"THE STRENGTH OF THE TEAM IS EACH INDIVIDUAL MEMBER. THE STRENGTH OF EACH MEMBER IS THE TEAM."

- PHIL JACKSON

Goodwill Houston is a pathway to success for people facing difficulty finding work – especially veterans, at-risk youth, seniors, and people with disabilities. They are the reason Goodwill Houston exists, and their desires and dreams are essential to the organization’s mission of Changing Lives Through the Power of Work.

Goodwill’s retail stores – through the sale of goods donated by the community – fuel this mission. In 2016, Goodwill Houston opened four new stores, expanding its footprint to 65 retail locations and 47 attended donation centers, serving seven counties.

Throughout the stores and across the organization, Goodwill’s staff and volunteers leverage their unique strengths to help others put their strengths to work.
Dear Goodwill Friends and Supporters,

Every year as we prepare to publish our annual report, I reflect on events of the previous year. Many great things happened in 2016. We raised nearly $1 million through special events, private donations, and foundation gifts. We kept more than 56 million pounds of material out of local landfills. The economic impact we had over our seven county region was an estimated $370 million.

Along with the good news came a few challenges. Like retailers across the country, we struggled to stabilize sales in a shifting retail environment. Additionally, our revenues were affected by the softest economy Houston has seen in years.

Goodwill Houston has always successfully navigated challenging times by getting back to basics and focusing on our strengths. I know that our true strengths are the people that we serve, the programs that we provide, and the teams and leaders that make all of this possible.

Throughout this report, you’ll meet people who exemplify Goodwill Houston’s amazing spirit. You’ll see why we have called this report Strength at Work, and why I am so proud of what we accomplished in 2016.

STEVEN P. LUFBURROW

Dear Friends,

I’m pleased to report that 2016 was another good year for Goodwill Houston. Our overall financial picture was solid. We opened four new retail stores, generated nearly $77 million dollars in sales, covered our operating costs and capital expenditures, and ended the year debt-free, with $28 million in net assets.

While the financial data is an important and necessary measure, the real strength of this organization is its people – the associates who operate our stores, the skilled professionals who run our programs and the executive team that manages day-to-day operations, led by President/CEO Steve Lufburrow. The talented men and women who serve on Goodwill Houston’s boards, councils and committees – including the newly created Young Professionals group – multiply this strength. Their experience, collective wisdom, and enthusiasm make Goodwill Houston the strong, dynamic organization that I am proud to chair.

Finally, the most important measure of success for any nonprofit is its ability to deliver on its mission. In 2016, Goodwill Houston served more than 12,500 program participants, placed 4,700 people in meaningful jobs, and applied 95% of every dollar raised to mission services – this is the power of work in action. With your continued support, Goodwill Houston will continue to change lives.

TOMMY A. MOORE, JR.
When Goodwill’s Human Resources leaders interview job applicants, they see them through the lens of their potential. They look for a can-do spirit, a sense of integrity, and a willingness to learn and work hard. Their shared hiring philosophy is to assess applicants’ core strengths and to envision how they could grow and who they could become at Goodwill.

Across Goodwill’s departments and programs are exceptional people who benefitted from a fresh start – veterans transitioning to civilian life, new college graduates, seasoned managers. Human Resources is their bridge to employment and their initiation to Goodwill’s mission and values. These leaders understand that being part of a team – in the broadest sense – is the result of feeling part of something larger than oneself. Through their individual and collective commitment to Goodwill’s mission, they characterize the strong individuals and teams that create Goodwill’s success.
“I TAKE A LOT OF PRIDE IN TEACHING THESE STUDENTS. I KNOW THAT I HAVEN’T JUST GIVEN THEM THE SKILLS TO GET A JOB, BUT THE SKILLS AND KNOWLEDGE TO START A CAREER.”

Graduates of the Certified Apartment Maintenance Technician (CAMT) program rave about their instructor Jim Midkiff. They praise his knowledge and experience, and they also understand how much he cares about them.

