



2006 Annual Report

Good Stuff Good Work Goodwill



Goodwill
of Central Arizona

Message from our Board Chair and President & CEO

A heartfelt thank you to the communities we serve for another successful year of putting Central Arizonans to work!

Thank you for your donations to our Goodwill stores, volunteer hours, cash contributions, and support of Goodwill. It's through your generosity and the hard work of our skilled staff that we find success in our mission, "We Put People To Work."

For those less fortunate, "a hand up, not a hand out" is what we provide. We achieve this through education, training and employment services for youth and adults across central Arizona. In 2006, our human service programs served more than 10,000 Arizona residents in their quest for self-sufficiency and placed nearly 2,300 in competitive employment.

A significant source of funds for our community programs lies in the donation and sale of goods at our 36 Goodwill retail stores. In 2006, our stores turned donations from approximately 730,000 individuals into the revenue necessary to fund store and organizational operations, and to support our programs. That means that every dollar that we receive in grants or cash donations is used directly in program services.

Though we are a nonprofit business, we operate in competition with for-profit thrift stores for donations, and we challenge ourselves to increase efficiency in our operations and in the effectiveness of our community human service efforts. We invite you to come and see these efforts for yourself.

Visit our main campus and see our workforce development programs or our Écademie charter high school in action. See what goes on in the cycle of receiving donations and how we process them through the stores, clearance center or recycling operations. Sit in on one of our continuous improvement discussions where we brainstorm new ideas about how to better serve you, our community.

With Arizona being one of the fastest growing states in the nation, Goodwill of Central Arizona is growing too. We have remodeled old stores and are building new ones. We are expanding the locations for the human service programs that we offer, and we now employ more than 1,800 people in Arizona!

We are excited about our Goodwill mission and the positive impact we are having on the community. Thank you for partnering with us!

Sincerely,



Kurt Bunney, Board Chair



Keith Mason, President & CEO



Kurt Bunney, 2006 Board Chair and
Keith Mason, President & CEO

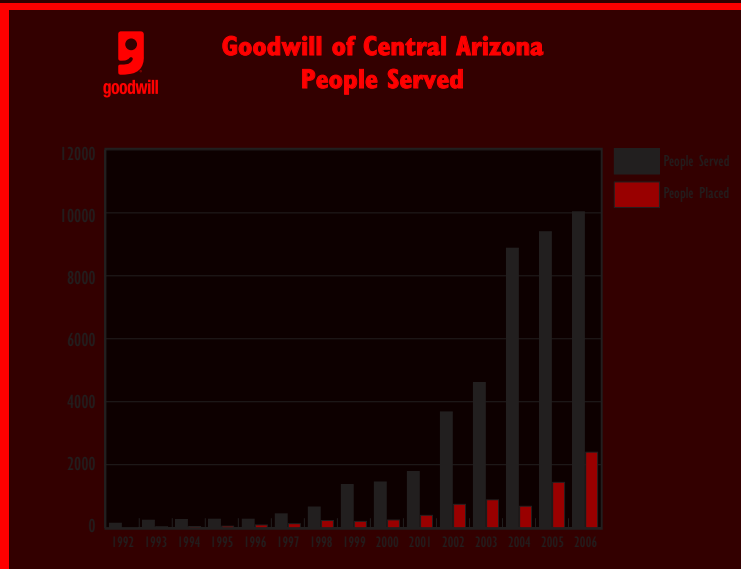
A Healthy Outlook

When Brittany W. came to Goodwill of Central Arizona's Youth Services program over a year ago, she was in need of assistance with her future goals and—literally—had no dependable place to sleep at night. But none of these barriers have kept Britney from her dream of becoming a nurse. From the start, Brittany has shown leadership capabilities in everything from the organization of her time and finding shelter to community college and scholarship applications and finding a job—all with very little assistance. Brittany is an independent young woman who asks very little of others while giving everything of herself. Even with her busy schedule, she has gladly participated in program volunteering activities while also caring for and maintaining a close relationship with her mother, who lives in another city. As a result of her hard work, compassion and persistence, Brittany is now just two credits shy of applying to the nursing program at Maricopa Community College, and is eager to take part in new employment experiences that will further her career aspirations.

Our Mission

At Goodwill of Central Arizona, our mission is simple: We put people to work. Donations from the community provide our stores with products to sell. Retail revenue then supports workforce programs that offer job training, education and career services to youth and adults seeking self-sufficiency.

