

Return of Organization Exempt From Income Tax

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2011 calendar year, or tax year beginning , 2011, and ending , 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA Doing Business As			D Employer identification number 95-1641441	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	E Telephone number (323) 223-1211	
	City or town, state or country, and ZIP + 4 LOS ANGELES, CA 90031-1782			G Gross receipts \$ 145,502,048.	
	F Name and address of principal officer: CRAIG SMITH, PRESIDENT, CEO 342 N. SAN FERNANDO ROAD LOS ANGELES, CA 90031			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: WWW.GOODWILLSOCAL.ORG					
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other					
L Year of formation: 1919				M State of legal domicile: CA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TRANSFORMING LIVES THROUGH THE POWER OF WORK: GSC SERVES PERSONS WITH DISABILITIES OR OTHER VOCATIONAL CHALLENGES BY PROVIDING EDUCATION, SKILLS TRAINING, WORK EXPERIENCE, AND JOB PLACEMENT SERVICES.			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	46.	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	46.	
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	3,321.	
	6	Total number of volunteers (estimate if necessary)	213.	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0	
	7b	Net unrelated business taxable income from Form 990-T, line 34	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	39,430,135.	43,064,664.
	9	Program service revenue (Part VIII, line 2g)	90,474,014.	102,151,769.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	79,440.	129,843.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	-49,838.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	129,983,589.	145,296,438.
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,778,135.
14		Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	52,203,676.	45,701,953.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	347,267.	367,264.
b		Total fundraising expenses (Part IX, column (D), line 25)	1,699,591.	
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	67,387,047.	90,243,193.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	122,716,125.	138,235,846.	
19	Revenue less expenses. Subtract line 18 from line 12	7,267,464.	7,060,592.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	52,294,823.	57,905,785.
	21	Total liabilities (Part X, line 26)	17,124,429.	16,276,819.
	22	Net assets or fund balances. Subtract line 21 from line 20	35,170,394.	41,628,966.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer _____	Date _____
	Type or print name and title _____	

Paid Preparer Use Only	Print/Type preparer's name LINDA E G BALLESTEROS	Preparer's signature 	Date 10/2/12	Check <input type="checkbox"/> if self-employed	PTIN P00366852
	Firm's name MAGINNIS KNECHTEL & MCINTYRE LLP			Firm's EIN 95-2746188	
	Firm's address 300 W COLORADO BLVD PASADENA, CA 91105			Phone no. 626-449-3466	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2011)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

- 1 Briefly describe the organization's mission: TO ENHANCE THE QUALITY OF THE LIVES OF PEOPLE WHO HAVE DISABILITIES AND OTHER VOCATIONAL DISADVANTAGES BY ASSISTING THEM TO BECOME PRODUCTIVE AND SELF-SUFFICIENT THROUGH THE USE OF EDUCATIONAL AND VOCATIONAL REHABILITATIVE TRAINING AND JOB PLACEMENT SERVICES.
2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No
3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [X] Yes [] No
4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 62,419,216. including grants of \$) (Revenue \$ 87,887,673.)
RETAIL STORES - CREATES JOB OPPORTUNITIES FOR PERSONS WITH DISABILITIES AND BARRIERS TO EMPLOYMENT AND INDUSTRY TRAINING. IN 2011, OVER 1,897 INDIVIDUALS WERE EMPLOYED OR TRAINED THROUGH THESE PROGRAMS.

4b (Code:) (Expenses \$ 28,335,816. including grants of \$) (Revenue \$ 1,430,162.)
MATERIAL COLLECTION, HANDLING & PROCESSING - CREATES EMPLOYMENT FOR PERSONS WITH DISABILITIES AND OTHER BARRIERS TO EMPLOYMENT INCLUDING SKILLS TRAINING. IN 2011, APPROXIMATELY 175 INDIVIDUALS WERE EMPLOYED.

4c (Code:) (Expenses \$ 17,447,680. including grants of \$ 1,923,436.) (Revenue \$ 4,747,820.)
WORKFORCE DEVELOPMENT - INCLUDES A WIDE VARIETY OF PROGRAMS PROVIDING EMPLOYMENT PREPARATION, SKILLS TRAINING, JOB DEVELOPMENT AND JOB PLACEMENT FOR PERSONS WITH DISABILITIES OR OTHER VOCATIONAL DISADVANTAGES. IN 2011, OVER 107,802 INDIVIDUALS WITH DISABILITIES OR OTHER BARRIERS TO EMPLOYMENT WERE ASSISTED THROUGH THESE VARIOUS PROGRAMS.

4d Other program services (Describe in Schedule O.) (Expenses \$ 8,719,683. including grants of \$) (Revenue \$ 8,086,114.)

4e Total program service expenses 116,922,395.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 20b regarding organizational requirements for various schedules (A through H).

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>		X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>	X	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i>		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25 a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>	X	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 14b regarding Form 1096, W-2G forms, backup withholding, employee reporting, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI. [X]

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No checkboxes. Questions 1a-1b, 2-9 cover governing body composition and relationships.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for question number, description, and Yes/No checkboxes. Questions 10a-16b cover organizational policies on chapters, conflicts of interest, whistleblower, and compensation.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: FORREST CALLAHAN, VP FINANCE 342 N. SAN FERNANDO RD LOS ANGELES, CA 90031 (323)539-2026

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII X

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ATTACHMENT 1										
(1) MORGAN ST JOHN DIRECTOR	1.00	X						0	0	0
(2) JAMES D HICKEN DIRECTOR	1.00	X						0	0	0
(3) PETER STARRETT DIRECTOR, CHAIR	1.00	X		X				0	0	0
(4) CHARLES P ADAMS CPA DIRECTOR	1.00	X						0	0	0
(5) TED ALVAREZ DIRECTOR	1.00	X						0	0	0
(6) CARL A BALLTON DIRECTOR	1.00	X						0	0	0
(7) KARL L BOECKMANN CPA DIRECTOR	1.00	X						0	0	0
(8) DON E BUTLER DIRECTOR	1.00	X						0	0	0
(9) JOHN M CLAERHOUT DIRECTOR	1.00	X						0	0	0
(10) MELVIN CLARK JR DIRECTOR	1.00	X						0	0	0
(11) DONALD F CRUMRINE DIRECTOR, TREASURER	1.00	X		X				0	0	0
(12) WILLIAM R DAHLMAN DIRECTOR	1.00	X						0	0	0
(13) ROBERT DAHLSTROM DIRECTOR	1.00	X						0	0	0
(14) J JEFFERSON GOODMAN DIRECTOR	1.00	X						0	0	0