Jim, now a lead building engineer for CBRE, closely identifies with his students. He was a high-school dropout who started out in apartment maintenance. He has overcome tough personal challenges that could have derailed his life.

To help his students avoid similar mistakes, the instructor – who rides a Harley and plays guitar in a rock band – teaches them much more than apartment maintenance. He shares life lessons, from the importance of having a solid work ethic to the need to be honest and trustworthy.

Students completing the CAMT program learn skills that will help them change the course of their lives. CAMT exemplifies Goodwill’s many excellent programs that change lives every day.
“STRENGTH DOES NOT COME FROM WINNING. YOUR STRUGGLES DEVELOP YOUR STRENGTHS. WHEN YOU GO THROUGH HARDSHIPS AND DECIDE NOT TO SURRENDER, THAT IS STRENGTH.”

- ARNOLD SCHWARZENEGGER

**2016 REVENUES**

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment, Education, and Training</td>
<td>0.3%</td>
</tr>
<tr>
<td>Contributions - Financial Support</td>
<td>0.1%</td>
</tr>
<tr>
<td>Contract Services</td>
<td>0.4%</td>
</tr>
<tr>
<td>Donated Goods Program (Retail)</td>
<td>4.1%</td>
</tr>
<tr>
<td>Other</td>
<td>95.1%</td>
</tr>
</tbody>
</table>

**2016 EXPENSES**

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donated Goods Program (Retail)</td>
<td>0.3%</td>
</tr>
<tr>
<td>Employment, Education, and Training</td>
<td>4.9%</td>
</tr>
<tr>
<td>Contract Services</td>
<td>89.6%</td>
</tr>
<tr>
<td>Management &amp; General</td>
<td>0.9%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

**COMBINED STATEMENT OF ACTIVITIES**

<table>
<thead>
<tr>
<th>Description</th>
<th>2015 DATA</th>
<th>2016 DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL REVENUES &amp; SUPPORT</td>
<td>$130,097,282</td>
<td>$141,160,147</td>
</tr>
<tr>
<td>TOTAL EXPENSES &amp; LOSSES</td>
<td>$130,771,285</td>
<td>$143,717,239</td>
</tr>
<tr>
<td>INCREASE IN UNRESTRICTED NET ASSETS</td>
<td>$(674,003)</td>
<td>$(2,557,092)</td>
</tr>
<tr>
<td>NET ASSETS AT BEGINNING OF YEAR</td>
<td>$32,071,161</td>
<td>$31,397,158</td>
</tr>
<tr>
<td>NET ASSETS AT END OF YEAR</td>
<td>$31,397,158</td>
<td>$28,840,066</td>
</tr>
</tbody>
</table>
$200,000+
Sherry and Jim Smith
George & Mary Josephine Hamman
Foundation

$20,000-$199,999
Judy and Bruce Baker
Haytham Awad
Aquiline Holdings LLC

$1,000-$4,999
Texas Apartment Association Education
SK Foundation
Renae and Craig Nunez
Locke Lord LLP
Heartspring Methodist Foundation
Nancy and James Hall
Arline Guefen
Missy and John Duffie
Deloitte
Lucille Cruce
Betsy and John Crafton
Kathy and Carlton Cook
CenterPoint Energy
Sue and Rusty Burnett
BSI

$100-$999
Sherry and Jim Smith
The Robert and Janice McNair Foundation
The Brown Foundation, Inc.
Second Baptist Church
John P. McGovern Foundation
George Lindahl III Family Foundation
Houck Family Foundation
Foundation

$0
The CFO Suite
Soper Brothers & Assoc.
Marsha and Mark Soper
Louis S. Sklar
Lisa and Jerry Simon
Schwob Building Company
Robert and Sarah Shaw Trust
Rob Johnson Interests
Lai and Mervin Ratnasingam
Gary R. Petersen
Cindy and Briscoe Parker
Michael A. Palmer
Tina Omelia
Ashley Olmsted
Kavan Marriot
Joan and Steve Lufburrow
Sherri and Richard Lowe
George A. Kurisky
Johnson DeLuca Kurisky & Gould, P.C.
Kim and Rich Jochetz
Jason Horrocks
Randy Helms
Laura and Grant Gilbert
Grand Gujarat Foundation

