



GOODWILL INDUSTRIES
OF CENTRAL
MICHIGAN'S
HEARTLAND, INC.

2023
Annual
Report

Changing Lives Through the Power of Work



GOODWILL INDUSTRIES OF CENTRAL MICHIGAN'S HEARTLAND, INC.

2023 ANNUAL REPORT

Goodwill Industries of Central Michigan's Heartland, Inc. (GICMH) was founded in 1953 with the purpose of "Changing Lives Through the Power of Work." Assisting individuals in our community to overcome barriers to employment to achieve self-sufficiency continues to be the guiding principle for the organization 70 years later. During fiscal 2023, GICMH provided services to 3,990 participants, assisting with their commitment to reach their full potential and become financially self-sufficient.

GICMH's retail stores offer a unique opportunity for individuals to learn job skills such as customer service, merchandising, cash management, logistics and management skills. Each year GICMH provides this type of training to individuals who enhance their employment skills throughout our entire eight-county territory. The genesis of our current retail program can be traced all the way back to the creation of Goodwill Industries International in Boston in 1902. This program is instrumental to our job training focus and provides individuals with an opportunity to learn essential job skills in a supportive environment.

GICMH is a Commission on Accreditation of Rehabilitation Facilities (CARF) organization. We are committed to delivering the highest level of service in a safe and positive environment for all of our participants. Their satisfaction is the primary reason for GICMH's commitment to continuous improvement and quality service delivery. In fiscal 2022, GICMH requested that CARF conduct a consultative peer-review process and received another three-year accreditation from CARF, the longest accreditation awarded by the organization.

GICMH's commitment to continuous improvement has led to the creation of workforce development programs that offer a wide range of experiences and training opportunities for our participants. Each year, all programs are critically evaluated with input from employers, participants, our program partners and funders. This process allows GICMH to refine programs to achieve the highest level of outcome for each participant.

GICMH offers programs at no cost to participants. The programs include financial literacy education, tax preparation, career pathway identification, resume preparation, soft skills, financial supports, assistance to obtain public benefits, job training, job placement and transportation assistance. In addition, GICMH works collaboratively with a number of organizations in our community to enhance the effort to provide a well-trained workforce. These organizations include Kellogg Community College, Community Action Agency, Women's Co-Op and Michigan Works! By working together, this consortium provides participants with a wide selection of services focused on their preferred career path. The work of the consortium is improved each year by analyzing data collected in GICMH's Efforts to Outcome software system. This community wide database is funded by the W.K. Kellogg Foundation and is used to continuously improve outcomes for the consortium's participants.

GICMH's Goodwill Connects program is a partnership with all five of the public schools in the Greater Battle Creek area. The program is designed to help high school students make a successful transition from high school to work upon graduation. The program provides students with training delivered by GICMH staff members. The topics covered during these sessions include diversity in the workplace, soft skills and financial literacy. In addition, the students get a six-week paid work experience with one of over 45 local employers that participate in the program. GICMH employs high school teachers as Career Mentors to work with the students in learning and improving their job skills while serving as a liaison with the supervisor at the employer's place of business.

Each week, the students, employer supervisors and our Career Mentors conduct an evaluation to assess the student's progress in learning key job skills and highlight areas for improvement. Goodwill Connects has been extremely successful in helping students to make the transition from high school to employment when compared to national, state and local employment rates for individuals ranging from ages 16 to 24 years old.

As a result of our Goodwill Connects program, GICMH has assisted Battle Creek Public Schools (BCPS) in developing its career academies, utilizing the Ford Next Generation Learning model. GICMH acts as the Community Convener, bringing together business partners who have an interest in assisting students by providing career exploration opportunities as part of the academy experience. The local employers help BCPS students with career exploration opportunities in the classroom and their place of business.

The Internal Revenue Service (IRS) Volunteer Income Tax Assistance (VITA) program operated by GICMH serves participants throughout Calhoun and Branch counties. The program relies on the recruitment and successful training of qualified volunteers to assist low-income individuals and families to complete and file their federal and state income tax returns at no cost. Each volunteer receives approximately 10 to 20 hours of training designed by the IRS to qualify for the program. In addition, GICMH partners with a variety of organizations to establish VITA sites throughout Calhoun and Branch counties to help mitigate the effects of a lack of reliable, affordable transportation for the population served by the program. During Fiscal 2023, local volunteers prepared over 2,100 federal returns, yielding over \$2.2 million in refunds for Calhoun County residents, in addition to more than 2,300 state returns, which added another \$1.5 million in refunds for the community. The success of the fiscal 2023 VITA program is largely driven by the 60 volunteers who dedicated their time and expertise to achieve these outstanding results.

GICMH also has an affiliated organization named Navigations Incorporated (NI) that provides employment opportunities for persons with significant disabilities. NI contracts with both the State of Michigan and the Federal Government to perform a variety of work at the Fort Custer Education Center and the Hart, Dole, Inouye Federal Center. The employees perform housekeeping, custodial, snow remove and groundskeeping work for NI. The Federal contracts are performed through the AbilityOne program and with the State of Michigan through Set-Aside Contracts. Both are designed to promote employment for persons with significant disabilities. The State and Federal contracts stipulate a specific ratio of direct labor needs to be performed by persons who significant disabilities. Our NI workers do an outstanding job at both facilities every year.