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) SCOTT HEATON DIRECTOR	1.00	X					0	0	0	
16) SUSAN BURNETT DIRECTOR	1.00	X					0	0	0	
17) KATHLEEN C JOHNSON ESQ DIRECTOR, SECOND VICE CHAIR	1.00	X		X			0	0	0	
18) DAVID A LUSK DIRECTOR, FIRST VICE CHAIR	1.00	X		X			0	0	0	
19) ANDREA ALMEIDA MACK CFA DIRECTOR, SECRETARY	1.00	X		X			0	0	0	
20) R A MCDONOUGH DIRECTOR	1.00	X					0	0	0	
21) FRANK R O'DONNELL DIRECTOR	1.00	X					0	0	0	
22) PATRICIA D PALLESCHI PHD DIRECTOR	1.00	X					0	0	0	
23) BLAIR PENCE DIRECTOR	1.00	X					0	0	0	
24) ROBERT ALLEN REED AIA DIRECTOR	1.00	X					0	0	0	
25) KARL SCHMIDT DIRECTOR	1.00	X					0	0	0	
1b Sub-total							0	0	0	
c Total from continuation sheets to Part VII, Section A							3,181,560.	248,208.	334,169.	
d Total (add lines 1b and 1c)							3,181,560.	248,208.	334,169.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **25**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **14**

