



A Bridge to Employment

Walking or driving through San Francisco, San Mateo or Marin, people see Goodwill's broad imprint—the distinctive blue signage of one of our 19 stores; a couple unloading their donations at one of our 26 donation sites; young tech workers browsing through the racks.



“People with barriers to employment are struggling even more in our hyper-charged economy.”

is a student at the Goodwill Warehouse & Logistics Academy, our joint program with Skyline College. Goodwill, in short, offers people a second chance.

Today, thousands of people in the Bay Area who just a few years ago were struggling to gain a foothold in the economy are now working because of the training and guidance provided by Goodwill. As a result, they are supporting themselves and their families and experiencing the independence, self-determination and dignity that stem from employment.

It may seem counterintuitive in today's booming Bay Area economy that so many people cannot find a job. In fact, people

That's the Goodwill most of us see. Yet, just beyond that sight, there is so much more.

The heart of Goodwill is the formerly incarcerated man who trained at Goodwill and is now working in shipping at Target. The young refugee from Syria taking an IT class in our Career Center. Or the woman who recently graduated from a drug addiction recovery program and

with barriers to employment are struggling even more in our hyper-charged economy, which relies on a highly educated workforce trained in 21st century technology and skills.

That's where Goodwill comes in. We have 100 years of experience helping Bay Area residents struggling with unemployment gain the skills and knowledge base necessary to thrive in the workforce and, as a result, break the pernicious cycle of poverty.

In the coming months, you will hear more about Goodwill's ambitious agenda. We have already begun. In the last year, we have embarked upon an innovative venture to pivot from an organization that has focused largely on training people for entry-level jobs to one that is increasingly training people for sustainable careers.

Today, as the income gap continues to widen, many smart minds and effective and empathetic organizations are struggling to figure out how to close that gap. We don't claim to have all the answers, but we do know what works. Since 1916, Goodwill has combined training, job placement and a huge dose of compassion to pull tens of thousands of people out of poverty and into the workforce.

We look forward to you joining us for the next 100 years of our journey to help Bay Area residents find the power and dignity of employment.

Best,

William Rogers, President & CEO

Overcoming Barriers to Employment

For more than 100 years, Goodwill's mission has been to help create jobs for people with barriers to employment.

While our mission has remained consistent, our approach has continually evolved with the times. For example, in 2012 we launched our Warehouse & Logistics Academy in partnership with Skyline College to train job seekers in sophisticated



"William was named Goodwill CEO in Spring 2016, and our organization has been a flurry of change, growth, and excitement ever since."

supply chain management and warehouse operations skills, to prepare them for 21st century jobs in warehousing and logistics.

William was named Goodwill CEO in spring 2016, and our organization has experienced a flurry of change, growth and excitement ever since. William and his senior management team have implemented innovative systems, brought leading-edge thinkers and workforce development experts into the organization, and forged new partnerships with top Bay Area companies, like-minded nonprofits and government and civic entities.

I am energized by William's ambitions and vision. Our job seekers are facing a challenging job market. While many

people see a flourishing economy, a large percentage of job seekers that Goodwill serves don't benefit, because many companies won't consider hiring a formerly incarcerated person or someone with an uneven work history—symptoms of systemic poverty or personal challenges.

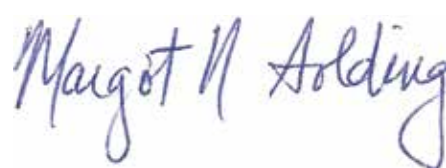
Further, many of the new job opportunities require significant skills and experience—which a person who has spent the last several years struggling with addiction or incarceration often can't fulfill. William and his team are innovating and reimagining how Goodwill helps people realize their potential as valued members of the workforce.

Goodwill has been gradually increasing and expanding its training and job placement services to prepare our job seekers for the Bay Area's complex job landscape. For example, next year we will train and hire career coaches who will work closely with our job seekers to help them develop careers with higher earning potential.

I feel so fortunate and grateful to be a member of an organization that has an incredible track record of helping people join the workforce, succeed and become personally empowered.

I encourage everyone to join Goodwill in making the Bay Area a more equitable community. Please visit our website to learn how you can help: sfgoodwill.org.

Best,



Margot Golding, Board Chair

Margot Golding, Board Chair

Our Mission

Goodwill breaks the cycle of poverty through the power of work. Our training and career pathways provide a bridge to employment for thousands of people struggling to build workforce skills, confidence and self-sufficiency. We believe a job is the key to a better life.

