coming to work every day and getting to be a part of this wonderful team. I look back on all that has been accomplished and feel lucky that I was included in the awesome effort that made Goodwill such a caring community enterprise.

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.

Michael E. Fox
President & Chief Executive Officer, Goodwill of Silicon Valley

Phil Boyce
Chairman of the Board

THANK YOU TO OUR GENEROUS DONORS!

- UWSV – Western Digital 2012 | REDF | Network for Good | Robert W. Groff & Elizabeth Haenel
- Inder and Deepna Sidhu Charitable Fund | The Ayres Family Fund | The Benevity Community Impact Fund
- Christopher Jones | Beverly Linihan – Ressults Consulting | Richard and Emily Levin Foundation
- Vivek Narsinha Achar | Grant L. Macleod | Ellen Hixt – Golden Gate CSA Lodge
- Richard and Sheryl I. Haller | Big Joe Leasing and Rentals, LLC

2014 at a Glance

“Goodwill Recognized as One of America’s Most Inspiring Companies.” By Forbes Magazine

Ranked at #11 and Only NonProfit On List

Forbes recently released its annual list of America’s Most Inspiring Companies, and for the third year in a row, it included Goodwill. Coming in at #11 in 2014, Goodwill is the only nonprofit to make the prestigious list.

According to Forbes reporter Susan Adams, “Goodwill is a company with a long history of providing employment and job training to veterans and people with disabilities and other challenges.”

This list is based on results from Performance Inspired, Inc., a consulting and training firm that helps organizations elevate performance through the “science of inspiration.” Prior to surveying 3,300 consumers to rank how inspirational they found a number of businesses, respondents were asked to think about the values, behaviors and attitudes of a hypothetical inspirational company and how it might compare to a real company. 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.



www.goodwillsv.org

Provided services to
10,123
individuals in Santa Clara County



Because of you, Wayne was able to get job placement assistance needed to acquire full time employment

EVERYDAY YOUR WORK MATTERS.
THANK YOU
GOODWILL EMPLOYEES

Wayne M.
NOW Program Participant



GWSV diverts over
40 MILLION
pounds of goods from the landfill annually.

GWSV distributes and safely recycles
1.7 Million lbs.
of E-waste annually

New Opportunity Work Program



70%
of all program participants obtained fulltime permanent employment.



Jason was able to obtain a full time job as a Delivery Driver. He has successfully kept his job placement for over 6 months.

**EVERYDAY YOUR WORK MATTERS.
THANK YOU
GOODWILL EMPLOYEES**

Jason R.
NOW Program Participant

The NOW Program is funded by the Santa Clara County Office of ReEntry and the California Department of Corrections and Rehabilitation. The NOW program exclusively serves the reentry population and is designed to reduce recidivism and alleviate the burden on Santa Clara County's jails and court systems. The program equips program participants with the necessary tools to navigate the difficult transition into fulltime employment. Typical job placements include warehouse, manufacturing, assembly, administrative, construction, maintenance, IT, and auto detailing, just to name a few. In addition to the "On the Job" training program participants also receive services in resume preparation, job interview techniques, transportation assistance, Moral Reconation Therapy, motivation, and support.

Veteran Services Programs

Goodwill of Silicon Valley's Veteran Individualized Placement (VIP) program supports our country's veterans as they prepare for and secure rewarding civilian careers. Our all veteran staff works closely with our program participants as they become job-ready. The funding received through the United States Department of Labor helps our veterans formulate individualized career plans, prepare for the job search process, and ultimately get hired into a new fulltime permanent job. Santa Clara County has the highest percentage of unsheltered homeless veterans in the United States. The Veteran Family Services (VFS) program serves this population and is supported by Office of Veterans Affairs and Goodwill of Silicon Valley. The VFS program goals are to serve the entire veteran family and to reduce homelessness of military veterans within the Santa Clara County. VFS program provides an array of services and is a tremendous resource for any homeless or any soon to be homeless veteran.



Since 2007 the VIP program has successfully placed over

400

Veterans into employment



Veteran Individualized Placement Program Mission:
To develop and promote a heartfelt partnership with the veterans we serve in which there is mutual care, concern, and determination for their well-being.