$1-$99
Belinda and Doug Wilson
Bill Carter
John Carrara
Ted L. Caryl
Church Women United in Houston
Mark Clark
Coastal Securities Corp.
Mary and Joseph Colaco
David Cole
Bonnie Calhou
Du Tonne Cannell
Talbott
Victoria Corcoran
Eustin G. Coulson
Jeremy S. Davis
Pauline M. Delaney
Anna M. Dengur
Patricia A. Devlin
Stephanie and Robert Donahou
Robert L. Draper
Scarlett and Franklin Duplatch
Della Dixon
Frank Echols
Vicky and Lucas Elliot
Endurance Builders
Robert W. Engle
ePlus Technology, Inc.
Rosemary and Jerry Jim
Bij Farn
John T. Ferguson
Brady
Brett
Mark H. Becker
Gary L. Bertelson
Marcia A. Blackard
Dale and Charles Boddien
Bohrer & Zucker, LP
Brigitte Borque
Robert Boucher
Diana and Harry Bowles
BP Foundation, Inc.
Adrienne and Stewart Braden
Beverly Braden
Mall Brand
Kenneth E. Brandon
Carol L. Brown
William F. Buckingham
Forrest R. Boggs
Irma and Louis Boynoch
Mara and Jay Busby
James A. Byerly
Cadence Bank
John Carrara
Bill Carter
Jeanne and Jack Hornby
Kenhall H. Hyman
Cynthia and Paul Johnson
Edith H. Johnson
Mary M. Johnston
Lee Jones
Martha and M. Wayne Jones
Paul Julliard
Joan Kaplan
Phylis and Michael Karas
Frances Kittrell
William J. Knight
Mary and Herb Koenig
Kathleen Koenig
KTRK Channel 13
Ladies Association of Walden Inc.
Mackenzie
Beth and Britt Langford
Tara and Patrick Lashford
Carl Lang
Thadis L. Miggins
John T. Linus Brown
Sheila and Norman Lownestem
Marytha and Larry Loyd
John E. Lufburrow
Roland Manzano
William K. Maas
Ronald E. Martin
Maxon Lift Corp
Thomas B. Offy
George Mador
Evelyn and W.A. Merryman
Marvin J. Moffa
L. A. Monroe
D’Evelyn Montgomery
Sharon Moon
Morgan Artioliation
Kathy and Derek Muncer
Eric L. Munster
Delbert D. Myers
Evelyn and W.A. Merryman
Hand Benefits & Trust, Inc.
Clist Hardy
Susan and Mike Harkness
Betsy and Dan Harris
James D. Harris
Harris and Eliza Kempner Fund
Mary and Josephine Hamman

We make a living by what we get, but we make a life by what we give." —温斯顿·丘吉尔

Strong Support
10

11
Marcus Soper II, a real estate analyst and developer with Forestar Group, chose not to follow the family tradition of ophthalmology. He skipped popular Texas universities to earn his business degree from the University of Mississippi. However, in one area of life, Marcus did follow a tradition established by his parents Mark and Marsha – he fell in love with Goodwill. His dad, Mark Soper, served on Goodwill Houston’s Board of Directors for many years. Then he and Marsha chaired the 2012 Goodwill Gala. His father’s touching speech at that gala inspired Marcus to become involved. He now chairs Goodwill Houston’s Young Professionals. “I’m blessed to be in a position to give of my time and talent to Goodwill, and I want to encourage people my age to get involved,” said Marcus. He is one of many up-and-coming volunteer leaders who embody the strong future of Goodwill Houston.
“GOODWILL BRINGS DIGNITY TO PEOPLE WHO TRULY WANT TO WORK, AND IT DOES IT IN A VERY HONEST AND ETHICAL WAY.”