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
26) PAUL SCHULZ DIRECTOR	1.00	X					0	0	0	
27) KATHRYN J TURNER DIRECTOR	1.00	X					0	0	0	
28) MARK WALBERG DIRECTOR	1.00	X					0	0	0	
29) JOEL WARD MD DIRECTOR	1.00	X					0	0	0	
30) PAUL K RICHEY DIRECTOR	1.00	X					0	0	0	
31) JACK E KAUFMAN DIRECTOR	1.00	X					0	0	0	
32) SALLY TURNER DIRECTOR	1.00	X					0	0	0	
33) CESAR ALEJANDRO ARISTEIGUIETA, M.D. DIRECTOR	1.00	X					0	0	0	
34) ROBERT GLUCK DIRECTOR	1.00	X					0	0	0	
35) KEVIN PLUNKETT DIRECTOR	1.00	X					0	0	0	
36) SUSAN G. STROMGREN DIRECTOR	1.00	X					0	0	0	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **25**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
37) THOMAS MURNANE DIRECTOR	1.00	X					0	0	0	
38) RUSSELL SUN DIRECTOR	1.00	X					0	0	0	
39) WILLIAM CARNEY DIRECTOR	1.00	X					0	0	0	
40) CECILE GALVEZ DIRECTOR	1.00	X					0	0	0	
41) ROBERT J HENDRICKS DIRECTOR	1.00	X					0	0	0	
42) DIANA INGRAM DIRECTOR	1.00	X					0	0	0	
43) MICHAEL A LAWSON DIRECTOR	1.00	X					0	0	0	
44) MANNY MEDRANO DIRECTOR	1.00	X					0	0	0	
45) ELIZABETH PAVLOVA TITO DIRECTOR	1.00	X					0	0	0	
46) ANA VALDEZ DIRECTOR	1.00	X					0	0	0	
47) DOUGLAS H BARR PRESIDENT, CEO	50.00			X			1,075,614.	0	113,119.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **25**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
48) CRAIG SMITH CHIEF OPERATIONS OFFICER	50.00			X			367,172.	0	53,687.	
49) FORREST P CALLAHAN VICE PRESIDENT OF FINANCE	50.00			X			285,191.	0	26,457.	
50) PETE DUDA VP OF RETAIL	35.00				X		176,275.	75,547.	13,996.	
51) TERI KELSALL VP OF WORKFORCE AND CAREER DEV	50.00				X		231,315.	0	40,848.	
52) MARIO HAUG VP DEVELOPMENT AND RELATIONS	50.00				X		158,414.	0	23,877.	
53) LUCY W PLISKIN VP HR AND GENERAL COUNSEL	40.00				X		229,891.	57,472.	12,413.	
54) DENISE L. ORME CONTROLLER	50.00					X	149,971.	0	22,931.	
55) DONNA D SNELL DIRECTOR OF STORES	25.00					X	49,366.	115,189.	3,565.	
56) TAMARA KARLSSON BUS SVC SPECIALIST	40.00					X	164,928.	0	37.	
57) LOUISE OLIVER DIRECTOR OF COMM BASED CONTACT	50.00					X	148,075.	0	5,075.	
58) JOHN DELL DIRECTOR OF IT	50.00					X	145,348.	0	18,164.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **25**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	103,889.			
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e	7,471,454.			
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	35,489,321.			
	g	Noncash contributions included in lines 1a-1f: \$		31,935,329.			
	h	Total. Add lines 1a-1f ▶		43,064,664.			
Program Service Revenue			Business Code				
	2a	GOODWILL RETAIL STORES	453310	87,887,673.	87,887,673.		
	b	MATERIAL COLLECTION, HANDLING & PROCESS	900099	1,430,162.	1,430,162.		
	c	CONTRACT DEPARTMENT	561300	7,629,122.	7,629,122.		
	d	WORKFORCE DEVELOPMENT	561300	4,747,820.	4,747,820.		
	e	CAFETERIA RECEIPTS	722210	295,790.	295,790.		
	f	All other program service revenue	900099	161,202.	161,202.		
g	Total. Add lines 2a-2f ▶		102,151,769.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 3 ▶		172,814.		172,814.	
	4	Income from investment of tax-exempt bond proceeds . . . ▶		0			
	5	Royalties ▶		0			
	6a	Gross rents	(i) Real	(ii) Personal			
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶		0			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			40,059.	6,900.			
	b	Less: cost or other basis and sales expenses		89,930.			
c	Gain or (loss)	40,059.	-83,030.				
d	Net gain or (loss) ▶		-42,971.		-42,971.		
8a	Gross income from fundraising events (not including \$ <u>103,889.</u> of contributions reported on line 1c). See Part IV, line 18 a	ATCH 4	65,842.				
b	Less: direct expenses b		115,680.				
c	Net income or (loss) from fundraising events ▶	ATCH 5	-49,838.		-49,838.		
9a	Gross income from gaming activities. See Part IV, line 19 a						
b	Less: direct expenses b						
c	Net income or (loss) from gaming activities ▶		0				
10a	Gross sales of inventory, less returns and allowances a						
b	Less: cost of goods sold b						
c	Net income or (loss) from sales of inventory ▶		0				
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d ▶		0				
12	Total revenue. See instructions ▶		145,296,438.	102,151,769.		80,005.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	1,923,436.	1,923,436.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	3,763,936.	1,024,215.	2,319,683.	420,038.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	33,676,900.	31,732,279.	1,694,401.	250,220.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	965,322.	684,646.	234,856.	45,820.
9 Other employee benefits	4,552,422.	3,897,479.	546,389.	108,554.
10 Payroll taxes	2,743,373.	2,448,436.	254,227.	40,710.
11 Fees for services (non-employees):				
a Management	0			
b Legal	383,916.	282,068.	84,539.	17,309.
c Accounting	80,213.	20,000.	60,213.	
d Lobbying	14,412.	383.	13,328.	701.
e Professional fundraising services. See Part IV, line 17	367,264.			367,264.
f Investment management fees	0			
g Other	17,182,782.	4,337,857.	12,716,938.	127,987.
12 Advertising and promotion	1,933,945.	1,841,795.	86,139.	6,011.
13 Office expenses	2,821,789.	2,702,378.	112,505.	6,906.
14 Information technology	1,145,935.	1,042,952.	89,512.	13,471.
15 Royalties	0			
16 Occupancy	6,496,538.	5,839,581.	556,374.	100,583.
17 Travel	2,534,399.	2,496,461.	35,287.	2,651.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	424,997.	242,101.	159,512.	23,384.
20 Interest	23,683.	23,683.		
21 Payments to affiliates ATCH. 6	153,992.		153,992.	
22 Depreciation, depletion, and amortization	2,921,219.	2,684,562.	222,735.	13,922.
23 Insurance	932,328.	827,035.	99,825.	5,468.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>COST OF GOODS SOLD</u>	29,694,155.	29,694,155.		
b <u>RENT & CAM</u>	18,542,490.	18,542,490.		
c <u>DISPOSAL COST</u>	1,272,439.	1,272,439.		
d <u>VDP PROCESSING COSTS</u>	83,513.			83,513.
e All other expenses	3,600,448.	3,361,964.	173,405.	65,079.
25 Total functional expenses. Add lines 1 through 24e	138,235,846.	116,922,395.	19,613,860.	1,699,591.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	11,907,591.	1	10,363,635.
	2	Savings and temporary cash investments	127,872.	2	0
	3	Pledges and grants receivable, net	131,089.	3	334,747.
	4	Accounts receivable, net	3,882,364.	4	2,657,715.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	0	6	0
	7	Notes and loans receivable, net	0	7	0
	8	Inventories for sale or use	2,451,750.	8	2,762,372.
	9	Prepaid expenses and deferred charges	1,990,841.	9	3,552,052.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 49,028,051.		
	b	Less: accumulated depreciation	10b 26,223,156.	10c	22,804,895.
	11	Investments - publicly traded securities	10,698,013.	11	13,532,193.
	12	Investments - other securities. See Part IV, line 11	0	12	0
	13	Investments - program-related. See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	0
	15	Other assets. See Part IV, line 11	4,496,171.	15	1,898,176.
16	Total assets. Add lines 1 through 15 (must equal line 34)	52,294,823.	16	57,905,785.	
Liabilities	17	Accounts payable and accrued expenses	16,459,889.	17	15,805,193.
	18	Grants payable	0	18	0
	19	Deferred revenue	0	19	0
	20	Tax-exempt bond liabilities	0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	664,540.	23	471,626.
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0	25	0
	26	Total liabilities. Add lines 17 through 25	17,124,429.	26	16,276,819.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	31,946,475.	27	36,869,138.
	28	Temporarily restricted net assets	2,387,995.	28	2,420,744.
	29	Permanently restricted net assets	835,924.	29	2,339,084.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	35,170,394.	33	41,628,966.	
34	Total liabilities and net assets/fund balances	52,294,823.	34	57,905,785.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	145,296,438.
2	Total expenses (must equal Part IX, column (A), line 25)	2	138,235,846.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,060,592.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	35,170,394.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-602,020.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	41,628,966.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

- 1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see Instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	25,978,960.	29,696,945.	32,425,333.	39,430,135.	43,064,664.	170,596,037.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3.	25,978,960.	29,696,945.	32,425,333.	39,430,135.	43,064,664.	170,596,037.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						
6 Public support. Subtract line 5 from line 4.						170,596,037.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	25,978,960.	29,696,945.	32,425,333.	39,430,135.	43,064,664.	170,596,037.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	292,044.	227,817.	153,214.	149,439.	172,814.	995,328.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . ATCH. 1			474,511.			474,511.
11 Total support. Add lines 7 through 10						172,065,876.
12 Gross receipts from related activities, etc. (see instructions)					12	400,195,210.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	99.15%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	98.97%
16a 33 1/3% support test - 2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 33 1/3% support test - 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10%-facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶

b 33 1/3% support tests - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2007	2008	2009	2010	2011	TOTAL
INSURANCE REIMBURSEMENT			474,511.			474,511.
TOTALS			<u>474,511.</u>			<u>474,511.</u>

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **See separate instructions.**

If the organization answered "Yes" to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ 0
- 3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955. ▶ \$ 0
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . ▶ \$ 0
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ 0
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ 0
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ 0
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2011

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	14,412.													
c	Total lobbying expenditures (add lines 1a and 1b)	14,412.													
d	Other exempt purpose expenditures	138,276,260.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	138,290,672.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000.													
h	Subtract line 1g from line 1a. If zero or less, enter -0-	0	0												
i	Subtract line 1f from line 1c. If zero or less, enter -0-	0	0												
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2 a Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
c Total lobbying expenditures	2,976.	25,196.	23,412.	14,412.	65,996.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with 3 columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation... 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members? 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less? 3 Did the organization agree to carry over lobbying and political expenditures from the prior year?