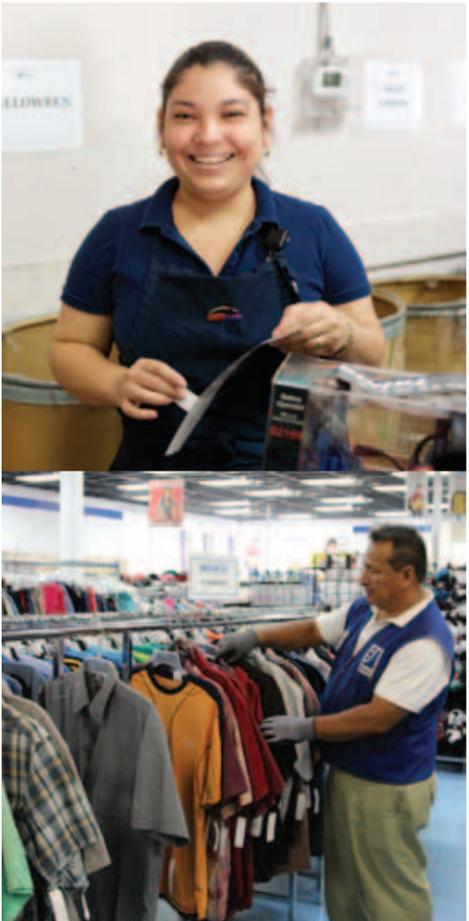


If you are a homeless veteran, or are in danger of becoming homeless or know a veteran that needs our services, **contact us today!**
408.869.9258

Veteran Family Services Mission:
We are committed to helping veterans and their Families who are homeless or at risk of becoming homeless overcome barriers to housing and ultimately transition the entire veteran family unit into stable housing environments.

Employment Readiness Program

The Employment Readiness Program (ERP) is a 6 to 12 month paid work experience program that is designed to provide program participants an opportunity to gain retail work experience. In addition, to the paid work experience, each ERP participant receives job placement services and free access to workshops that foster personal professional development. Workshops in communication skills, computer skills, resume writing and interviewing skills.



COMMUNICATIONS SKILLS

Our communications skills courses provide the interpersonal skills that make an enormous impact on how an employee interacts professionally at work with employees and customers. These training courses teach invaluable life skills that are transferable to your home as well as work life.

BASIC COMPUTER SKILLS

Provides students with the basic computer skills to be able to learn how to access their email account, create a resume, a coverletter and complete an online application.

RESUME WRITING LAB

Topics covered in this workshop will include how to format and write an effective resume, how to formulate professional accomplishment statements, and resume best practices.

INTERVIEWING SKILLS

The interview is the most critical of all job search activities. Preparation for the interview will increase confidence and significantly impacts if the candidate obtains the job. ERP participants learn how to formulate personal, positive responses to interview questions and leave the interviewer with a positive first impression.

Youth Programs



Provided
after school
services to
8,426
youths
at high schools
throughout
Santa Clara County

