



Three-Year Accreditation

CARF
Survey Report
for
Goodwill Industries
of South Central
California

CARF INTERNATIONAL
6951 East Southpoint Road
Tucson, AZ 85756 USA
Toll-free 888 281 6531
Tel/TTY 520 325 1044
Fax 520 318 1129

CARF-CCAC
1730 Rhode Island Avenue, NW, Suite 410
Washington, DC 20036 USA
Toll-free 866 888 1122
Tel 202 587 5001
Fax 202 587 5009

CARF CANADA
10665 Jasper Avenue, Suite 760
Edmonton, AB T5J 3S9 CANADA
Toll-free 877 434 5444
Tel 780 429 2538
Fax 780 426 7274

Organization

Goodwill Industries of South Central California
4901 Stine Road
Bakersfield, CA 93313

Organizational Leadership

Sheryl Chalupa, President/CEO
James Lambert, Chief Financial Officer

Survey Dates

March 6-8, 2013

Survey Team

William Sandonato, M.R.A., Administrative Surveyor
Ronald L. Van Rooyen, B.S., M.S., Program Surveyor
Anita R. Kavitz, Program Surveyor

Programs/Services Surveyed

Affirmative Business Enterprise
Governance Standards Applied

Previous Survey

March 3-5, 2010
Three-Year Accreditation



Three-Year Accreditation

Survey Outcome

Three-Year Accreditation
Expiration: April 2016

SURVEY SUMMARY

Goodwill Industries of South Central California has strengths in many areas.

- The organization’s board of directors evidences a good understanding of its governance and fiduciary responsibilities. Board members dedicate significant time and effort to carrying out their roles as related to the many facets of and continued challenges to the organization in accomplishing its important mission.
- Board members express that it is a privilege to be associated with Goodwill Industries of South Central California.
- The president/CEO appears to have the confidence of the board, her staff members, and the organization’s many community partners. She is accessible; has deep roots in the community; and is visible in local, regional, and state organizations where her representation and advocacy have supported the organization’s mission and employees with barriers to employment.
- The CEO is commended for bringing together a strong leadership team. Members appear to be a complementary blend of individuals with long tenure with the organization and a significant number of staff members who have been with the organization for a shorter period of time. New ideas and perspectives are welcomed and continue to provide new energy to fulfillment of the organizational mission.
- Under the leadership of the COO, the transition to a new business and service delivery model has been successfully executed. Metrics ensure that change is purposeful and measured.
- In addition to changes to its business and service model, the organization’s financial turnaround can also be credited to strong financial guidance and a “whatever it takes” attitude in making business decisions.
- The organization is commended for its recent decision to undertake a reorientation process. This effort acknowledges that staff members with long tenure are brought up to date in terms of what is included in personnel files, training, and anything else that might benefit from being refreshed. This is just one example of an evolving and continuously improving human resource function.
- The organization evidences a strong commitment to planning. The high value that the organization places on planning is evident in the quality of all the plans that have been developed and are being implemented. Of particular note is the strategic plan, which clearly establishes measurable objectives, is dynamic, and sets an ambitious path inherently tied to the organization’s mission and establishes clear accountability.
- The outcomes measurement report clearly focuses on the movement toward a reinvented transitional employment model, which is central to the organization’s mission. Objectives are identified around the goals of “hire,” “promote up,” and “promote out.” It has a wealth of information to support the process of performance improvement. Likewise, input from staff members and community partners is gathered, carefully analyzed, and utilized to support planning and decision making.

- The organization plays a central role in an organic community network of diverse partners that share a vision of employment opportunities for persons with disabilities and other barriers to employment, including Taft College, homeless shelters, vocational service providers, schools, and faith-based organizations.
- Goodwill Industries of South Central California has developed and is using an excellent business plan to drive the direction and success of the organization's innovative transition employment program.
- The employees, staff members, and community partners express high levels of satisfaction with Goodwill Industries of South Central California.
- Staff at all levels of the organization demonstrates a passion for its new transitional employment program and excitement about its contributions to the employees' success stories.
- The organization uses innovative strategies in the marketing and resale of donated goods, including social networking sites and e-book sales.
- Goodwill Industries of South Central California has a positive image and reputation in its service delivery area and beyond and is a valued member of the community as evidenced by all stakeholders interviewed.