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

Series of horizontal dashed lines for providing supplemental information.

Part IV Supplemental Information *(continued)*

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. See separate instructions.

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Amounts. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2011

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	835,924.	745,477.	613,871.	327,148.	
b Contributions	1,520,209.	5,466.	93,579.	383,573.	
c Net investment earnings, gains, and losses	-17,049.	84,981.	38,027.	-96,850.	
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,339,084.	835,924.	745,477.	613,871.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ 100.0000 %
- c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		3,469,028.		3,469,028.
b Buildings		27,019,443.	14,649,895.	12,369,548.
c Leasehold improvements				
d Equipment		18,539,580.	11,573,261.	6,966,319.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶ 22,804,895.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include (1) Financial derivatives, (2) Closely-held equity interests, (3) Other (A-I), and Total.

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

Table with 3 columns: (a) Description of investment type, (b) Book value, (c) Method of valuation. Rows include (1) through (10) and Total.

Part IX Other Assets. See Form 990, Part X, line 15.

Table with 2 columns: (a) Description, (b) Book value. Rows include (1) through (10) and Total.

Part X Other Liabilities. See Form 990, Part X, line 25.

Table with 2 columns: (a) Description of liability, (b) Book value. Row 1 includes (1) Federal income taxes and rows (2) through (11). Total row at the bottom.

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	145,296,438.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	138,235,846.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	7,060,592.
4	Net unrealized gains (losses) on investments	4	-602,020.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	-602,020.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	6,458,572.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	144,556,677.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	-602,020.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	49,838.
e	Add lines 2a through 2d	2e	-552,182.
3	Subtract line 2e from line 1	3	145,108,859.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	187,579.
c	Add lines 4a and 4b	4c	187,579.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	145,296,438.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	138,098,105.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	49,838.
e	Add lines 2a through 2d	2e	49,838.
3	Subtract line 2e from line 1	3	138,048,267.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	187,579.
c	Add lines 4a and 4b	4c	187,579.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	138,235,846.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

PART XII LINE 2D

RECONCILIATION OF REVENUE - OTHER

FUNDRAISING EXPENSES REPORTED AS EXPENSES FOR BOOK PURPOSES BUT A
REDUCTION OF REVENUE FOR TAX PURPOSES.

AMOUNT \$49,838

PART XII LINE 4B

RECONCILIATION OF REVENUE-OTHER

VEHICLE DONATION PROGRAM ACTIVITY RECORDED AS NET REVENUE FOR BOOK
PURPOSES BUT GROSS REVENUE AND EXPENSE FOR TAX PURPOSES.

AMOUNT \$187,579

PART XIII LINE 2D

RECONCILIATION OF EXPENSES-OTHER

FUNDRAISING EXPENSES REPORTED AS EXPENSES FOR BOOK PURPOSES BUT A
REDUCTION OF REVENUE FOR TAX PURPOSES.

AMOUNT \$49,838

PART XIII LINE 4B

RECONCILIATION OF EXPENSES-OTHER

VEHICLE DONATION PROGRAM ACTIVITY RECORDED AS NET REVENUE FOR BOOK
PURPOSES BUT GROSS REVENUE AND EXPENSE FOR TAX PURPOSES.

AMOUNT \$187,579

Part XIV Supplemental Information (continued)

PART V QUESTION 4

INTENDED USE OF ENDOWMENT FUNDS

GENERAL PROGRAM SERVICE OPERATIONS.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events
		GOLF TOURNAMENT	FASHION SHOWS		(add col. (a) through col. (c))
		(event type)	(event type)	(total number)	
Revenue	1	158,991.	10,740.		169,731.
	2	93,149.	10,740.		103,889.
	3	65,842.			65,842.
Direct Expenses	4				
	5	1,220.			1,220.
	6	9,819.	44,380.		54,199.
	7	5,684.			5,684.
	8				
	9	49,119.	5,458.		54,577.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			
11	Net income summary. Combine line 3, column (d), and line 10				-49,838.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1			
Direct Expenses	2				
	3				
	4				
	5				
	6	Yes _____ % No	Yes _____ % No	Yes _____ % No	
7	Direct expense summary. Add lines 2 through 5 in column (d)				()
8	Net gaming income summary. Combine line 1, column d, and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____
 a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

- 17 Mandatory distributions:
 - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
 - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
- 3 Enter total number of other organizations listed in the line 1 table

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2011)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 INCENTIVES	378.	37,816.		BOOK	NONE
2 TRANSPORTATION	895.	134,220.		BOOK	TRANSPORTATION
3 TUITION AND TRAINING	628.	1,255,115.		BOOK	NONE
4 DRUG MEDICAL TESTING	149.	12,634.		BOOK	NONE
5 OTHER SUPPORTIVE SERVICES	1,760.	264,032.		BOOK	NONE
6 OUT EMPLOYER REIMBURSEMENT	48.	48,477.		BOOK	NONE
7 INCUMBENT WORKER TRAINING	342.	171,142.		BOOK	NONE

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I PART I

GRANTS OR ASSISTANCE - RECORDKEEPING

GOODWILL HAS THE OPERATIONAL STRUCTURE AND EXPERIENCE TO BE COMPLIANT

WITH THE REQUIREMENTS, LAWS, REGULATIONS, CONTRACTS, GRANTS AND SPECIFIC

PROGRAM COMPLIANCE. KEY STAFF INCLUDE A VP OF FINANCE AND

ADMINISTRATION, A CONTROLLER AND ACCOUNTING MANAGER WHO OVERSEE THE

FINANCIAL ASPECTS OF COMPLIANCE, A GRANTS AND CONTRACTS DIVISION HEADED

BY THE GRANTS AND CONTRACTS MANAGER, AND A PROGRAMMATIC DEPARTMENT (WCD)