GOODWILL BRINGS DIGNITY TO PEOPLE WHO TRULY WANT TO WORK, AND IT DOES IT IN A VERY HONEST AND ETHICAL WAY.

STRENGTH PEOPLE

TERRI AMMERMANN

BOARD OF TRUSTEES

Dedicated volunteer leaders add tremendous strength to Goodwill Houston, whether they serve on the Board of Directors, Foundation Board, Board of Trustees or Business Advisory Council. One such leader is communications expert Terri Ammerman, President and CEO of The Ammerman Experience.

Through her previous service on the Board of Directors, and now as chair of the Board of Trustees, Terri knows the incredible talent that exists among the boards at Goodwill. “From lawyers and accountants to business owners and communicators, these diverse leaders truly love Goodwill,” Terri said. She feels that part of her mission is to tap into this passion to help Goodwill accomplish even more.

“My fellow trustees and I want to be even more involved because our greatest desire is to make a difference.” Terri personifies the strong support that Goodwill Houston engenders.
STRONG BOARDS

OFFICERS OF THE CORPORATION

Tommy Moore**
Board Chairman
Craig Nunez**
Vice Chairman
John Crafton**
Treasurer
Rich Jochetz**
Secretary

Bill Kacal*
Senior Chairman
Jim R. Smith*
Chairman Emeritus
Steven P. Lufburrow**
President & CEO

OFFICERS OF THE CORPORATION

Bruce Baker
Jim D’Agostino***
Ann Deaton
Stephanie Donaho
Scott Doyle
John Ebeling*
Rodney Faldyn**

BUSINESS ADVISORY COUNCIL

Sharon Birkman Fink
Douglas Foshee***
Dick Hite
Don Jordan***
George Lindahl*
Allene Lucas*
Brad Marks

Jerry Martin
Elexa Orrange
Coleman Rowland**
Robert Shaw
Barbara Vilutis
Henry D. Wilde, Jr., M.D.*
William Key Wilde*

JOE BIRKOFER
Carlton Cook
Tom Ferguson
Brian Franklin
Mark Graber

FOUNDATION BOARD OF DIRECTORS

Jim Vanderhider
President
Ann Deaton
Secretary

John Duffie
Treasurer
Stuart Ford
Director

Steven P. Lufburrow
Executive Director

BOARD OF DIRECTORS

Terri Ammerman - Chair
David Hanson - Vice Chair
Lisa Davis Baldwin
Nancy Battle
Sue Burnett
Kevin Carmody
Ted Caryl
Mike Conway*
Carlon Cook
Jim Dickinson

John Duffie
Mike Eason
Brian Franklin
Richard Geis, M.D.
Donald Graubart*
Charles W. Hall*
David Hand
Richard Hightower*
Leisa Holland-Nelson
John Holstead*

Mark Kidd
George A. Kurisky, Jr.
Mark Lee
Rick Lowe
Sherri Lowe
Derek Munger
Dr. Tom Pace*
Karen Pitts
Carl Schumacher, Jr.*
Sandy Scott

Jerry Simon*
Frank C. Smith, Jr.*
Mark Soper
Michael Stryker
Cynthia Urquhart
David Webster
Bill Williams*
Candice Williams
Mary Williams
Doug Wilson*

Mr. Robert E. Birkle*
Mr. Joseph L. Brown
Mr. Robert J. Faldyn
Mr. James J. Foster
Mr. David Franklin
Mr. George A. Kurisky
Mr. Peter M. Kurisky
Mr. Roger L. Kurisky
Mr. Thomas F. A. Morea
Mr. John Duffie

“UNITY IS STRENGTH ...
WHEN THERE IS TEAMWORK AND
COLLABORATION, WONDERFUL THINGS
CAN BE ACHIEVED.”

- MATTIE STEPANEK

* Life Member  ** Executive Committee Member  *** Advisory Director  * Emeritus

16