In the following areas Goodwill Industries of South Central California demonstrates exemplary conformance to the standards.

- The board of directors and the leadership team are recognized for guiding the direction of the organization and achieving financial solvency through a bold plan by which Goodwill Industries of South Central California radically changed its service delivery model and funding model. Dependency on grant and public funding was eliminated in exchange for a model that depends on revenue generation through its retail operations, which were also reengineered to achieve profitability. Despite the change to the model, the organization remains true to its mission in assisting employees to achieve their employment goals.
- Goodwill Industries of South Central California serves Kern, Tulare, and Kings counties where unemployment rates are 13.5 percent, 14.4 percent, and 15.7 percent, respectively, which is significantly higher than California's 9.8 percent unemployment rate or the nation's 7.7 percent unemployment rate. To meet the needs of employees with barriers to employment in its service delivery area, Goodwill Industries of South Central California established a goal of creating opportunities for employees who are unemployed, on public assistance, or lack the job/life skills necessary to compete for the limited available jobs. Strategies include opening new stores in underserved markets and developing a self-funded transitional employment program designed to hire as many employees as possible. In addition, Goodwill Industries of South Central California adopted a mission service strategy focused on hiring employees with barriers to employment, training them sufficiently to be promoted, and then providing the necessary services for them to get hired by a community employer earning a higher wage than they receive at Goodwill Industries of South Central California. As the revolving door of the organization's transitional employment program continues to operate, Goodwill Industries of South Central California projects that 250 positions will result in the retail employment of more than 300 people each calendar year.

- Goodwill Industries of South Central California employs approximately 200 hourly employees in the transitional employment program. Approximately 98 percent are full time (work at least 35 hours per week) and receive fringe benefits identical to the organization’s salaried staff members, including medical and dental insurance, 85 percent of which is paid by Goodwill Industries of South Central California; paid time off; and other fringe benefits.

Goodwill Industries of South Central California should seek improvement in the areas identified by the recommendations in the report. Consultation given does not indicate nonconformance to standards but is offered as a suggestion for further quality improvement.

On balance, Goodwill Industries of South Central California has successfully transitioned from a government model to a self-funded transitional employment model and thus has sought accreditation in the service area of affirmative business enterprise. In its literature describing the transitional employment program, the organization states that the program is designed to “Hire, Promote Up, and Promote Out” employees with barriers to employment. The program is part of the organization’s ongoing commitment to maximize public benefit while minimizing public costs. As such, all of the organization’s services and programs are funded 100 percent through proceeds from its retail stores, and the organization is in the actualization stages of implementing a well-funded and staffed “Promote Out” aspect in fulfillment of its mission and vision. The organization is highly respected by its many community partners. The organizational structure is strong and provides excellent support to the services. Although there are a few recommendations in this report, primarily related to health and safety, there is every confidence that the organization will address the areas for improvement considering its strong commitment to continuous quality improvement.

Goodwill Industries of South Central California has earned a Three-Year Accreditation. The organization is commended for its highly regarded program and services, its active board, strong leadership, committed staff members, and conformance to the CARF standards as a means of ensuring continuous quality improvement. The organization is encouraged to continue to utilize the CARF standards as a framework to ensure that opportunities provided to the employees are valued and of high quality.

SECTION 1. ASPIRE TO EXCELLENCE®

A. Leadership

Principle Statement

CARF-accredited organizations identify leadership that embraces the values of accountability and responsibility to the individual organization’s stated mission. The leadership demonstrates corporate social responsibility.

Key Areas Addressed

- Leadership structure
 - Leadership guidance
 - Commitment to diversity
 - Corporate responsibility
 - Corporate compliance
-

Recommendations

There are no recommendations in this area.

Exemplary Conformance

A.3.a.(2) through A.3.e.

