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**OUR MISSION**

Goodwill Industries empowers individuals with disabilities and other barriers to employment to gain independence through the power of work.



**GOODWILLNYNJ.ORG**

**SOCIAL  
ENTERPRISE  
READY  
FOR THE NEXT  
100 YEARS**

**ANNUAL REPORT 2017**



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WELCOME

Greetings Friends of Goodwill,

In 2016, we embarked on a journey of self-examination, discovery, change, and new beginnings. The challenges were clear: We faced a more competitive brick-and-mortar retail environment and shrinking government program dollars, even when only 17% of People with Disabilities were employed in the U.S., according to the Department of Labor. We determined that it was critical to invest only in programs that aligned with our mission and had the resources to support their operations in order to ensure a sustainable future.

We invited twenty-eight employees from all departments and at all levels to join four innovation groups to work on issues that would further our mission. The 100k New Donors, Careers in Retail, Goodwill’s Goodwill, and the Strategic Plan groups began working in the spring of 2016. Our staff has the best ideas and we asked them to think big. A year later, they completed the exercise and presented the projects that started the year-long conversation on where we want to take Goodwill NYNJ.

Goodwill NYNJ launched a Strategic Plan process. Then we invited employees, executives, and board members to take a comprehensive financial review to answer critical questions about our future. The process included a top-to-bottom look at our programs, retail footprint, administration and finances. Our nature as a social enterprise demanded that we adapt our workforce development efforts to meet the changing needs of the retail industry. The result, Vision 2020, has three key focus areas: Ensuring fidelity to our mission in everything we do, restructuring our retail portfolio, and reducing overhead costs to be lean and efficient. The result is Vision 2020.

As part of implementing Vision 2020, we are making important changes to the way we operate our programs and stores. We are consolidating our services and retail footprint. We made very difficult decisions that affect us all, but we are deeply committed to doing the right thing for every member of our community. We aim to continue working closely with partner organizations to support the people who depend on us.

Today, Goodwill NYNJ is a different enterprise from the organization that celebrated 100 years in 2015. But our mission is the same, to empower individuals with disabilities and other barriers to employment to gain independence through the power of work. We are proud of the work our team achieved last year - 45,000 people served, 3,000 job-seekers placed, and more than 136 million pounds of usable goods kept from landfills.

But we measure success not only in numbers, but on how we help residents and communities thrive. We measure the stories of job-seekers like Tiffany, a mother of three children, one of them with a disability, who lived in a shelter when she joined Goodwill as a sales associate and who now lives in her own apartment and is an assistant manager at our East Harlem store. Like Tiffany, thousands have enhanced their lives and have built better lives for their families with the support of Goodwill NYNJ.

We are grateful for your trust and support of the work of our organization, and now, we invite you to become an active Goodwill NYNJ ambassador. Please spread the word about the good work of Goodwill and invite others to join us!

Sincerely,



**KATY GAUL-STIGGE**  
PRESIDENT & CEO



**HENRY E. GOOSS**  
BOARD CHAIR

STRATEGIC PLAN

# VISION 2020

As we marked our centennial in 2015, Goodwill stores faced the downward trend of brick-and-mortar retail stores, increased competition from fast fashion’s price points, and a change in shopping behavior. Public and private funding became scarce, making it imperative to focus on mission-aligned programs and services. We had to change our strategy to ensure a sustainable future.

In the spring of 2016, a cross-departmental and multi-level group of seven Goodwill NYNJ employees took on a project to come up with a strategic plan that would disrupt the status quo and make Goodwill stronger. Their assignment was to give input and direction to the strategic plan process and guide the project management. For six months, the team conducted external and internal research and came up with a summarized work plan for the external consultants who would complete the project. The result was Vision 2020, a three-year strategic plan to usher Goodwill NYNJ into its next 100 years of service. We would like to introduce you to the corporate culture that now guides our social enterprise to a brighter future.

1 Financially Healthy

A financially stable social enterprise with solvent business ventures and long-term investments in growth.



