

# Goodwill

Industries of South Central California



# 2009 ANNUAL REPORT



*Keep it in the Community!*

# Message from the President/ CEO & Board Chair



**Mrs. Sheryl Chalupa**  
**President/CEO**

Goodwill's mission is about bringing value to the community through people. We do that by providing job training and employment opportunities to individuals whose options are limited by disability, low education levels, or criminal histories.

During what many of us would describe as the worst economic climate of our lifetimes, many companies made deep cuts in their workforce or closed their doors, challenging our ability to place people in employment outside of Goodwill. Locally, the housing market crashed and unemployment skyrocketed, both significantly disrupting the flow of donated goods and challenging our ability to generate sufficient revenue from our retail stores to support our employment and training programs and services.

It was a difficult and demanding year, but even with the economic challenges we are happy to report success in key areas. First and foremost, we protected jobs. While we worked diligently to operate as lean as possible, the economic turmoil in our community actually increased demand for many of our services throughout 2009. Therefore, we did not reduce the size of our workforce, but positioned them to serve an even greater demand for our services. We increased both the number of individuals served and the number of people we placed in jobs. We launched a new program called "Creating Opportunities for Reaching Excellence" to help people with disabilities learn to live independently. And we improved workplace safety evidenced by a reduced number of recordable injuries and first aid visits.



**Mr. Harry Bryant**  
**Board Chair**

We have much for which we are thankful. We are especially grateful for the tens of thousands of residents and businesses who support us with their donations of goods, their purchases in our stores, their financial contributions, and their wisdom, advice, and encouragement. We are grateful to our deeply committed employees and dedicated Board of Directors. And we are committed to continue bringing value to our community by playing an even larger role in helping people with barriers achieve their dreams of employment and self-sufficiency. Our thanks to those whose generous support make Goodwill's mission possible.

*Keep it in the Community!*

# 2009 Highlights



## Workforce Development Highlights

- Total individuals served increased by 17.2%
- Job Placements increased by 22.9%
- New program launched: Creating Opportunities for Reaching Excellence (CORE)

## Business Development Highlights

- 177,263 community donations of material goods
- Website completely re-designed with innovative features such as: store locator, schedule a home pick-up, estimate the tax value of your donation, etc.
- "Keep it in the Community" marketing campaign launched

## Administrative Operations Highlights

- Total GISCC employee count at year end: 252
- 70% of all GISCC employees had barriers to employment
- Workplace safety improved with recordable injuries reduced by 5% and first aid visits reduced by 17%.

[www.giscc.org](http://www.giscc.org)

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In 42 seconds someone in the U.S. will be employed because of Goodwill...

Keep it in the Community!

About Us | Non-Profit | Services | Staff Bios | Media

**Meet Rose Ramos:**

"I work at Brighthouse Networks because of Goodwill's job training and placement services!"

Click here to read Rose's entire story...

**Volunteer at Goodwill**

Get a One Day FREE Pass to Disneyland Park!

Click here to learn how...

Addr:

Zip:

Radius: 5 miles

Submit

**Find a Goodwill Near You!**

**Donate to your Community**

**Shop in your Community**

**Support your Community**

Kings Southern Tulare Kern

**Have Goodwill Come to You!**

Click here to Schedule a Home Pick-Up

Goodwill Donations May Be Tax Deductible!

Click here to find

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# 2009 Mission Services Report



## Workforce Development Programs/Services

- Total Individuals Served: 1,363
- Retail Skills Training: 31
- Customized Employment Options (CEO): 29
- Janitorial Skills Training: 6
- Customer Service/Call Center Training: 24
- Situational Assessment: 29
- Supported Employment: 19
- Job Development Assistance: 22
- Community Service: 1,204
- TIL Program: 15

(Note: some clients participated in more than one program)

## Job Placement Services

- Job Placement Services: 85
- External Job Placements: 24
- Internal Job Placements: 19
- Retention Services: 61