The board of directors and the leadership team are recognized for guiding the direction of the organization and achieving financial solvency through a bold plan by which Goodwill Industries of South Central California radically changed its service delivery model and funding model. Dependency on grant and public funding was eliminated in exchange for a model that depends on revenue generation through its retail operations, which were also reengineered to achieve profitability. Despite the change to the model, the organization remains true to its mission in assisting employees to achieve their employment goals.

Consultation

- The board and leadership are encouraged to again consider the development of a more robust fundraising program that more visibly encourages corporate and individual giving as well as special events. Likewise, planned giving is another avenue that could be more encouraged. With its long history of service to the community and the many families that have been touched by its efforts, people who want to ensure that the organization continues after their lives have ended might be motivated to remember the organization in their wills and other formal estate planning mechanisms. A statement like “Please remember Goodwill Industries of South Central California in your will” could be included in printed materials and publicized by other means.
 - The organization may want to consider an advisory group to plan such expansion that could include board members whose terms are ending or have ended.
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B. Governance

Principle Statement

The governing board should provide effective and ethical governance leadership on behalf of its owners’/stakeholders’ interest to ensure that the organization focuses on its purpose and outcomes for persons served, resulting in the organization’s long-term success and stability. The board is responsible for ensuring that the organization is managed effectively, efficiently, and ethically by the

organization's executive leadership through defined governance accountability mechanisms. These mechanisms include, but are not limited to, an adopted governance framework defined by written governance policies and demonstrated practices; active and timely review of organizational performance and that of the executive leadership; and the demarcation of duties between the board and executive leadership to ensure that organizational strategies, plans, decisions, and actions are delegated to the resource that would best advance the interests and performance of the organization over the long term and manage the organization's inherent risks. The board has additional responsibilities under the domain of public trust, and as such, it understands its corporate responsibility to the organization's employees, providers, suppliers, and the communities it serves.

Key Areas Addressed

- Ethical, active, and accountable governance
 - Board composition, selection, orientation, development, assessment, and succession
 - Board leadership, organizational structure, meeting planning, and management
 - Linkage between governance and executive leadership
 - Corporate and executive leadership performance review and development
 - Executive compensation
-

Recommendations

B.7.

Although there is evidence that governance policies are kept current, it is recommended that the board annually reviews its governance policies. This task could be assigned to the board development committee.

C. Strategic Planning

Principle Statement

CARF-accredited organizations establish a foundation for success through strategic planning focused on taking advantage of strengths and opportunities and addressing weaknesses and threats.

Key Areas Addressed

- Strategic planning considers stakeholder expectations and environmental impacts
- Written strategic plan sets goals
- Plan is implemented, shared, and kept relevant

Recommendations

There are no recommendations in this area.

D. Input from Persons Served and Other Stakeholders

Principle Statement

CARF-accredited organizations continually focus on the expectations of the persons served and other stakeholders. The standards in this subsection direct the organization's focus to soliciting, collecting, analyzing, and using input from all stakeholders to create services that meet or exceed the expectations of the persons served, the community, and other stakeholders.

Key Areas Addressed

- Ongoing collection of information from a variety of sources
 - Analysis and integration into business practices
 - Leadership response to information collected
-

Recommendations

There are no recommendations in this area.

Consultation

- Although input from employees and community partners is gathered, analyzed, and is clearly utilized to support organizational decision making, the organization is encouraged to develop and utilize methods for gathering input from employers as its transitional employment program begins to have some outcomes.
-

E. Legal Requirements

Principle Statement

CARF-accredited organizations comply with all legal and regulatory requirements.

Key Areas Addressed

- Compliance with all legal/regulatory requirements

Recommendations

There are no recommendations in this area.

F. Financial Planning and Management

Principle Statement

CARF-accredited organizations strive to be financially responsible and solvent, conducting fiscal management in a manner that supports their mission, values, and annual performance objectives. Fiscal practices adhere to established accounting principles and business practices. Fiscal management covers daily operational cost management and incorporates plans for long-term solvency.