2 Mission Everywhere

Goodwill’s mission of employment and disability is everywhere in all aspects of the social enterprise: people, operations and programming.



3 Culture of Accountability

All operations are lean and efficient, data-driven and individually and collectively accountable to our staff, clients and community.



# CORE VALUES



“Know your Impact”

Each individual contribution is counted and recognized.



“Innovate at Work”

Goodwill identifies gaps, evaluates opportunities and risks, and creates solutions that significantly advance our mission.



“Represent with Respect”

Goodwill demonstrates respect for the dignity of work.



“Success by Partnership”

We are a good partner and we maximize our impact through partnerships that share our vision.

# INNOVATE AT WORK

“On May 2016, I convened four cross-departmental innovation groups to take on projects that would disrupt the status quo and make Goodwill NYNJ stronger. The challenge was to come up with ideas to solve the most pressing issues facing our social enterprise as we embarked on a new centennial of service to the community.” Katy Gaul-Stigge, Goodwill NYNJ CEO & President



## 1 STRATEGIC PLAN

Strategic Plan team to give input and direction to the 3-year strategic plan process and guide the project management.

**OUTCOME:** Vision 2020 strategic plan for organizational growth and mission alignment.

## 2 BUILDING GOODWILL'S GOODWILL

Building Goodwill's Goodwill team to help build the understanding of our brand by sharing what we do and how we empower people with the power of work.

**OUTCOME:** Goodwill in-store radio resulted in 14,740,400 impressions in all 40 stores.

## 3 100K NEW DONORS

100k New Donors team to increase number of households donating to Goodwill for sale in our retail and online stores.

**OUTCOME:** We explored innovative collection alternatives: rush-hour outside subway stations. A pilot program resulted in 1,386 new donors. We fell short of our collection goal, but we gained invaluable experience and information about how to best serve the community.

## 4 CAREERS IN RETAIL

Careers in Retail team to advance the careers of our retail employees, ensure they graduate from college and/or move on to related higher wage jobs after working at Goodwill.

**OUTCOME:** We launched a 6-week retail training seminar for 24 store employees at SUNY's Fashion Institute of Technology with a 3-month mentoring component. The result was 50% of the 24 employees who participated in the first Retail Careers Pathways Training program at FIT in the spring of 2017 were promoted to a management position within 6 months.

# KNOW YOUR IMPACT



136 MILLION POUNDS OF USABLE GOODS were diverted from landfills in 2017.



### PEOPLE WITH DISABILITIES

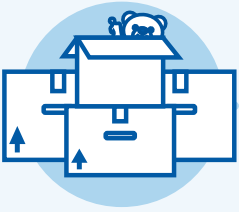
Our retail stores serve as a launchpad for Goodwill participants - 1 in 7 of our retail employees has a disability.



### WORKFORCE DEVELOPMENT

We placed 3,387 individuals with disabilities and other barriers to employment in jobs. These individuals are gaining independence and building careers.

## DONATE STUFF CREATE JOBS



988,000 donor visits

3,387 total individuals placed in jobs



1,392 people with disabilities placed in competitive employment



# MISSION EVERYWHERE

## Retail Career Pathways

**Our Retail Career Pathways Program** helps our employees learn, grow and succeed within our company. The skills they learn here will follow them wherever they go, allowing them to impact the lives of others.

### LEARN

- Merchandising and Product Placement
- Business Process Improvements
- Excellence in Customer Service
- Professional Relationships
- Conflict Management
- Managing Teams
- Retail Scheduling
- Loss Prevention

### GROW

- **50%** of Retail Career Pathways program graduates receive promotions
- **30%** - Average wage increase

### SUCCEED

- **90%** of Retail Career Pathways program graduates are still with the company after a year