THAT OPERATES AND OVERSEES PROGRAMMATIC COMPLIANCE SUCH AS ELIGIBILITY

AND SERVICES PROVIDED. THIS TEAM HAS DECADES OF EXPERIENCE WITH THE TYPES

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

OF REQUIREMENTS AS THEY RELATE TO A NONPROFIT ORGANIZATION, ESPECIALLY REGARDING GRANT COMPLIANCE. IN ADDITION, THE GRANTORS PROVIDE GOODWILL WITH TECHNICAL ASSISTANCE AND MONITOR FOR COMPLIANCE WITH REQUIREMENTS OF LAWS, REGULATIONS, CONTRACTS, GRANTS, AND SPECIFIC PROGRAM COMPLIANCE. THE MONITORING TAKES ON SEVERAL FACETS. THESE INCLUDE PHYSICAL OBSERVATION OF WORK PERFORMED BY THE STAFF. GOODWILL ALSO MONITORS ITSELF FOR COMPLIANCE WITH SUCH REQUIREMENTS. THE GRANT DOCUMENTS CLEARLY INDICATE THE MAXIMUM AMOUNT TO BE RECEIVED UNDER THE GRANT. THE GRANTS AND CONTRACTS DIVISION MONITORS THE RECEIPT OF FUNDS UNDER GRANTS AND INVESTIGATES ANY DIFFERENCES. ADJUSTMENTS TO BILLINGS REQUIRE THE

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

APPROVAL OF THE VP OF WCD AND THE CONTROLLER. ONCE A MONTH, THE GRANTS AND CONTRACTS MANAGER WILL MEET WITH THE CONTROLLER TO ADDRESS DELAYS IN THE COLLECTIONS PROCESS. A SINGLE AUDIT (A-133) IS CONDUCTED ANNUALLY WHICH INCLUDES REPORTS ON INTERNAL CONTROL AND COMPLIANCE. IN ADDITION, PROGRAM AUDITS ARE COMPLETED THROUGHOUT THE YEAR.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a	X	
4b	X	
4c		X
5a	X	
5b		X
6a	X	
6b		X
7		X
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DOUGLAS H BARR	(i) 350,200 (ii) 0 (iii) 637,864	(i) 87,550 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	71,050	42,069	1,188,733	615,796
2 CRAIG SMITH	(i) 269,209 (ii) 0 (iii) 0	(i) 52,562 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	11,962	41,725	420,859	28,469
3 FORREST P CALLAHAN	(i) 218,491 (ii) 0 (iii) 0	(i) 34,854 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	6,404	20,053	311,648	15,346
4 PETE DUDA	(i) 142,594 (ii) 61,112 (iii) 0	(i) 18,702 (ii) 8,015 (iii) 0	(i) 14,979 (ii) 6,420 (iii) 0	1,854 794	7,944 3,404	186,073 79,745	0
5 TERI KELSALL	(i) 189,545 (ii) 0 (iii) 0	(i) 25,270 (ii) 0 (iii) 0	(i) 16,500 (ii) 0 (iii) 0	91	40,757	272,163	0
6 DENISE L. ORME	(i) 130,055 (ii) 0 (iii) 0	(i) 13,000 (ii) 0 (iii) 0	(i) 6,916 (ii) 0 (iii) 0	0	22,931	172,902	0
7 MARIO HAUG	(i) 133,175 (ii) 0 (iii) 0	(i) 18,092 (ii) 0 (iii) 0	(i) 7,147 (ii) 0 (iii) 0	0	23,877	182,291	0
8 LUCY W PLISKIN	(i) 178,260 (ii) 47,381 (iii) 0	(i) 27,166 (ii) 6,791 (iii) 0	(i) 24,465 (ii) 3,300 (iii) 0	5,169 1,292	4,762 1,190	239,822 59,954	11,265
9 DONNA D SNELL	(i) 38,884 (ii) 90,730 (iii) 0	(i) 4,650 (ii) 10,850 (iii) 0	(i) 5,832 (ii) 13,609 (iii) 0	0	1,070 2,495	50,436 117,684	0
10 TAMARA KARLSSON	(i) 55,384 (ii) 0 (iii) 0	(i) 94,834 (ii) 0 (iii) 0	(i) 14,710 (ii) 0 (iii) 0	0	37	164,965	0
11 LOUISE OLIVER	(i) 132,757 (ii) 0 (iii) 0	(i) 8,500 (ii) 0 (iii) 0	(i) 6,818 (ii) 0 (iii) 0	0	5,075	153,150	0
12 JOHN DELL	(i) 117,596 (ii) 0 (iii) 0	(i) 15,000 (ii) 0 (iii) 0	(i) 12,752 (ii) 0 (iii) 0	0	18,164	163,512	0
13	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	0	0	0	0
14	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	0	0	0	0
15	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	0	0	0	0
16	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 0 (iii) 0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

LINE 4 (A) SCHEDULE J PART I

SEVERANCE OR CHANGE-OF-CONTROL PAYMENT

IN NOVEMBER OF 2011, A CONFIDENTIAL SETTLEMENT AGREEMENT WAS ENTERED

INTO BETWEEN GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA AND A KEY

EMPLOYEE.

LINE 4 (B) SCHEDULE J PART I

SEC 457 (F) SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

DOUGLAS H BARR

DEFERRAL \$ 71,050

DISTRIBUTION \$615,796

CRAIG SMITH

DEFERRAL \$11,962

DISTRIBUTION \$28,469

FORREST CALLAHAN

DEFERRAL \$ 6,404

DISTRIBUTION \$15,346

LUCY W PLISKIN

DEFERRAL \$ 6,461

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

DISTRIBUTION \$11,265

PETE DUDA

DEFERRAL \$2,647

TERI KELSALL

DEFERRAL \$91

LINES 5(A) AND 6(A) SCHEDULE J PART I

COMPENSATION

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA DEVELOPED AND IMPLEMENTED A COMPREHENSIVE WRITTEN, EXECUTIVE INCENTIVE PLAN THAT CREATES A SEPARATE FUND THAT CAN BE PAID TO SENIOR MANAGEMENT EMPLOYEES IF SPECIFIC ORGANIZATION-WIDE CRITERIA ARE MET. THE CRITERIA INCLUDE BOTH NET INCOME AND TOTAL REVENUE GOALS. IF ALL GOALS ARE MET, EACH ELIGIBLE SENIOR MANAGEMENT EMPLOYEE MUST THEN MEET THEIR SPECIFIC CRITERIA IN ORDER TO EARN A BONUS.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2011

**Open To Public
Inspection**

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications	X		1,931,223.	BASED ON SALES PRICE
5 Clothing and household goods	X		29,621,713.	BASED ON SALES PRICE
6 Cars and other vehicles	X	353.	277,961.	BASED ON SALES PRICE
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (ATCH 1)		3,383.	104,432.	
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29	
----	--

30 a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II.