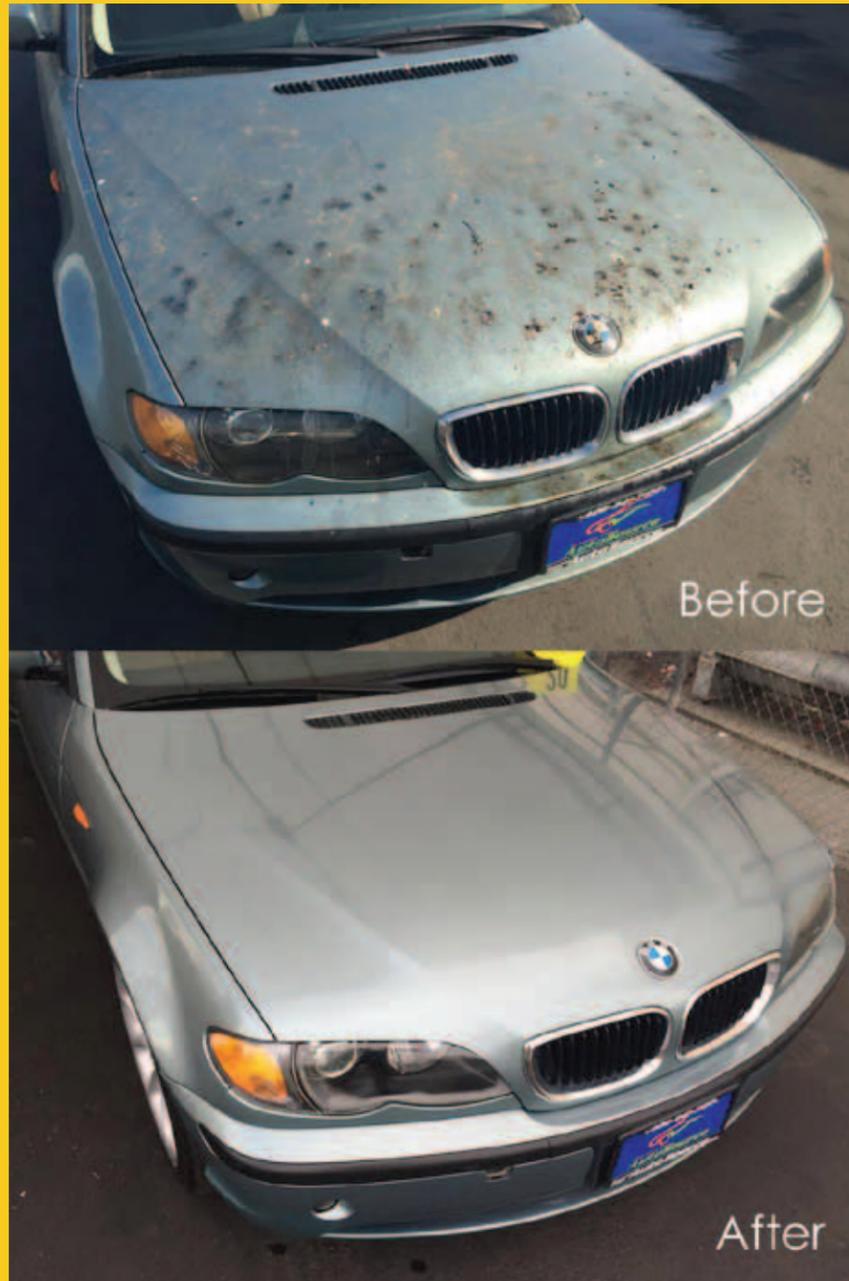
The Goodwill of Silicon Valley is actively **engaged** in **developing brighter futures** for the youth in Santa Clara County by creating several programs designed to serve youth at over 15 school locations in Santa Clara County.

- **ASSETs** (After School Safety and Enrichment for Teens) This program provides various after school tutoring classes and support in Math, Science, English, and SAT Prep. This program also provides opportunities to make up graduation credits and help students with homework support and tutoring.
- **GoodHealth** is a weekly health education class for students with special needs.
- **SWEP** (Students Work Experience Program) was created to provide students an opportunity to obtain a wage and retail experience while still attending school.

Oak Grove High School student, Luis Gaitan credits the Goodwill ASSETs Program and staff for helping him gain admittance to an 8 week summer program at MIT. Luis was included in the 80 selected students out of 1000 to attend an MIT summer math program. Luis is a “regular” in our Homework / Tutor Center and remarked that he is grateful for the support he has received from our ASSETs tutors.



Clean Wheels is Silicon Valley's premier Auto Detailing company that **restores** and **reconditions** all types of vehicles: Cars, Trucks, SUV's, RV's, & Boats. We cater to all customer needs, our Auto Detail Packages start at \$99 but we also offer higher end detail packages for Luxury vehicles. Your satisfaction is our top Priority! Clean Wheels was created by Goodwill of Silicon Valley to create jobs for Veterans and other population groups that face barriers to employment. Your patronage and business positively impacts the lives of Clean Wheels Employees!



Check out our [yelp](#) reviews below ↓

"Just picked up a Jeep and it needed a detail on the interior badly. It had stains and it was dirty. Called and scheduled for an appointment a few days later. Robert and Daniel were excellent and took great care of my car. When I got the car back, I was worried but they did a fantastic job. Granted not all the stains were able to come out but he did warn me ahead of time and I understood. Besides it was really bad. Overall I love what they did! They even cleaned the car on the outside and I didn't even ask for that! I definitely recommend them and will use them for future details! "

~ Brian, San Jose, California



"I chose the Silver package and I am SO impressed with it! My car looks even better than the day I bought it. I am not the most clean person when it comes to my car but Simon brought my car back to life with this detail. The steering was covered in makeup prior to the detail and I was in shock when I got my car back and saw it, the interior looks impeccable. I am very pleased with it and will definitely choose Clean Wheels next time I need a detail, not to mention recommending them to anyone in need of a great detail!" ~ Emily, Santa Clara, California

Good Guard



121
Total Good Guard
graduates in 2014

29
were veterans
and in the VIP Program.