## TIFFANY COLON

Careers in Retail Participant

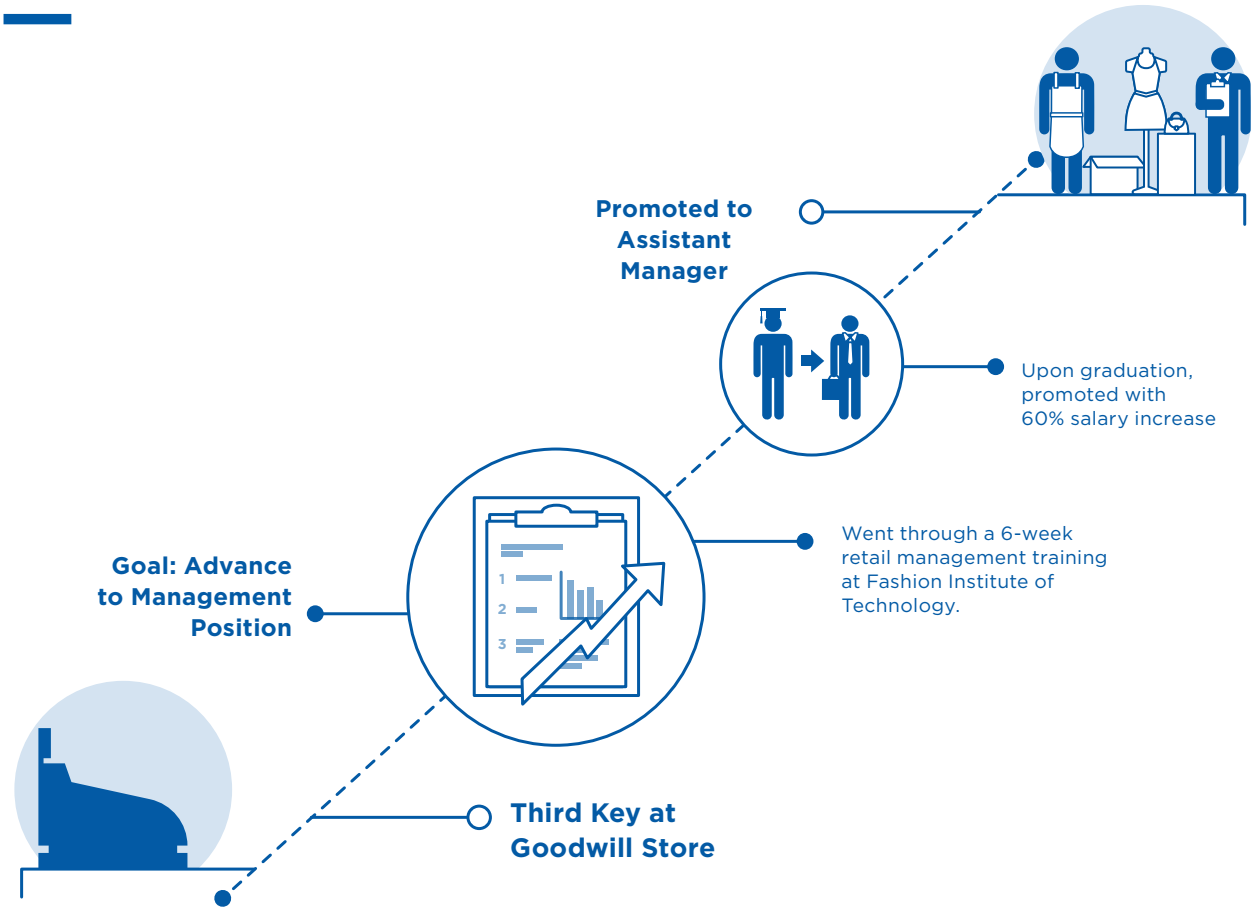
When Tiffany first applied for a job at a Goodwill Store, she and her three young children were living in a shelter. As a single mother with no family close by, Tiffany was finding it hard to make ends meet. She struggled to find a job flexible enough for childcare emergencies, especially as one of her sons has a disability.