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a	X	
33		

For Paperwork Reduction Act Notice, see the instructions for Form 990.

Schedule M (Form 990) (2011)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

990 SCH M LINE 32

THIRD PARTY ARRANGEMENTS NONCASH CONTRIBUTIONS

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA UTILIZES THE SERVICES OF A PROFESSIONAL FUNDRAISER TO OPERATE ITS VEHICLE DONATION PROGRAM (SCHEDULE M, PART 1, LINE 6). SEE SCHEDULE O FOR A COMPLETE DESCRIPTION OF THE ARRANGEMENT WHICH INCLUDES SOLICITATION, PROCESSING, AND SALE OF THE VEHICLE.

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.ATTACHMENT 1SCHEDULE M, PART I - OTHER NONCASH CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>(A) CHECK</u>	<u>(B) NUMBER OF CONTRIBUTIONS</u>	<u>(C) REVENUES REPORTED</u>	<u>(D) METHOD OF DETERMINING</u>
MICROSOFT LICENSES	X	3383.	104,432.	ESTIMATE FMV
TOTALS		<u>3,383.</u>	<u>104,432.</u>	

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2011

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

990 PART III LINE 3

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

CHANGES IN PROGRAM SERVICES

=====

FORMATION OF GOODWILL RETAIL SERVICES: IN MARCH 2011, THE ORGANIZATION'S BOARD OF DIRECTORS AUTHORIZED THE CREATION OF GOODWILL RETAIL SERVICES (GRS), AN EXEMPT ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, TO SUPPORT THE ORGANIZATION. GRS WAS INCORPORATED ON APRIL 4, 2011. GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA (GSC) CONTROLS THE OPERATION OF GRS AND TRANSFERRED CERTAIN RETAIL STORE EMPLOYEES TO GRS, EFFECTIVE JULY 1, 2011.

990 PART III LINE 4D

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

OTHER PROGRAM SERVICES

=====

OTHER PROGRAM SERVICES INCLUDE OUR CONTRACT DEPARTMENT WHICH INCLUDES A FAMILY OF PROGRAMS INCLUDING ENVIRONMENTAL SERVICES SUCH AS COMPUTER RECYCLING AND SHREDDING, CUSTODIAL AND BUILDING SERVICES, AND ASSEMBLY AND FULFILLMENT SERVICES ASSISTING LOCAL BUSINESSES. IN 2011, OVER 277 INDIVIDUALS WITH DISABILITIES AND OTHER BARRIERS TO EMPLOYMENT WERE TRAINED AND EMPLOYED IN THESE PROGRAMS.

990 PART VI LINE 4

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
--	--

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

CHANGES TO GOVERNING DOCUMENTS

=====

ON MARCH 29, 2011, THE GSC BOARD AMENDED AND RESTATED THE ARTICLES OF INCORPORATION TO SIMPLIFY THEM AND CONFORM THEM TO THE PRESENT DAY CALIFORNIA'S NONPROFIT PUBLIC BENEFIT CORPORATION LAW. IN ADDITION, THE PURPOSE CLAUSE WAS SIMPLIFIED AND MODERNIZED. THE AMENDED AND RESTATED ARTICLES WERE ENDORSED BY THE CALIFORNIA SECRETARY OF STATE ON APRIL 27, 2011.

990 PART VI LINE 11B

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

FORM 990 REVIEW PROCESS

=====

AFTER THE 990 IS PREPARED BY INDEPENDENT TAX PROFESSIONALS, AND REVIEWED BY: THE ACCOUNTING STAFF; THE VP FINANCE; GENERAL COUNSEL; AND THE PRESIDENT/CEO, IT IS PRESENTED TO THE AUDIT & COMPLIANCE COMMITTEE FOR FINAL REVIEW. ONCE REVIEWED, IT IS SENT VIA EITHER EMAIL OR REGULAR MAIL TO THE BOARD OF DIRECTORS. IF NO MATERIAL COMMENTS ARE RECEIVED BACK FROM THE DIRECTORS, IT IS THEN FILED.

990 PART VI LINE 12C

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

CONFLICT OF INTEREST POLICY MONITORING AND ENFORCEMENT

=====

EVERY BOARD MEMBER SIGNS A STATEMENT ACCEPTING THE CONFLICT OF INTEREST

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
--	--

POLICY UPON BECOMING A DIRECTOR, AND ANNUALLY THEREAFTER. ALL CONTRACTS MUST BE APPROVED BY THE PRESIDENT/CEO OR THE VP FINANCE. FINANCIAL TRANSACTIONS ARE REVIEWED AND APPROVED BY THE VP FINANCE, THE CONTROLLER, AND THE ACCOUNTING MANAGER. MEMBERS OF THE EXECUTIVE STAFF AND THE ACCOUNTING STAFF ARE RESPONSIBLE FOR MONITORING AND ENFORCING COMPLIANCE WITH THE POLICY AS DIRECTED BY THE BOARD OF DIRECTORS. ALL PROPOSED TRANSACTIONS INVOLVING ACTUAL OR POTENTIAL CONFLICTS ARE REVIEWED BY THREE DISINTERESTED DIRECTORS, TWO OF WHOM ARE OFFICERS. THESE DIRECTORS MAKE A RECOMMENDATION TO THE BOARD FOR APPROVAL. TRANSACTIONS INVOLVING POTENTIAL CONFLICTS IN AN AMOUNT UNDER \$5,000 MAY BE APPROVED BY THE PRESIDENT/CEO SUBJECT TO THE GUIDELINES SET FORTH IN THE POLICY.