Key Areas Addressed

- Budget(s) prepared, shared, and reflective of strategic planning
 - Financial results reported/compared to budgeted performance
 - Organization review
 - Fiscal policies and procedures
 - Review of service billing records and fee structure
 - Financial review/audit
 - Safeguarding funds of persons served
-

Recommendations

There are no recommendations in this area.

G. Risk Management

Principle Statement

CARF-accredited organizations engage in a coordinated set of activities designed to control threats to their people, property, income, goodwill, and ability to accomplish goals.

Key Areas Addressed

- Identification of loss exposures
 - Development of risk management plan
 - Adequate insurance coverage
-

Recommendations

There are no recommendations in this area.

H. Health and Safety

Principle Statement

CARF-accredited organizations maintain healthy, safe, and clean environments that support quality services and minimize risk of harm to persons served, personnel, and other stakeholders.

Key Areas Addressed

- Inspections
 - Emergency procedures
 - Access to emergency first aid
 - Competency of personnel in safety procedures
 - Reporting/reviewing critical incidents
 - Infection control
-

Recommendations

H.1.

Although most stores are maintained in a healthy and safe manner, it is recommended that the organization address safety issues, such as trip hazards from carpet pulls and broken cement, in some of its older stores. It is suggested that Goodwill Industries of South Central California consider the cosmetic environmental upgrading of aging stores.

H.5.a.(5)

H.5.a.(6)

H.5.c.(5)

H.5.c.(10)(a) through H.5.c.(10)(b)(iii)

Although the organization maintains written emergency procedures for medical emergencies or other threatening situations at all store locations, it is recommended that similar written procedures be developed to guide personnel working in the unique circumstances of the attended donation

centers where a single material handler is the only personnel present in a relatively remote location. The organization could consider using the interior walls of the trailer to mount posters of common medical procedures and simple directions for other threatening situations. The policies and procedures that address evacuation do not include provisions for temporary shelter at the Stine Road location and the stores if severe weather occurred during an evacuation. The written emergency procedures for evacuation should address temporary shelter, when applicable. A written agreement could be developed with a nearby business or public building. Although the organization maintains evacuation route signage in its administrative, salvage, and store locations, it is recommended that the signage be sufficient in size, orientation, and clarity to be both accessible and understandable to employees, personnel, and other stakeholders in the event of emergency evacuation.

H.6.a.(2) through H.6.e.

In addition to tests of emergency procedures at the store locations, the organization should conduct unannounced tests of all emergency procedures at least annually at each location. The tests should include complete actual or simulated physical evacuation drills, be analyzed for performance improvement, result in improvement of or affirm satisfactory current practice, and be evidenced in writing.

H.7.a.

H.7.c.(2)

Although there is immediate access to first aid expertise at all store locations, it is recommended that the organization also ensure immediate access to first aid expertise at the attended donation centers. The organization might consider outcomes-based competency requirements in first aid for employees and staff members assigned to these solitary work locations. Although the organization maintains relevant emergency information on personnel at the headquarters, there should be immediate access to relevant emergency information on personnel at other locations. Because all personnel are required to wear name badges, the organization might consider adding emergency contact and other relevant medical emergency information on the reverse side of the badge. Such a practice places the data in the possession of the staff member and provides immediate access to emergency responders in the event of an emergency.

H.12.a.(1) through H.12.b.(3)

Although the organization has evidence of some external inspections being completed, comprehensive health and safety inspections should be conducted at least annually by a qualified external authority and result in a written report that identifies the areas inspected, recommendations for areas needing improvement, and actions taken to respond to those recommendations.

Consultation

- The organization could consider posting a bomb threat checklist next to each telephone to prompt the use of the checklist by any person answering the call if a threat exists.
- With the number of employees working at attended donation centers away from the stores, the organization could consider asking employees for any voluntary information that they would want shared with a first responder. This could include medications or allergies.

- It is suggested that the organization revise its inspection form to clearly document areas for improvement, who is responsible, and when the action is expected to occur. A final column indicating status could also be added.
-

I. Human Resources

Principle Statement

CARF-accredited organizations demonstrate that they value their human resources. It should be evident that personnel are involved and engaged in the success of the organization and the persons they serve.