“Goodwill is the mother ship of social enterprises. Setting an example for all the newcomers for how to deliver social impact through smart business.”

— **Carla Javits**, President, REDF



“When I was released from prison I didn’t have any experience. I didn’t even know how to do a résumé. Goodwill gave me the training and skills I needed to get a job. I don’t know where I would be without Goodwill.”

— Samone Soulyalangsy
Assistant Manager, Sunset Store

Employment: A Basic Human Right



The Bay Area circa 2017:

The highways of San Francisco, San Mateo and Marin are bumper-to-bumper during rush hour. BART trains are filled with recently relocated tech workers. Parking is increasingly difficult to find as new buildings are rising at a dizzying rate. Restaurants are overflowing. Jobs are plentiful. Unemployment rates are at their lowest in decades.

That's one Bay Area story. But there's another Bay Area story that some of us may not see.

In the midst of this booming

economy, an enormous segment of people have been left behind.

Perhaps they have grown up in poverty and have never been able to break into the workforce. Or they have been recently released from prison. Or they have been the victims of domestic violence. Or they are recovering from addiction or a long illness. In a strong economy, their challenges are even greater, as employers become less willing to take a risk on a person without a history of continuous and successful employment.

Ending the Cycle of Poverty through the Power of Work

At Goodwill we believe everybody deserves a second chance. Our objective, first and foremost, is to help individuals ready themselves for the workforce through a combination of training, job coaching, and transitional and permanent employment opportunities, often at Goodwill. We support people in jobs, through our training programs, giving them opportunities to earn while they learn.

GOODWILL HELPS PEOPLE OUT OF WORK DUE TO:

- ▶ Incarceration
- ▶ Homelessness
- ▶ Job displacement
- ▶ Single parenting
- ▶ Age (youth and seniors)
- ▶ Addiction
- ▶ Low education/skills
- ▶ Language challenges
- ▶ Military service

“Goodwill is an organization that gives reusable items a second life and people a second chance. But behind that we are doing so much more—we are moving people into careers with the intention of disrupting generational poverty.”

— **William Rogers**, Goodwill, President & CEO



IMPACT

Robert Garcia

“Goodwill has elevated us to employable status.”

— **Robert Garcia,**
Technical Specialist

Throughout the day, Robert Garcia, Goodwill’s Tech Specialist, bounces from computer to computer at Goodwill’s main office, and fields calls from staff members at various locations, solving the organization’s technology issues.

Just a few years ago, Robert was living on the street, eating out of garbage cans, struggling with drug addiction and full of self-loathing. A friend told him about a job posting for a Goodwill IT training program, and 10 months later he was triple-certified in A+, N+ and Security+. Today, he is almost four years into his sobriety, rents an apartment and is dedicated to helping others recovering from drug and alcohol addiction. “I got a lot of love and support from everybody here, because they understood my background and they understood that it’s been a long time since I’ve ever been in any type of learning environment.

“I thank God every day for this place, because if any of us tried to just step out into the workforce coming off the street, we would just get smacked down really badly. Goodwill has elevated us to employable status, and that’s something that I’m very grateful for.”

Giving People a Second Chance



Who knew that the jacket and necklace you wore last year could be such a catalyst for change and personal transformation?

Thousands of people in the Bay Area are struggling to find a job and earn income for housing and putting food on the table for their families.

Those job seekers have one common need—a second chance. The most effective way to break the cycle of poverty is by finding and keeping a job. That's where Goodwill comes in. We serve anyone who comes through our doors with a willingness to work.

Each year, more than 14,000 people with barriers to employment come to Goodwill to find or regain economic self-sufficiency. Many simply want to check out our job boards or use a computer at our Career Center. Others seek hands-on assistance in finding an entry-level job, and they may attend one of our free skills workshops and connect with a career advisor. For those job seekers, Goodwill is the entry point for learning transferable skills like working a cash register or driving a warehouse forklift.

MOST JOB SEEKERS BEGIN AT OUR CAREER CENTER

Here, they can access:

- ▶ One-on-one career coaching and job placement services
- ▶ Job readiness training and digital learning classes
- ▶ Workshops on résumé writing, interview skills and submitting online applications
- ▶ Job boards with immediate employer openings
- ▶ Computers, phones and fax machines
- ▶ Prescreening, which increases eligibility for employment

The Original Social Enterprise

You may not realize it, but when you donate a box of clothes to Goodwill, those sweaters and jeans are the hardest-working clothes in the Bay Area!