990 PART VI LINE 15(A) AND 15(B)

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

COMPENSATION REVIEW PROCESS

=====

FOR THE PRESIDENT/CEO, A STANDING EXECUTIVE COMPENSATION COMMITTEE IS USED TO ENSURE THAT THE COMPENSATION OF THE PRESIDENT/CEO IS COMPETITIVE BUT NOT EXCESSIVE. THIS COMMITTEE COMPILES INFORMATION FROM SALARY SURVEYS, 990 RETURNS FROM OTHER SIMILAR SIZED CHARITIES IN THE AREA, AND INFORMATION FROM OTHER SIMILAR SIZED GOODWILL MEMBER AGENCIES ACROSS THE COUNTRY. THE INFORMATION IS BROUGHT TO THE FULL BOARD OF DIRECTORS IN A CLOSED SESSION AND A RECOMMENDATION IS MADE BY THE COMMITTEE TO THE BOARD. IF THE BOARD APPROVES THE PROPOSED SALARY AND BENEFIT PACKAGE, IT IS APPROVED. IN 2009 THE PROCESS WAS UPGRADED TO UTILIZE A PROFESSIONAL COMPENSATION CONSULTANT AND THE PROCESS WAS EXPANDED TO INCLUDE THE VICE

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

PRESIDENT OF FINANCE.

990 PART VI LINE 19

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PUBLIC INSPECTION

=====

THE ORGANIZATION POSTS ITS FINANCIAL STATEMENTS AND IRS FORM 990 ON ITS WEBSITE. THE ORGANIZATION SEPARATELY PROVIDES ITS IRS FORM 990 TO GUIDESTAR WHICH POSTS IT ON THEIR WEBSITE. A COPY OF THE ORGANIZATION'S IRS FORM 990 IS ALSO AVAILABLE BY REQUEST. GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICIES ARE AVAILABLE UPON REQUEST.

990 PART XI LINE 5

RECONCILIATION OF NET ASSETS

OTHER CHANGES IN NET ASSETS

=====

NET UNREALIZED LOSS ON INVESTMENTS: \$602,020

SCHEDULE G PART I LINE 2(A)

SUPPLEMENTAL INFORMATION REGARDING FUNDRAISING

FUNDRAISING AGREEMENTS

=====

AMANI GLOBAL CONSULTING: THE AGREEMENT WITH AMANI GLOBAL PROVIDES SEPARATE INVOICING FOR MANAGEMENT FEES \$56,400 VERSUS OTHER EXPENSES INVOICED SUCH AS POSTAGE \$91,648, PRINTING \$85,927, MEDIA EXPENSES \$54,544, DATA EXPENSES \$102,365, AND OTHER REIMBURSED EXPENSES \$3,000.

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

SCHEDULE G PART I LINE 2 (B)

SUPPLEMENTAL INFORMATION REGARDING FUNDRAISING

FUNDRAISER CUSTODY OR CONTROL

=====

VEHICLE DONATION PROCESSING: GOODWILL SOUTHERN CALIFORNIA UTILIZES THE SERVICES OF A PROFESSIONAL FUNDRAISER TO OPERATE ITS VEHICLE DONATION PROGRAM (VDP). MANAGEMENT OF THE ENTIRE PROCESS IS HANDLED BY THE CONSULTANT INCLUDING RECEIVING CALLS, ARRANGING FOR DELIVERY, REPAIR, DMV SERVICES, INSURANCE, AND SALE OF THE VEHICLES USUALLY BY AUCTION. THE PROCEEDS ARE RECEIVED BY THE CONSULTANT AND ONE-HALF OF THE NET AMOUNT IS REMITTED TO GOODWILL SOUTHERN CALIFORNIA AFTER THE DISPOSITION OF THE VEHICLE IS COMPLETE. IN 2011 353 VEHICLE DONATIONS WERE PROCESSED THROUGH THIS SYSTEM. THE AMOUNT SHOWN AS PAID TO FUNDRAISER \$187,579 INCLUDES A NET PAYMENT TO THEM OF \$115,700; \$90,382 IS THE SPLIT OF NET PROFITS, PLUS \$25,318 IN ADMINISTRATIVE FEES. OTHER COSTS PAID BY VDP INCLUDE AUCTION, TOWING, AND AUTO COSTS OF \$58,196 AS WELL AS ADVERTISING COSTS OF \$13,683.

ATTACHMENT 1FORM 990, PART VII, COLUMN B - ESTIMATED AVERAGE PER WEEK

NAME AND TITLE	HOURS DEVOTED FOR RELATED ORGANIZATION
PETER STARRETT DIRECTOR, CHAIR	.25
CHARLES P ADAMS CPA DIRECTOR	.25
DONALD F CRUMRINE DIRECTOR, TREASURER	.25
KATHLEEN C JOHNSON ESQ DIRECTOR, SECOND VICE CHAIR	.25
DAVID A LUSK DIRECTOR, FIRST VICE CHAIR	.25
ANDREA ALMEIDA MACK CFA DIRECTOR, SECRETARY	.25

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
--	--

ATTACHMENT 1 (CONT'D)

DOUGLAS H BARR PRESIDENT, CEO	1.00
PETE DUDA VP OF RETAIL	15.00
LUCY W PLISKIN VP HR AND GENERAL COUNSEL	10.00
DONNA D SNELL DIRECTOR OF STORES	25.00

ATTACHMENT 2

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
GEORGE C HOPKINS CONSTRUCTION CO INC 919 W GLENOAKS BLVD GLENDALE, CA 91202	BLDG IMPROVEMENTS	3,365,419.
FORTE ADVERTISING, LLC 1422 DELGANY STREET, SUITE LL-3 DENVER, CO 80202	ADVERTISING SERVICES	1,071,395.
ALLIED WASTE SERVICES 906 P O BOX 78241 PHOENIX, AZ 85062	WASTE SERVICES	984,335.
ED NELSON CONSTRUCTION INC 15150 SUNDANCE CT WICHITA, KS 67230	LAND & BUILDING IMPR	652,037.
DUNBAR ARMORED P O BOX 64115 BALTIMORE, MD 21264	SECURITY SERVICES	549,008.
	TOTAL COMPENSATION	<u>6,622,194.</u>

ATTACHMENT 3

FORM 990, PART VIII - INVESTMENT INCOME

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
--	--

ATTACHMENT 3 (CONT'D)FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL</u> <u>REVENUE</u>	(B) <u>RELATED OR</u> <u>EXEMPT REVENUE</u>	(C) <u>UNRELATED</u> <u>BUSINESS REV.</u>	(D) <u>EXCLUDED</u> <u>REVENUE</u>
DIVIDENDS AND INTEREST	172,814.			172,814.
TOTALS	<u>172,814.</u>			<u>172,814.</u>