## Barriers to Employment: Disadvantaged

- Disadvantaged Individuals Served: 1,008
- Welfare Recipient: 31%
- Offender/Ex-offender: 25%
- At-Risk Youth: 21%
- Other: 19%
- Older Worker: 4%

## Barriers to Employment: Disabled

- Disabled Individuals Served: 355
- Developmental: 53%
- Psychiatric: 19%
- Physical: 12%
- Other: 10%
- Learning: 6%

*Mikey's Hot Dog Stand*



*CEO Micro-Enterprise*

*Martha Martin*



*Legally Blind - 10 years of Service*

*Keep it in the Community!*

# 2009 Financial Report



## Community Investment

|  |                     |
|--|---------------------|
| Sales (including value of donated goods received)..... | \$11,605,390        |
| Rehabilitation Services.....                           | \$593,972           |
| Public Support.....                                    | \$41,674            |
| Other Revenue.....                                     | \$529,156           |
| <b>Total Community Investment.....</b>                 | <b>\$12,770,192</b> |

## Goodwill Return to the Community

|  |                     |
|--|---------------------|
| Salaries & Wages.....                                      | \$5,470,407         |
| Payroll Taxes & Benefits.....                              | \$1,071,221         |
| <b>Total Payroll Related Expenses.....</b>                 | <b>\$6,541,628</b>  |
| Supplies & Services Purchased.....                         | \$815,537           |
| Telephone & Postage.....                                   | \$176,870           |
| Occupancy.....   | \$2,213,681         |
| Equipment Rental & Maintenance.....                        | \$102,349           |
| Other Expense (including value of donated goods sold)..... | \$3,013,899         |
| <b>Total Return to the Community.....</b>                  | <b>\$12,956,333</b> |



**CHANGE IN NET ASSETS..... \$(186,141)**

### Notes:

- The 2009 audit was performed by Brown Armstrong McCown Starbuck & Keeter Accountancy Corporation of Bakersfield and is available for inspection in the CEO office at 4901 Stine Road, Bakersfield, during regular business hours or on the GISCC website at [www.giscc.org](http://www.giscc.org)
- IRS 990 information may be found by visiting the State of California Attorney General's website (look under Charities Search) or at Guidestar.com. It is also available for inspection in the CEO office at 4901 Stine Road, Bakersfield, during regular business hours or on the GISCC website at [www.giscc.org](http://www.giscc.org)
- The complete 2009 Outcomes Measurement Report is available for inspection in the CEO office at 4901 Stine Road, Bakersfield, during regular business hours or on the GISCC website at [www.giscc.org](http://www.giscc.org)
- The most recent CARF Survey Report is available for inspection in the CEO office at 4901 Stine Road, Bakersfield, during regular business hours or on the GISCC website at [www.giscc.org](http://www.giscc.org)
- Other expenses reported in this report do not reflect the loss or gain attributable to the interest rate swap agreement used by the organization to convert from variable to fix mortgage interest rate related to owned facilities. Generally accepted accounting principles for nonprofit organizations require that any difference between the current value of such an agreement and its corresponding debt be recorded as an operating loss (or gain) along with a corresponding long-term liability (or asset) and are recorded on the audited financial statements. In 2008, this difference resulted in a loss of \$805,483. In 2009, this difference resulted in a gain of \$474,088. We find that the exclusion of the 2008 loss and the 2009 gain from the above presentation provides the reader with a more-relevant depiction of our operating results because the swap agreement requires no payment unless the loans are retired before the expiration of their full terms. Management intends to maintain the loans for their full terms and anticipates no need to do otherwise.