Workforce & Community Development Activity



	Served	Placed
2006	10,034	2,264
2005	9,401	1,439
2004	8,878	680
2003	4,610	885
2002	3,677	741
2001	1,782	391
2000	1,451	245
1999	1,368	199
1998	656	227
1997	439	126
1996	253	70
1995	269	48
1994	260	37

Special Thanks to Our Major Donors

Actors Theatre	Chick-Fil-A, Inc.	Gretchen Pennell	Nana H. Johnson	San Diego Coaster Company
ADT	Chompies	Harkins Theatres	Niagara Parks	San Francisco Zoo
Alice Cooperstown	Clearfield Energy	Heard Museum	NXE Paintball	See's Candies
American Mechanical Services	CN Tower	Helen Von Borries Trust	Olympus Financial Advisors	Services Group of America
Anthony Valenti	Cold Stone Creamery	Herberger Theatre Center	Ontario Science Center	Shamrock Foods
APS	Collee Charitable Trust	Hilton Garden Inn	Orbis	Six Flags California
Aquarium of the Bay	Comerica	Hilton Scottsdale Resort & Villas	Papa Johns	Sleep America
Aramark	Creations in Cuisines	Hongly Truong	Park & Co	Source Refrigeration
Arizona Biltmore	Cynthia Keogh	In Memory of Robert Martell	Paul C. Larson	SRP
Arizona Cardinals	Dawn L. Geyer	Jacob Hansen	Pep Boys	Stephen Johnson
Arizona Diamondbacks	Dennis Mitchem	Jeff Pearson	Pepsi	Stephen Ross
Arizona Opera Company	Denver Zoo	Joe Roth	Phoenix Art Museum	Steve Frank
Arizona Rattlers	DeRito Partners	John F. Long Foundation	Phoenix Arthur Murray Dance Studio	Sun City Early Birds
Arizona State University	Dolly Steamboat	Just Imagine It, LLC	Phoenix Greyhound Park	SunCor Development Co.
Arizona Sunrays Gymnastics	Don & Charlie's	Karsh's Bakery	Phoenix Institute of Herbal Medicine & Acupuncture	Sweet Tomatoes
Arthur McLendon	Donley Plumbing	Kurt Bunney	Phoenix International Raceway	Taliesin West
Ballet Arizona	Dr. H. Jagdish	Lake Powell Resorts & Marina's	Phoenix Mercury	Terra Travel
Bamboo Club	DTT, Inc.	Larry Stump	Phoenix Museum of History	The Phoenician Resort
Bank of America	Duck and Decanter	Laya Gavin	Phoenix Suns	The Piedmont Companies, Inc.
Barbes, Bidanjiri and Associates	Dunn & Wilson	LGE Design Build	Phoenix Theatre	The Village Racquet & Health Club
Bashas	Durant's	Lidia Tagliarini	Phoenix Zoo	Thrift Recycling Management
Benjamin Barbes	En Pointe Technologies Sales, Inc.	LifeWise Health Plan of Arizona	Piedmont Companies Evening	Tiffany & Co.
Best Glass	Ensynch	Linda Stone	PricewaterhouseCoopers	Toni & Guy
Big 5	Environmental Equipment Services	Lowell Huggins	Pueblo Grande Museum	Troon Golf
Bob Bondurant School of High Performance Driving	Facings of America	Lucille Kruse	QuikTrip	UBS Financial Services
Boeing Ecf	First Pentecostal Church	Macayo's Mexican Kitchen	Ramada Express (Laughlin, NV)	Universal Technical
Brant Nyhart	The Fixture Zone	Marketing Innovations	Rawhide	US Airways
Broadway Palm Dinner Theatre	Fortress Documents	Marty DeRito, DeRito Partners	Razz's Restaurant & Gallery	Valley of the Sun United Way
Bryan Cave	Frank Lloyd Wright Foundation	Matthew Harrington	Robert Fogwell	Valley Youth Theatre
Camelback Garage	Frier Auto & Truck Repair	Michael & Cheryl Pollack	Royal Palm Resort & Spa	Viad Corporation
Cave of the Winds Colorado	Gemstone Vibrations	Michael McBride	Russell Ritchie	Wells Fargo
Cawley Architects	Gila River Casino	Microsoft	Ruth & Hartley Barker	Westcor
Chandler Center for the Arts	Glorietta Bay Inn	Milne & BNC Insurance Services	Ryley, Carlock & Applewhite	Wildlife World Zoo
Chase Bank	Goodman Schwartz	Mimi's Café	Salon Belo Pelo	Wilma Phelps
	Grand Canyon Railway	Molina Fine Jewelers		Wyndham Hotels & Resorts

Support and Revenue from the Community

Donated goods - programs	\$ 40,449,505
Workforce development services	\$ 4,668,015
Commercial services contracts	\$ 2,186,693
Charter school	\$ 848,907
Contributions and grants	\$ 409,186
Investment income	\$ 28,656
Other	\$ 172,359
Total	\$ 48,763,321

Goodwill Gave Back to the Community

Program Services	
Donated goods - programs	\$ 33,321,440
Workforce development	\$ 5,741,698
Commercial services	\$ 2,117,987
Charter school	\$ 1,172,571
Support Services	
Management and general	\$ 4,288,495
Marketing & public relations	\$ 687,873
Other	\$ (95,997)
Funds available for growth	\$ 1,529,254
Total	\$ 48,763,321