Goodwill of Silicon Valley offers a professional Security officer training program named "Good Guard". As a Good Guard program participant, you will learn the basic role of a security guard and primary aspects of your responsibilities in security during your training. The Good Guard program prepares each participant for a rewarding and long term career in the security industry.

The **Good Guard** program begins each month and the program is filled on a "First Come First Served" basis. The Good Guard program takes 28 days to complete and each participant is expected to attend all classroom sessions, plus each participant must complete "On the Job" training while working as a security officer in Goodwill stores located in Santa Clara County.

Once a participant graduates, the Good Guard team helps each participant apply for a Guard Card. In addition, the Good Guard team helps each participant with job placement within its extensive network of local Security Guard companies. Our graduates can expect to obtain employment in the growing field of protective services, you can work as a **patrol officer** in Bike Patrol, Fixed Posts, Special Events, Concerts, Executive Protection and Body Guard protection.

2014 Retail



In 2014 the retail division exceeded prior year revenue mainly based on an exceptionally strong Fourth Quarter. The Halloween Season was highly successful with improved in-store merchandising and a much stronger marketing program. Overall results in both new and donated Halloween product over the September and October season provided additional revenues of \$142,000 versus the prior year. Also adding to our growth was the introduction of One Day Sale events starting on July 4th and continuing on other holidays to enhance our revenues during typically slow customer traffic periods. These were highly popular with our loyal guests and exposed our stores to hundreds of new guests. We ran three of these events and added over \$101,000 in additional revenue. We intend to continue this program and expand our selections as well as marketing efforts. Our most enterprising project of the year was the remodeling of our Mt. View store location. The new Mt. View store was closed for nearly nine weeks, however the team's efforts

in design and product assortment, combined with the aligned efforts of the entire company, was able to set a three day record in sales of over \$102,000. The store won over our customer in terms of design, "shop ability", and service. We have used this design in other stores to maximize our customer's ease of shopping as well as driving up revenue. In early December, we implemented these design features during a one day remodel / resizing of our Snell store location and achieved a 34% increase in sales for the month.



Despite the closing of one of our stores for the last nine months and our Mt. View store closed nine weeks, the Retail Stores achieved a positive growth of over \$100,000 in revenue. The continuation of improved operations, consistency in store standards of merchandising, and the growth of the talent on our retail teams led this growth and will continue to do so in the future.

E-Commerce



3.2 Million
in Revenue

40%
growth from 2013

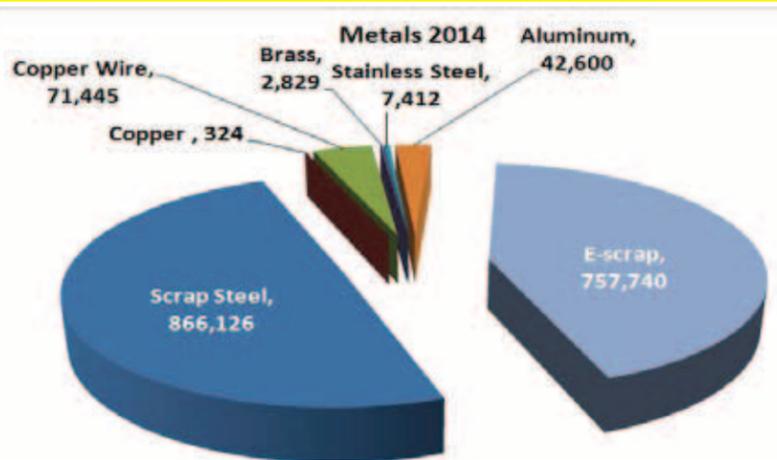
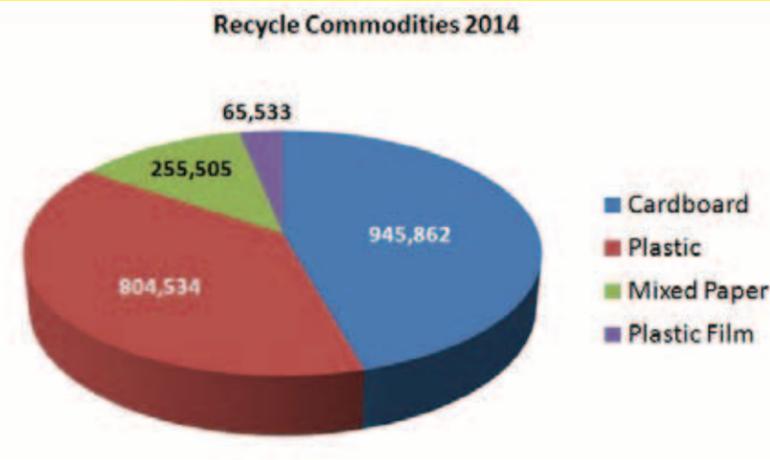
In 2014 the E-Commerce department provided employment training support to 25 employees from the NOW Program and in the Autism Spectrum. The E-Commerce department provides our retail stores teams a sales channel to market goods to shoppers across the globe on websites like Amazon, eBay and Shopgoodwill.com.