Goodwill is the original social enterprise. For people who may need significant support finding their first job or first job in a long time, we often place them in a position at Goodwill, such as at one of our 19 retail stores or in a warehouse.

This is where your jeans, shoes and books come in. Your donations generate revenue that directly funds our job training programs—and also serve as training tools. In working with your donated items, Goodwill employees learn skills such as inventory, sorting, retail transactions, customer service, shipping and warehouse logistics.

Some employees stay in permanent positions at Goodwill. Others choose to seek employment elsewhere, and Goodwill connects them to job openings with top employers in the region.

A portrait of Lexie Scanlon, a woman with dark hair and bangs, wearing a denim jacket with patches. She has a nose ring and a small tattoo on her neck. The background is a textured grey.

IMPACT

Lexie Scanlon

“I love Goodwill because it focuses on growing, not just surviving.”

— **Lexie Scanlon,**
Supervisor, eCommerce
Jewelry Department

On Chinese holidays, Lexie Scanlon, a self-proclaimed “Midwestern girl,” distributes small red envelopes with cash to the group she supervises in Goodwill’s eCommerce jewelry department. Her team is tasked with identifying which pieces of donated jewelry have significant value and then preparing and posting them on one of Goodwill’s eCommerce websites.

“We’re a close-knit group,” she explains. “Most of my staff is Chinese. I think it’s important that we celebrate everybody’s holidays.”

Lexie moved to San Francisco from North Carolina in 2010 because as a transgender woman she felt this would be a more accepting place. She lived in a homeless shelter until she discovered Goodwill. Lexie worked in three Goodwill stores as manager and associate manager before moving to the eCommerce division. In preparation for her current role, she took courses in metal training and gem testing, along with leadership training courses. She also trained and received a certificate for excellence in customer service.

“I am 45 and I still want to be a rock star. I don’t know if that’s going to happen, but here at Goodwill I have stability and a job that allows me to be me, to the fullest extent.”

More than a Job: Cultivating Careers

Goodwill assists everyone who comes through its doors seeking help in finding a job. The job seekers we serve have a wide range of needs and motivations. Some are looking to break into the workforce for the first time and are simply focused on finding and keeping a job.

But increasingly, many people are turning to Goodwill to build a career. Goodwill is a learning organization that offers a career pathways program for those who want to learn more marketable and complex skills to secure a job offering greater responsibility, a higher salary and a sustainable and fulfilling career.



Training the Workers of Tomorrow

Finding a job with career advancement potential in today's economy can be challenging. Frequently, companies require a diversified skill set and a broad knowledge base.

Goodwill is the one-stop shop for preparing job seekers with barriers to employment for 21st century jobs—through systemic development, coaching, continuous training and certification programs that emphasize skills, critical thinking, empowerment, transparency and accountability.

OUR PROGRAM INCLUDES TRAINING IN:

- ▶ Supply Chain & Logistics
- ▶ Facilities
- ▶ Truck Driving
- ▶ Modern Retail
- ▶ Warehouse & Logistics
- ▶ eCommerce
- ▶ Loss Prevention
- ▶ IT

By training people with significant barriers to employment in a broad range of occupations, Goodwill offers people a pathway to a meaningful and financially secure life, while playing a role in growing the Bay Area economy.

SPOTLIGHT

Warehouse & Logistics Academy

One of Goodwill's most successful programs is our popular Warehouse & Logistics Academy, a partnership with Skyline College. In this four-credit class, students learn the basics of supply chain management and warehouse operations. Program graduates have increased job retention and a pathway from job to career. As online retailing grows, requiring a workforce trained in these skills, our graduates are in high demand.

The Warehouse & Logistics Academy is much more than a training program—for many participants, it turns out to be a pipeline to and through college.

IMPACT

Patrick Quiroz

For many years, Patrick worked a variety of short-term jobs because he couldn't get hired full-time due to mistakes he made in his past.

Then, in 2015, he discovered Goodwill, and now he doesn't just have a job, he says—he has a career.

Patrick is Goodwill's eCommerce Operations Assistant Manager. He oversees the shipping and inventory departments in our South San Francisco warehouse.

"I feel like Goodwill is training me for a career path, and from here I can go anywhere," he says. "I have been given the opportunity to take on new responsibilities and learn new things. Goodwill is always cheering and supporting us, pushing us to do better. My goal in 10 years is to be consulting for a supply chain and logistics operation. This job is definitely preparing me for that."