Since joining Goodwill in 2016, Tiffany has progressed rapidly. She participated in our Retail Career Pathways training program with SUNY's Fashion Institute of Technology, and has since been promoted along the store management track. Tiffany and her children are now living in their own apartment in the Bronx. "It was hard, but I never once gave up," Tiffany says. "Now I can give my kids what they need, and be proud that I work for an organization with a good cause."

Tiffany is just one example of the many people who are able to gain independence and provide for their families thanks to your support!

"NOW I CAN GIVE MY KIDS WHAT THEY NEED, AND BE PROUD THAT I WORK FOR AN ORGANIZATION WITH A GOOD CAUSE."

## Tiffany's Retail Career Timeline



# FINANCIAL STATEMENT

## Summarized Financial Position As of 6/30/17

### ASSETS

Cash and Investments	\$22,155,180
Accounts and Pledge Receivables	11,582,259
Other Assets	8,149,352
Property and Equipment	11,909,623
<b>TOTAL</b>	<b>\$53,796,414</b>

### LIABILITIES AND NET ASSETS

Payables and Other Liabilities	\$18,829,013
Mortgages	2,238,075
Net Assets	32,729,326
<b>TOTAL</b>	<b>\$53,796,414</b>

## Summarized Financial Results - Year End 6/30/17

### ORGANIZATIONAL REVENUES

Contributions	\$ 1,551,454
Contributions - Donated Goods	43,915,917
Sale of Goods and Contract Services	43,096,899
Fees and Grants from Governments	31,460,380
Tenant Rent	1,783,039
Other	3,102,094*
<b>TOTAL</b>	<b>\$124,909,783</b>

### ORGANIZATIONAL EXPENSES

Sales of Goods & Contract Services	\$ 81,999,478
Rehabilitation & Employment Services	29,169,169
Management & General	11,384,055
Other Supporting Services	220,799
Fundraising	361,398
Residential Services	2,869,296

<b>TOTAL</b>	<b>\$126,004,195</b>
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<b>NET LOSS</b>	<b>(\$1,094,412)</b>
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\* Includes Investment and Other Nonoperating Activity.

# OUR PARTNERS

Goodwill NYNJ thanks all our generous individual donors. Donors listed below gave \$250 or more in 2017. While we cannot list all of our many loyal donors here, every dollar counts and we appreciate all of your support.

### Foundation Funders

#### \$50,001-\$100,000

Citi Community Development  
New York Community Trust  
Walmart Foundation

#### \$25,001-\$50,000

BNY Mellon Foundation  
Kessler Foundation

#### \$10,001-\$25,000

Johnson-Stillman Family  
Foundation  
Goodwill Industries International,  
Inc.

#### \$2,500-\$10,000

Sandra Atlas Bass and Edythe &  
Sol G. Atlas Fund  
Michael and Kristina Gabelli Fund

#### \$501-\$2,500

Gary and Nancy Penisten Family  
Foundation

#### \$1-\$500

The Frances and Benjamin  
Benenson Foundation, Inc.  
Stanley J. and Doris Fennessy  
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The Gordon and Llura Gund  
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The Kruse-Whelchel Family Fund

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New York State Industries for the  
Disabled (NYSID)  
New York State Office of  
Temporary and Disability  
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New York State Education  
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New York State Office of  
Vocational and Educational  
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Disabilities (VESID)  
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Health (OMH)

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of Occupational Resources

### Corporate Partners

#### \$15,001-\$25,000

Kelley Drye & Warren, LLP

#### \$10,001-\$15,000

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Hub International Northeast  
Limited

#### \$5,001-\$10,000

Universal Television LLC

#### \$2,501-\$5,000

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Hoplite Capital Management  
Interstate Interiors, Inc.  
Irwin Siegel Agency  
K2 Intelligence  
Marks Paneth, LLP  
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#### \$501-\$2,500

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First Eagle Investment  
Management, LLC  
Kauff McGuire & Margolis, LLP  
Pine Hollow Country Club  
Sterling Sanitary Supply  
Corporation

#### \$1-\$500

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