ATTACHMENT 4FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>AMOUNT</u>
FUNDRAISING EVENTS	103,889.
TOTAL	<u>103,889.</u>

ATTACHMENT 5FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS</u> <u>INCOME</u>	<u>DIRECT</u> <u>EXPENSES</u>	<u>NET</u> <u>INCOME</u>
FUNDRAISING EVENTS	65,842.	115,680.	-49,838.
TOTALS	<u>65,842.</u>	<u>115,680.</u>	<u>-49,838.</u>

ATTACHMENT 6FORM 990, PART IX - PAYMENTS TO AFFILIATES

<u>DESCRIPTION</u>	(A) <u>TOTAL</u> <u>EXPENSES</u>	(B) <u>PROGRAM</u> <u>SERVICE EXP.</u>	(C) <u>MANAGEMENT</u> <u>AND GENERAL</u>	(D) <u>FUNDRAISING</u> <u>EXPENSES</u>
GOODWILL INDUSTRIES INTERNATIONAL	153,992.		153,992.	
TOTALS	<u>153,992.</u>		<u>153,992.</u>	

Name of the organization GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Employer identification number 95-1641441
--	--

ATTACHMENT 7FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
PREPAID EXPENSES AND DEPOSITS	1,990,841.	3,552,052.
TOTALS	<u>1,990,841.</u>	<u>3,552,052.</u>

ATTACHMENT 8FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
MONEY MARKET FUNDS	1,875,798.	3,192,800.	FMV
MUTUAL FUNDS	8,822,215.	8,540,499.	FMV
STOCKS		1,063,541.	FMV
BONDS		735,353.	FMV
TOTALS	<u>10,698,013.</u>	<u>13,532,193.</u>	

ATTACHMENT 9FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: BANK OF AMERICA
INTEREST RATE: 7.800000
DATE OF NOTE: 08/01/2000
MATURITY DATE: 05/01/2015
REPAYMENT TERMS: 7.8% INT QTRLY PRINC BEG 8/2000 END 5/2015
SECURITY PROVIDED: REAL ESTATE

BEGINNING BALANCE DUE 255,300.
ENDING BALANCE DUE 198,567.

LENDER: COMMUNITY DEVELOP. DEPT. OF CITY OF LA
REPAYMENT TERMS: -0- INT REPAID IN SVCS OVER 20 YRS
SECURITY PROVIDED: DEED OF TRUST ON MAIN CAMPUS

Name of the organization

GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA

Employer identification number

95-1641441

ATTACHMENT 9 (CONT'D)

LENDER: CAPITAL EQUIPMENT
 INTEREST RATE: 5.100000
 REPAYMENT TERMS: 5.1% INT FOR 36 MONTHS WITH MONTHLY PAYMENT \$6,825
 SECURITY PROVIDED: EQUIPMENT

BEGINNING BALANCE DUE	169,240.
ENDING BALANCE DUE	<u>93,059.</u>
TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	<u>664,540.</u>
TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	<u>471,626.</u>

SCHEDULE R (Form 990)

Related Organizations and Unrelated Partnerships

Department of the Treasury Internal Revenue Service
Name of the organization
GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA
Employer identification number
95-1641441

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37. Attach to Form 990. ► See separate instructions.

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) GOODWILL HOUSING OF THE INLAND COUNTIES 95-3771528 24317 EAST 4TH ST SAN BERNARDINO, CA 92410	HUD S202 APTS CA	CA	501 (C) (3)	509 (A) (2)	GISC		X
(2) GOODWILL RETAIL SERVICES 45-1544299 342 N. SAN FERNANDO ROAD LOS ANGELES, CA 90031-1782	SUPPORT GISC CA	CA	501 (C) (3)	509 (A) (2)	GISC		X
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Sale of assets to related organization(s)
- g** Purchase of assets from related organization(s)
- h** Exchange of assets with related organization(s)
- i** Lease of facilities, equipment, or other assets to related organization(s)
- j** Lease of facilities, equipment, or other assets from related organization(s)
- k** Performance of services or membership or fundraising solicitations for related organization(s)
- l** Performance of services or membership or fundraising solicitations by related organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- n** Sharing of paid employees with related organization(s)
- o** Reimbursement paid to related organization(s) for expenses
- p** Reimbursement paid by related organization(s) for expenses
- q** Other transfer of cash or property to related organization(s)
- r** Other transfer of cash or property from related organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of other organization	(b) Transaction type (a-f)	(c) Amount involved	(d) Method of determining amount involved	Yes	No
(1)	GOODWILL RETAIL SERVICES	K, L, M, N, O	11,841,800.	COST REIMB		X
(2)						X
(3)						X
(4)						X
(5)						X
(6)						X

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) _____													
(2) _____													
(3) _____													
(4) _____													
(5) _____													
(6) _____													
(7) _____													
(8) _____													
(9) _____													
(10) _____													
(11) _____													
(12) _____													
(13) _____													
(14) _____													
(15) _____													
(16) _____													

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
 Internal Revenue Service (99)

▶ **Attach to your tax return.** ▶ **See separate instructions.**

Name(s) shown on return GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA	Identifying number 95-1641441
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1 Enter the gross proceeds from sales or exchanges reported to you for 2011 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) **1**

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	ATTACHMENT 1						-83,030.

3 Gain, if any, from Form 4684, line 39	3	
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6 Gain, if any, from line 32, from other than casualty or theft	6	
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.	7	-83,030.
8 Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	9	

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11 Loss, if any, from line 7	11	(83,030)
12 Gain, if any, from line 7 or amount from line 8, if applicable	12	
13 Gain, if any, from line 31	13	
14 Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15 Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17 Combine lines 10 through 16	17	-83,030.
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below: a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14	18a 18b	

For Paperwork Reduction Act Notice, see separate instructions. Form **4797** (2011)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		

These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21	23			
24	Total gain. Subtract line 23 from line 20	24			
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33
34	Recomputed depreciation (see instructions)	34
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35