Patrick's path to Goodwill was circuitous. "When I was younger, I got into a lot of trouble with the law, and people don't want to hire someone like that," he says. "Goodwill gave me a second chance, and I am taking full advantage of it."

"Goodwill is training me for a career path, and from here I can go anywhere."

— Patrick Quiroz, eCommerce Operations Assistant Manager



SPOTLIGHT eCommerce

Increasingly, as shopping shifts online, Goodwill is selling more of its goods through its own website or its online retail partners. Our workers in the eCommerce program are trained in every step along the eCommerce career path chain, including appraisal, authentication, inventory, photography and photo editing, software, SEO, sales and customer service.

The eCommerce division is a significant line of business for Goodwill. For example, while a donated off-the-rack sweater may end up in a store or boutique, a vintage gold necklace would likely end up on one of our eCommerce sites—and can cover the cost of an industry certification program for a trainee. We also host our own eCommerce site, shopgoodwill.org, where browsers can find art, collectibles or one-of-a-kind treasures.



Environmental Sustainability

IMPACT

23 million

Pounds Goodwill diverted from the local landfills in 2017

When you donate goods to Goodwill, not only are you helping to give people a second chance—you are also giving those items a second life. The Council for Textile Recycling estimates that 85 percent of textiles end up in landfills. Whatever we can't sell in our stores, we sell in bulk through our aftermarket business and outlet store. This serves two goals—bringing in additional income to fund our programs and reducing the impact on Bay Area landfills.

Our commitment to the environment extends even further. We are training workers for 21st century jobs that are environmentally conscious, such as recycling computers in our ReCompute program.



SPOTLIGHT

ReCompute: Rebooted Lives

Electronic waste is one of the most toxic materials in a landfill. Each year, Goodwill diverts 3.4 million pounds of electronics from landfills, much of it through our ReCompute program, which recycles computers and electronics.

Through ReCompute, Goodwill employees learn how to disassemble a computer, refurbish it and sell it at low cost at Goodwill stores or online. Those computers that cannot be repaired are disassembled and their component parts are sold on the secondary market. Refurbished computers are also donated to nonprofits.

Our employees receive extensive classroom and field training in computer hardware and in the full recycling value chain recovery

operation, including providing hard drive destruction, which is a free service Goodwill provides. Any electronics or hardware that cannot be re-used, will be responsibly recycled, with Goodwill's E-steward certified recycling partner.

The end result is win-win for both the environment and the hundreds of Goodwill employees who have rebooted their lives, and in the process gained valuable skills and expanded job opportunities.

Community Partners



"Goodwill has been an awesome resource in the community. Hosting hiring events once a month has given job seekers an opportunity to apply on the spot and enhance their everyday lives. Amazon looks forward to a continued partnership with your organization. Thank you for all you do!"

— **Brittney Barge**, Amazon
Senior Staffing Coordinator

"As a hiring manager, I am always searching for top talent, especially at the management level. Goodwill was able to connect me with a great manager candidate at their spring job fair who is now a valuable member of our team!"



— **Kelsey Collier**,
Talent Acquisition and
Development Manager,
Good Food Guys
Hospitality Group

Goodwill: We got the Bay Area covered

Goodwill has an extensive footprint in
San Francisco, San Mateo, and Marin counties.

 19
Stores and
boutiques

 26
Donation
drop sites

 Stores and Boutiques
 Donation Sites



Impacts



\$103,900,000

Total economic output of Goodwill
in its three counties last year



1,760,742

Retail transactions
last year



14,000

Number of people who visited
our Career Center



656

Number of people Goodwill placed
in jobs at top bay area companies



650

Number of people Goodwill
employed in San Francisco, San Mateo
and Marin counties