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# 2009 Employee and Achiever of the Year Awards



## *Employee of the Year*



**Daniel Dixon**

Daniel Dixon began his GISCC career in April of 2004. After climbing through the retail ranks, Daniel embarked upon a journey in 2009 to create a Retail Department that was professional, ethical, efficient, and mission-aware at all times. As the Retail Coordinator for the first three quarters of 2009, Daniel dedicated much of his time to developing a core group of Retail Store Managers into leaders. Daniel knows the agency is only as strong as its “weakest link,” and therefore he expects all of his Store Managers to perform at the highest level possible. Once Daniel was promoted to Director of Retail Services and given full discretion over all 11 GISCC retail stores and staff, Daniel shined beyond anyone’s greatest expectations. Producing a revenue increase over the previous year is somewhat of a rarity in these trying economic times. So when retail revenue in 2009 increased by 1.0% over 2008, GISCC had cause to celebrate. More impressive still, once Daniel became the full-time Director of Retail Services in the 4th Quarter of 2009, he increased retail revenue in the 4th Quarter by an astonishing 5.8% over 4th Quarter 2008. Daniel demands only the best from all the employees he manages, and his sense of personal satisfaction for the work he does to advance GISCC’s mission is absolutely infectious throughout the agency.

## *Achiever of the Year*

Karen Sherwood is a shining example of how a little encouragement and support can go a long way to reshaping someone’s life. In 2009, Karen worked as a Material Handler at GISCC’s Union Avenue Clearance Center. Before coming to GISCC, Karen had spent the last 10 years of her life practically home-bound raising her daughters and afraid to venture into anything new. After deciding to go back to work, Karen came to GISCC and was immediately partnered with a Job Coach to help establish the optimal working environment for her ideal job. In just a few short months, Karen went from being habitually unemployed to working full time in gainful employment. In 2009, Karen far surpassed her goals to be independent and a role model to her daughters. She goes to work daily with a great attitude and she says that in many ways she considers the people she works side-by-side with as her family and looks forward to working every day. She says that after not working for 10 years, “I don’t take anything for granted anymore.” Karen is an inspiration to the people she works with and is a working testament to the design of the Supported Employment program.



**Karen Sherwood**

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# 2009 GISCC Award Recipients



®

**30-Year Service Pin**



**Donald Eggen**

**Outstanding Leadership Award**



**Carlos Lopez**

**Service Excellence Award**



**Stacey Duncan**

**Workplace Excellence Award**



**Ramon Garza**

**Exceptional Teamwork Award**



**Administrative Operations Team**

**Community-Partner-of-the-Year**



**Fred Wilkerson, CB Richard Ellis**

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# About GISCC



Goodwill Industries of South Central California is a 501(c)(3) non-profit organization with the mission to provide work opportunities and skills development to people with barriers to employment. Currently, Goodwill Industries of South Central California has 11 locations to serve its territory which includes all of Kern County, Kings County, and the Southern-half of Tulare County. For more information, please visit our website at [www.giscc.org](http://www.giscc.org)

## Executive Staff

- Sheryl Chalupa, President & CEO
- Randy Walker, VP of Administrative Operations
- Ken Beurmann, VP of Business Development
- Jim Lambert, Chief Financial Officer

## Contact Info.

Goodwill Industries of South Central California  
4901 Stine Road  
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P: (661) 837-0595, F: (661) 837-0801

## Board of Directors

### **Officers:**

- Harry Bryant, Chair (Bryant Insurance Services)
- Vincent Fong, Vice-Chair (Office of Congressman Kevin McCarthy)
- Patrick Paggi, Treasurer (Daniel, Phillips, Vaughan, and Bock, CPAs)
  - Jesse Bonales, Secretary (Wells Fargo Bank)
  - Sheryl Chalupa, President & CEO (GISCC)

### **Members-at-Large:**

- Sara Bonino (Target Distribution Center)
- Sherry Bullock (Kern County Probation)
- Rick Davis (Kern County Board of Trade)
- Dustin Dodgin (Law Offices of Klein DeNatale et al.)
- Kristen Doud (California State University, Bakersfield Foundation)
  - Anne Fonseca (KVS Transportation)
- Gregory Hash (Fallgatter Rhodes Insurance Services)
  - J. R. Lewis (Karpe Real Estate)
- John Means (Kern Community College District)
  - Diana Burton Owens (Zuk Financial Group)
  - Ida Randall, Ph.D. (National University)
  - Joseph Schoenstein (Bright House Networks)
- Cheryl Scott (Kern Economic Development Corporation)
  - Patrick Thompson (CB Richard Ellis)

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