Key Areas Addressed

- Adequate staffing
 - Verification of background/credentials
 - Recruitment/retention efforts
 - Personnel skills/characteristics
 - Annual review of job descriptions/performance
 - Policies regarding students/volunteers, if applicable
-

Recommendations

There are no recommendations in this area.

Consultation

- The organization has embarked upon a significant effort to ensure that measurable objectives are established for the next year and reviewed as part of the annual performance evaluation process and then to utilize those objectives in evaluating performance. The organization is encouraged to continue to develop these processes so they are consistently utilized with all staff members. Some training on crafting measurable objectives could also enhance this process.
 - Given that accessing information electronically is the method of choice for some individuals and provides convenience of access to forms and updated information, personnel policies and other pertinent information could be made available by creating a secure portal for staff members that is connected to the organization's website.
-

J. Technology

Principle Statement

CARF-accredited organizations plan for the use of technology to support and advance effective and efficient service and business practices.

Key Areas Addressed

- Written technology and system plan
-

Recommendations

There are no recommendations in this area.

K. Rights of Persons Served

Principle Statement

CARF-accredited organizations protect and promote the rights of all persons served. This commitment guides the delivery of services and ongoing interactions with the persons served.

Key Areas Addressed

- Communication of rights
 - Policies that promote rights
 - Complaint, grievance, and appeals policy
 - Annual review of complaints
-

Recommendations

There are no recommendations in this area.

L. Accessibility

Principle Statement

CARF-accredited organizations promote accessibility and the removal of barriers for the persons served and other stakeholders.

Key Areas Addressed

- Written accessibility plan(s)
 - Status report regarding removal of identified barriers
 - Requests for reasonable accommodations
-

Recommendations

L.2.a.

L.2.b.

Although the organization's accessibility planning commences with a comprehensive process of identifying barriers, the current plan only addresses actions to be taken regarding architectural barriers. It is recommended that the accessibility plan include actions to be taken and time lines for removal of all identified barriers.

M. Performance Measurement and Management

Principle Statement

CARF-accredited organizations are committed to continually improving their organizations and service delivery to the persons served. Data are collected and information is used to manage and improve service delivery.

Key Areas Addressed

- Information collection, use, and management
 - Setting and measuring performance indicators
-

Recommendations

M.1.

The organization should develop a written description of its performance measurement and management system.

Consultation

- In the transition to accreditation utilizing the affirmative business enterprise standards, leadership is encouraged to utilize some of the measurable business components in those standards in determining what will be included in the outcomes measurement report in addition to the information collected related to the transitional employment aspects of the service. It is noted that many of these are intrinsically tied to and therefore included in the strategic plan.

- The organization could consider a matrix format to more easily identify components of its performance measurement systems, such as the source of data and the person responsible for collecting them.
-

N. Performance Improvement

Principle Statement

The dynamic nature of continuous improvement in a CARF-accredited organization sets it apart from other organizations providing similar services. CARF-accredited organizations share and provide the persons served and other interested stakeholders with ongoing information about their actual performance as a business entity and their ability to achieve optimal outcomes for the persons served through their programs and services.

Key Areas Addressed

- Proactive performance improvement
 - Performance information shared with all stakeholders
-

Recommendations

There are no recommendations in this area.

SECTION 3. EMPLOYMENT AND COMMUNITY SERVICES

Principle Statement

An organization seeking CARF accreditation in the area of employment and community services assists the persons served through an individualized person-centered process to obtain access to the services, supports, and resources of their choice to achieve their desired outcomes. This may be accomplished by direct service provision, linkages to existing generic opportunities and natural supports in the community, or any combination of these. The persons served are included in their communities to the degree they desire.

The organization provides the persons served with information so that they may make informed choices and decisions. Although we use the phrase *person served*, this may also include *family served*, as appropriate to the service and the individual.

The services and supports are arranged and changed as necessary to meet the identified desires of the persons served. Service designs address identified individual, family, socioeconomic, and cultural preferences.