180

Number of Warehouse
Logistics Program graduates
to date

ENVIRONMENTAL STEWARDSHIP

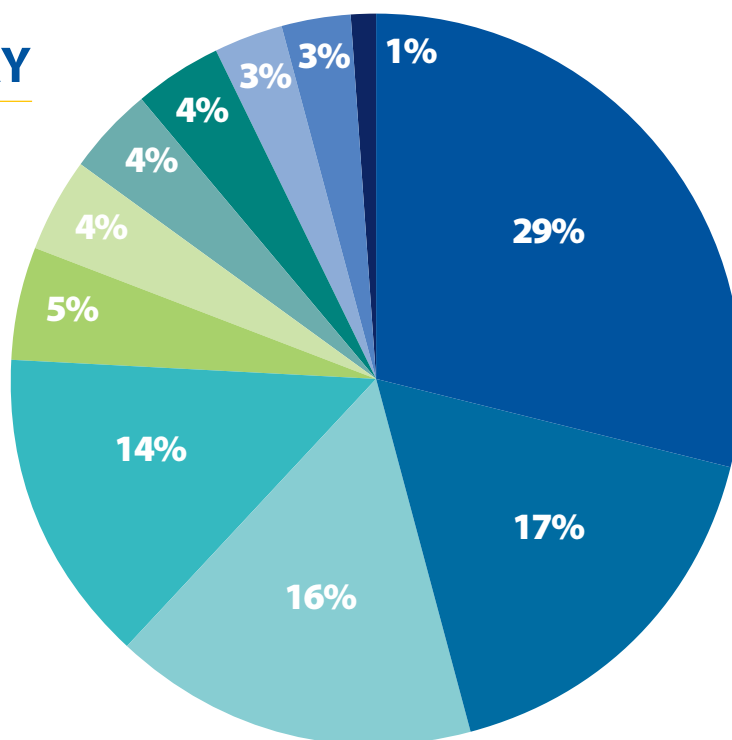
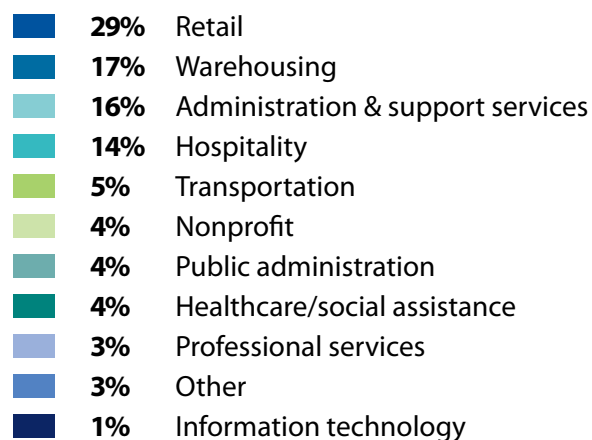
19,600,000

Pounds diverted from local landfills

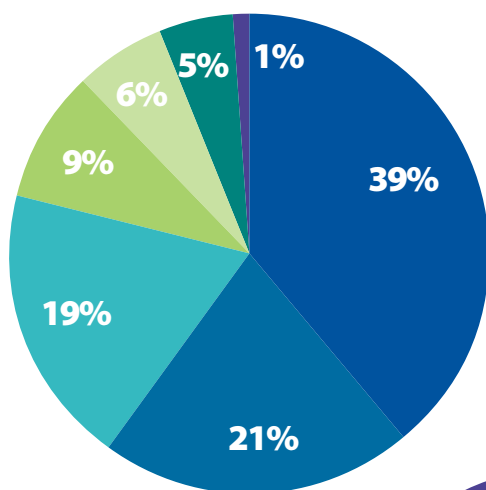
3,400,000

Pounds in electronics diverted

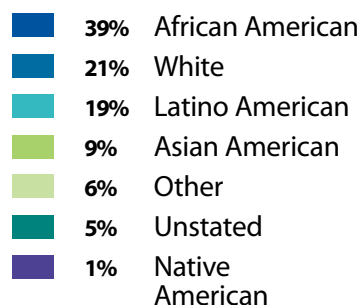
JOB PLACEMENT BY INDUSTRY



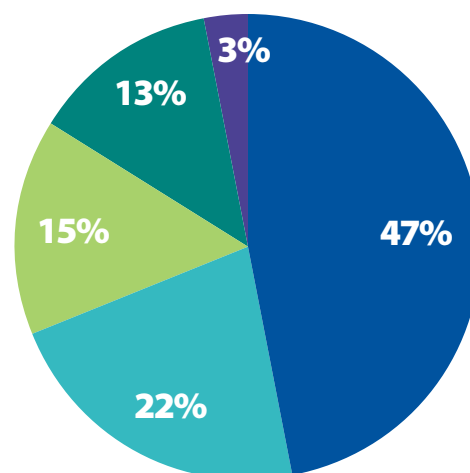
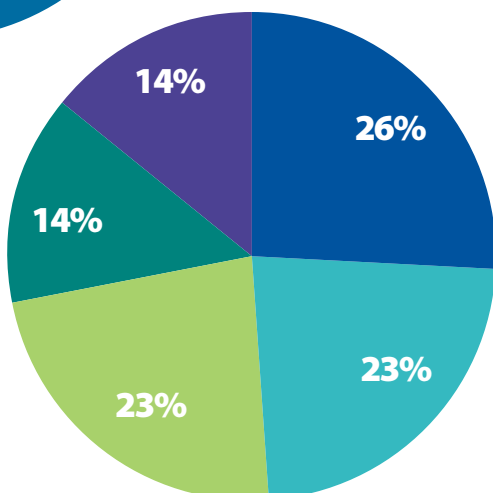
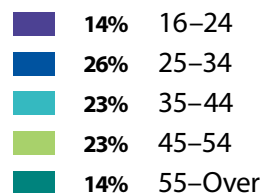
PEOPLE WE SERVE