Operations



Goodwill is committed to providing community services through environmentally responsible means. We strive not only to reduce our carbon footprint, but to help you with yours as well. Anything that can't be re-purposed to fit your life is recycled through our certified programs. In 2014, Goodwill of Silicon Valley (GWSV) received over 760,000 Donations from Santa Clara County residents. From those 760,000 donations GWSV diverted over 40 million pounds of goods from local landfills.

Goodwill of Silicon Valley has become a state certified e-waste collector. All of the e-waste we collect goes to a state certified e-waste recycling facility that is required to meet the highest of standards in the dis-assembly and recycling of e-waste materials. GWSV distributes and safely recycles 1.7 million lbs. of e-waste annually. Lastly, GWSV creates employment and training opportunities for many Santa Clara County residents because of our e-waste program.



Financials

PUBLIC SUPPORT AND REVENUE:	TOTAL 2014	2013
Retail Programs	\$25,716,668	\$25,603,307
Donated Goods	\$7,936,062	\$8,760,447
Operations Programs	\$5,935,215	\$5,950,862
E-commerce	\$2,836,352	\$2,280,456
Grants and Contributions	\$3,024,881	\$1,848,772
Production Programs	\$1,257,896	\$914,808
Rent Income	\$428,491	\$304,483
Miscellaneous	\$248,655	\$296,427
Investment Income	\$171,874	\$282,262
Vocational School Fees	\$10,995	\$22,935
Net Assets Released From Restrictions		
Total Public Support and Revenue	\$47,567,089	\$46,264,759
EXPENSES		
Program Services:		
Retail Programs	\$27,102,531	\$25,660,745
Cost Assigned to Donated Goods Sold	\$7,850,555	\$8,515,800
Production Programs	\$1,835,838	\$1,339,379
Vocational School Programs	\$4,216,313	\$3,268,439
Total Program Services	\$41,005,237	\$38,784,363
SUPPORTING SERVICES		
Management and General	\$3,902,955	\$3,968,250
Fundraising	\$59,349	\$87,529
Total Supporting Services	\$3,962,304	\$4,055,779
Total Expenses	\$44,967,541	\$42,840,142
Change in Net Assets Before Pension Plan Investment Gain and Impairment	\$2,599,548	\$3,424,617
Pension-related changes other than net periodic benefit costs	\$(559,747)	\$510,448
Impairment Loss on Antique Collection	\$(12,280)	\$(10,000)
CHANGE IN NET ASSETS	\$2,027,521	\$3,925,065
Net Assets, Beginning of Year	\$20,718,913	\$16,793,848
Net Assets, End of Year	\$22,746,434	\$20,718,913

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
1703 Airline Hwy., Hollister, 95023

Milpitas Store
311 W. Calaveras Blvd., 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:

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

HOMESTEAD
20990 Homestead Road Cupertino 95014

INDEPENDENCE
1776 Educational Park Drive San Jose 95133

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

Los Altos
2175 Grant Rd., Los Altos, 94022

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



Goodwill of Silicon Valley

Transforming lives through the power of work.

1080 N. 7th Street

San Jose, California 95112

Phone: 408.998.5774

Fax: 408.283.0201

Email: Contactus@goodwillsv.org

www.goodwillsv.org

www.shopgoodwill.com