Consolidated Statements of Financial Position

Assets	
Cash and receivables	\$ 3,521,012
Prepays	\$ 571,798
Inventories	\$ 2,377,708
Investments	\$ 735,057
Land, buildings & equipment	\$ 21,971,691
Other	\$ 522,681
Total Assets	\$ 29,699,947

Liabilities & Net Assets	
Accounts payable	\$ 1,971,186
Accrued & Deferred Expenses	\$ 1,758,755
Long-term debt	\$ 17,316,978
Other	\$ 149,867
Net Assets	\$ 8,503,161
Total Liabilities & Net Assets	\$ 29,699,947

2006 Leadership

2006 Board of Directors

HONOR BOARD

Barbara Barrett, President
Triple Creek Ranch

Rich Dozer, President
Arizona Diamondbacks

Rose Mofford, Former Governor
State of Arizona

Ray Rottas, Former Treasurer
State of Arizona

Emeritus Directors

Hartley Barker
William T. Corbin
Roy Heidemann

OFFICERS

Chair
Kurt Bunney,
Ensynch

Vice Chair
Veronica Armstrong-Kareem,
Vanguard Services

Treasurer
Jennifer Haslip
Universal Technical Institute

Secretary
Timothy A LaSota,
Maricopa County Attorney's Office

President & CEO
Keith Mason

BOARD MEMBERS

Patricia Cardenas-Adame
Mesa Community College

Lesley DiMare
ASU West

Colonel Leonard Fuchs,
USMC (ret.), author

Laya Gavin
Chase

Barbara Gomez
APS

Sara Gordon
Chase

Marta Jones-Williams
Avnet

Alanna M. Mack
Mack & Courson, PLC

Bob Neckes
Macayo's Mexican Kitchen

Sean Noble
U.S. House of Representatives

Dr. Tom Patterson
Chairman, Goldwater Institute

Jeffrey E. Pearson

Joseph H. Roth
CMB Franchising

Mary Sculley
Victory Search Group

Roderick Wilson
Bank of America

2006 Business Advisory Council

Chair
Bob Neckes,
Macayo's Mexican Kitchen

BAC Members

Charles Mitchell
All About People, Inc.

Bree Hall
Bank of America

Jessica Patterson-Baca
The Hertz Corporation

Manny Silveira,
Circle K

Sylvia Saenz,
Kelly Services

Keith Hall,
Securitas Security
Services USA, Inc.

Cindy Stephenson,
U-Haul International

Chad Wentz,
Home Instead Senior Care

Victor Quibas,
Pointe Hilton Hotels Corporation

Eric Simonson,
Sundrella Casual Furniture

Regina Trammell,
PLS Financial

Patrice Lydick,
Jobing.com

2006 Leadership Team

Keith Mason, President & CEO

Dianne Hanson, Executive
Vice President & COO

Neal Goodrich, Chief Information Officer

Gretchen Evans, Vice President
of Community and Government Relations

Nobumichi Hara, Vice President of
Human Capital

Lisa Wilham
Vice President of Workforce Development

Tim O'Neal, Vice President
of Retail Operations

Arturo Ortiz, Principal
Ecademie High School

Katrina Thurman,
Vice President of Communications
and Development

Jackie Halleen, Assistant Vice
President of Retail Operations

Kim Ryder, Facilities Director

Valerie Brown, Senior
Executive Administrator

Goodwill of Central Arizona is one in a network of 205 community-based, independent Goodwill organizations serving North America. Each organization is governed by a local, volunteer Board of Directors and is dedicated to serving individuals with disabilities and other work-related disadvantages with the opportunity to achieve their highest levels of personal and economic independence. We are headquartered in Phoenix, Arizona and serve Maricopa, Yuma, La Paz, Gila, and portions of Pinal and Yavapai Counties and rank 10th in North America in total operating revenue.

Our workforce development programs provide job training and employment services, as well as job placement opportunities and post-employment support services. Additionally, through our pioneering efforts, we've created Ecademie high school, one of seven charter schools within the Goodwill network. In 2006, we served more than 10,000 individuals and placed nearly 2,300 in competitive employment through these services.

Goodwill of Central Arizona provided commercial services to businesses and government institutions in the Valley and statewide. While we earned more than \$2 million in revenue to support our mission, our primary goal is to provide employment opportunities to persons with disabilities or disadvantages who might not otherwise have that opportunity.

The revenue from our retail operations is our primary fundraising mechanism in support of our mission. A total of 36 retail store locations generated \$50 million in revenue in 2006. Our retail operations ranked 5th in the United States.

Goodwill

of Central Arizona

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Selected Goodwill of Central Arizona programs have been accredited by the Commission on Accreditation of Rehabilitation Facilities.