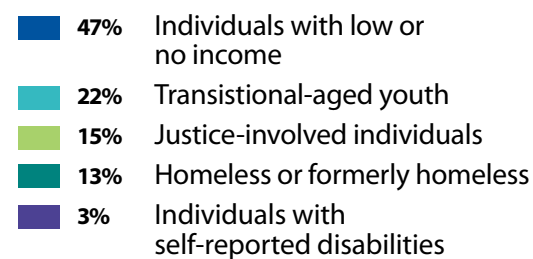
Ethnicity



Age



Barriers to Employment



Poised for the Next 100 Years

Your generous financial and material donations are the reason Goodwill San Francisco, San Mateo and Marin has profoundly impacted thousands of lives. If not for Goodwill, thousands more in our community might still be living on public assistance, struggling to support their families and, in some cases, going unhoused and hungry.

We are proud of our impact—but even 100 years in, we’re just getting started. As the Bay Area economy grows, the deep divisions between the haves and have-nots widen. To combat this rising income inequality and poverty, we are planning to launch several new programs that will allow us to increase our reach in the community and add deeper layers of services and training for those already in the Goodwill family.

Goodwill operates in a competitive environment in both thrift and donated goods. As need increases, training is critical. As a 501(c)(3) we need your support.

Please visit sfgoodwill.org to learn about how you or your organization can help Goodwill break the cycle of poverty through the power of work.



IMPACT

Armand Smith

“Goodwill turned me into the man I am today.”

— Armand Smith,
Recology Truck Driver

In 2004, Armand Smith entered the first class of the Goodwill’s Trucking School. All his life he was obsessed with trucks and cars, and his ultimate goal was to work as a driver for Recology, San Francisco’s waste disposal company.

Twelve years and many job promotions later, Armand moved on from Goodwill to fulfill his dream. Today, he makes a six-figure salary at Recology.

“None of this would’ve been possible without Goodwill,” he says.

Armand began his Goodwill career as a driver, was promoted to driver supervisor, assistant transportation manager and then became the organization’s transportation manager.

“Goodwill turned me into the man I am today,” he says. “Before, I wasn’t thinking about owning a home, good credit, savings, none of that. With my Goodwill salary, I purchased my first house. Working here also made me a better person — I’ve learned how to talk to people, relate to many different sorts of situations, and understand other people’s problems.”

Armand stays in close contact with many of his former Goodwill colleagues. He fondly remembers his years with the company. “Every day I woke up looking forward to going to work. I was always learning, there were always new challenges.

“Even though I don’t work here anymore, this is still my home and it always will be. I would do anything for this company.”

Financial Position

	2017	2016
Current Assets	\$8,030,041	\$13,473,100
Property & Equipment	24,678,300	21,214,423
Other Long Term Assets	40,369,308	39,875,952
Total Assets	73,077,649	74,563,475
Current Liabilities	8,293,096	6,769,112
Long Term Liabilities	799,465	896,061
Total Liabilities	9,092,560	7,665,173
Unrestricted Net Assets	63,885,962	66,838,462
Restricted Net Assets	99,126	59,840
Net Assets	\$63,985,088	\$66,898,302

Activities

	2017	2016
Donated Inventory	\$31,284,251	\$28,572,198
Government Grants	904,279	1,038,227
Contributions	212,508	232,472
Total Public Support	32,401,038	29,842,897
Revenue	34,216,060	34,831,404
Total Public Support & Revenue	66,617,098	64,674,301
Functional Expenses	73,294,920	66,911,871
Non-Operating Activities	3,764,606	(4,746,021)
Change in Net Assets	\$(2,913,216)	\$(6,983,591)

Unaudited Financials June 30, 2017



Goodwill 
SAN FRANCISCO | SAN MATEO | MARIN

sfgoodwill.org

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100% NOT-FOR-PROFIT • 100% LOCAL