Depending on the program's scope of services, expected results from these services/supports may include:

- Increased inclusion in community activities.
- Increased or maintained ability to perform activities of daily living.
- Increased self-direction, self-determination, self-reliance, and self-esteem.
- Increased independence.
- Increased employment options.
- Employment obtained and maintained.
- Competitive employment.
- Economic self-sufficiency.

H. Affirmative Business Enterprise

Principle Statement

Affirmative business enterprises are designed to provide significant economic benefits to their employees in a businesslike, integrated setting. Wages are at or above minimum wage and a benefits package is provided for all employees. Business enterprises may be provided as many different business models, including franchises, manufacturing settings, and community businesses such as stores, restaurants, and other commercial or social enterprises.

Key Areas Addressed

- Provides economic benefits
 - Provides employment in businesslike setting
 - Provided in different business models
-

Recommendations

There are no recommendations in this area.

Exemplary Conformance

H.1.a.

Goodwill Industries of South Central California serves Kern, Tulare, and Kings counties where unemployment rates are 13.5 percent, 14.4 percent, and 15.7 percent, respectively, which is significantly higher than California's 9.8 percent unemployment rate or the nation's 7.7 percent unemployment rate. To meet the needs of employees with barriers to employment in its service delivery area, Goodwill Industries of South Central California established a goal of creating opportunities for employees who are unemployed, on public assistance, or lack the job/life skills necessary to compete for the limited available jobs. Strategies include opening new stores in

underserved markets and developing a self-funded transitional employment program designed to hire as many employees as possible. In addition, Goodwill Industries of South Central California adopted a mission service strategy focused on hiring employees with barriers to employment, training them sufficiently to be promoted, and then providing the necessary services for them to get hired by a community employer earning a higher wage than they receive at Goodwill Industries of South Central California. As the revolving door of the organization's transitional employment program continues to operate, Goodwill Industries of South Central California projects that 250 positions will result in the retail employment of more than 300 people each calendar year.

H.3.b.

Goodwill Industries of South Central California employs approximately 200 hourly employees in the transitional employment program. Approximately 98 percent are full time (work at least 35 hours per week) and receive fringe benefits identical to the organization's salaried staff members, including medical and dental insurance, 85 percent of which is paid by Goodwill Industries of South Central California; paid time off; and other fringe benefits.

Consultation

- It is suggested that the organization develop a program mission statement for its new and innovative transitional employment program.
 - It is suggested that the business plan be expanded to further identify its service provider competitors and the analysis of a forecast of future cash-flow projections.
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PROGRAMS/SERVICES BY LOCATION

Goodwill Industries of South Central California

4901 Stine Road
Bakersfield, CA 93313

Affirmative Business Enterprise

Governance Standards Applied

Goodwill Industries Olive Drive Store

1115 Olive Drive
Bakersfield, CA 93308

Affirmative Business Enterprise

Goodwill Industries Delano Store

902 Main Street
Delano, CA 93215

Affirmative Business Enterprise

Goodwill Industries White Lane Store

6051 White Lane
Bakersfield, CA 93309

Affirmative Business Enterprise

Goodwill Industries Rosedale Store

9935 Rosedale Highway
Bakersfield, CA 93312

Affirmative Business Enterprise

Goodwill Industries East Hills Store

2671 East Oswell Street
Bakersfield, CA 93306

Affirmative Business Enterprise

Goodwill Industries Ridgecrest Store

880 North China Lake Boulevard
Ridgecrest, CA 93555

Affirmative Business Enterprise

Goodwill Industries Taft Store

411 Finley Drive
Taft, CA 93268

Affirmative Business Enterprise

Goodwill Industries Coffee Road Store

3025 Coffee Road
Bakersfield, CA 93312

Affirmative Business Enterprise

Goodwill Industries Porterville Store

910 West Henderson Avenue
Porterville, CA 93257

Affirmative Business Enterprise

Goodwill Industries Tulare Store

1832 East Tulare Avenue
Tulare, CA 93274

Affirmative Business Enterprise