On behalf of GICMH's Board of Directors and staff, I would like to say thank you to the charitable foundations, individuals, local employers and non-profit organizations that provide donations, funding and services to GICMH. Your generosity enables us to assist our participants to obtain their goals and realize their full potential. A special mention should go out to the W.K. Kellogg Foundation, the United Way of South Central Michigan, Goodwill Industries International and the Internal Revenue Service for their devoted support to improve outcomes for our participants and our community at large.

"Changing Lives Through the Power of Work" is GICMH's purpose and we are committed to help every individual who is ready to become more financially self-sufficient through obtaining and retaining employment with our support and guidance.

Kenneth C. Bauer
President and CEO

STRATEGIC PLAN – A VISION FOR THE YEAR 2025

During fiscal 2021, Goodwill Industries of Central Michigan's Heartland continued to shape its course to fulfill its vision for the year 2025. A year earlier, the organization charted a course for the next several years by undertaking a year-long strategic planning process that required a commitment for our Board of Directors, executive management team and our employees. The strategic planning process culminated in creating a vision for the organization in the year 2021 built upon the organization's core purpose, "Changing Lives Through the Power of Work." This purpose will be achieved by incorporating our core values of integrity, teamwork, innovation, stewardship and excellence.

Core Purpose

Changing Lives Through the Power of Work

Core Values

- Integrity
- Teamwork
- Innovation
- Stewardship
- Excellence

2025 Vision

Goodwill Industries of Central Michigan's Heartland, Inc. is a premier organization which assists individuals to overcome barriers to work in Michigan. With state-of-the-art workforce development facilities, GICMH's education, career training and employment services assist individuals to achieve and sustain self-sufficiency.

As a result of disciplined planning and strategic focus, GICMH offers services which generate annual revenue of \$25 million. GICMH has a dedicated investment account which contributes income to fund our purpose. Expertise in select services of workforce development, retail and manufacturing make GICMH a trusted and valuable partner with private and public organizations. Through its efforts, GICMH is a key component in developing a well-trained and productive workforce.

GICMH has an innovative culture, commitment to staff development and opportunities for long-term careers. Executive development activities ensure successful transition of leadership and continuity within the organization. The dynamic and diverse board members focused on the future serve as ambassadors in the community.

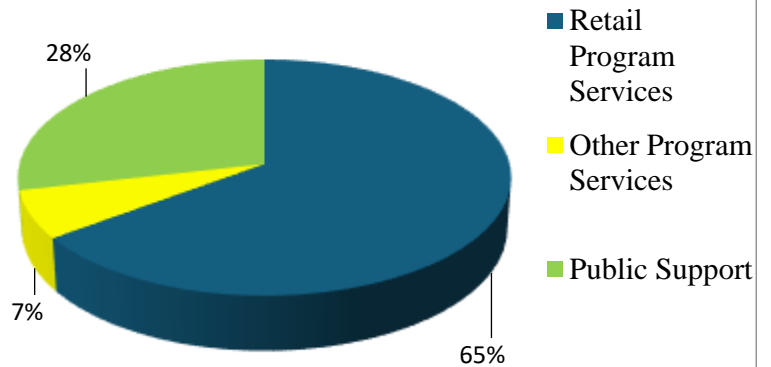
Fiscal 2023 Financial Overview

2023 Financial Report

Sources of Community Support

Retail Program Services	19,930,599
Other Program Services	2,022,410
Public Support	8,763,393
Total	30,716,402

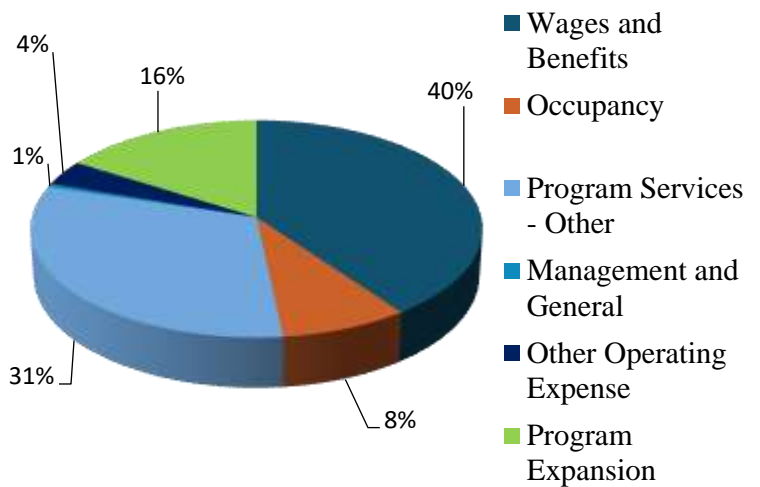
Sources of Community Support



Uses of Community Support

Wages and Benefits	12,284,176
Occupancy	2,550,832
Program Services - Other	9,648,101
Management and General	162,207
Other Operating Expense	1,155,456
Program Expansion	4,915,630
Total Use of Funds	30,716,402

Uses of Community Support





Board of Directors

Jason Bomia

Mickey Brutsche

Susan Burdick

Brian Fish

Pat Gallagher

Malcolm Satterfield

Chuck Stallard

President and CEO

Kenneth Bauer

Executive Staff

Bill Broeder

Shannon Fritz

Preston Hicks

Bill Mullens

Mark Peters

Sheri Roan

Goodwill Industries of Central Michigan's Heartland, Inc.

