



I am the face of...

Strength.

“... I was ready to change my life, and Goodwill gave me that chance to start over.”



Though you wouldn't know it today, it hasn't always been easy for Angie Ross to keep a smile on her face. For many years, Angie was a stay-at-home mother and assisted her husband and his family in managing a series of chain restaurants in southern Kentucky. Eventually, the couple divorced and Angie faced a battle with substance abuse, ultimately leading to a three-year prison sentence for the mother of two.

When she was released in October 2007, Angie moved to North Carolina with the hope of starting over. Finding work, however, was not a simple feat. "Achieving sobriety is one thing, but it's another thing to get back on your feet," said Angie. "No one wanted to hire someone who had been in prison and had no real work history. I thought it was impossible to get a job."

Discouraged and feeling as though she couldn't overcome her past, Angie moved back to Kentucky and applied for a position as a production clerk at Goodwill in Somerset. "I was at a point where I was ready to change my life, and Goodwill gave me that chance to start over," said Angie. "I felt useless for so long, but now there are days when I'm actually proud of myself."

Angie credits Employment Training Specialist Missie Dye and Chris Wilson, manager of the Somerset Goodwill, for giving her the opportunity to make positive changes in her life. In October, she transferred from Somerset to the newly-opened Williamsburg Goodwill and was promoted to production clerk II. "Angie has come a long way," said Karen Cogdill, donated goods manager. "I've really watched her blossom as a person."

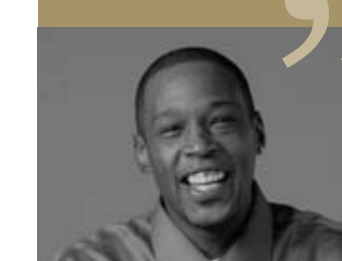
Angie has since reestablished a relationship with her children and appreciates the focus and responsibility that a job brings to her life. "When I see the sign inside the store that says 'Creating jobs, changing lives,' it brings a smile to my face. It hits close to home because Goodwill gave me a chance when no one else would," said Angie.



I am the face of...

Achievement.

“What makes me most proud is being able to provide for my children.”



Derrick Buchanon knows a thing or two about building. Not only has he worked steadily in construction for the past year, but he's also managed to establish a solid foundation for himself and his family.

For years, Derrick struggled to find occasional odd jobs in new construction, flooring, and plumbing, and he relied on government assistance to support his family. A counselor directed him to Goodwill's Power of Work office where he enrolled in an intensive, month-long job readiness program.

"The staff at Power of Work kept me focused. I had nothing when I started the program, but they prepared me well for interviews and for having meaningful conversations with potential employers," said Derrick. "Graduating from the program and getting that certificate made me feel like I was on top of the world."

Equipped with interview skills and confidence, Derrick applied in person for a framing position at a job site. He spoke with the site manager and the company's owner about his construction experience and was hired on the spot. While holding down a job, Derrick attended night classes to earn his GED in August 2008. He recently accepted a higher-paying job with another construction company and is proud to have earned independence from government assistance. As for the future, he plans to eventually use his skills to reach a more personal goal — building his own home.

"Power of Work is a great place to start anew," said Derrick. "I learned how to live a good life and get a good job. The class helped get me where I am today, and what makes me most proud is being able to provide for my children."

Expansion and Honors Abound in 2008



Above: Maysville Center on grand opening day, February 2008. At right: Maysville Center Manager Lisa Hobbs (left) and Bluegrass Division Vice President Erin Gold.

Kentucky's Goodwill expands with new openings and relocations

In 2008, Goodwill grew its presence across the Commonwealth with three new donated goods centers in Maysville, Hazard, and Prestonsburg.

The Nicholasville and Radcliff centers were relocated to newer, updated properties, and the Prestonsburg center, which opened in February, was Goodwill's 53rd donated goods center in Kentucky.



Workforce Development sets Goodwill placement record

Goodwill's Workforce Development programs achieved new heights in 2008 with record job placements for people with disabilities or other disadvantages. That success is due in part to the Power of Work program (see Derrick Buchanon's profile in this report), which accounted for 15% of Goodwill's placements this year. Goodwill's continued relationships with KentuckianaWorks, the Department of Community Based Services, and the Office of Vocational Rehabilitation have greatly enhanced the agency's ability to increase the overall success of its Workforce Development programs.

Power of Work honored with Citi's Partnership Award

After only one year in operation, Goodwill's Power of Work program received the Citi Outstanding Service/Community Partnership Award. Citi recognized Goodwill for its efforts to foster positive employment relationships, including providing Citi with appropriate job applicants who participated in the program. Power of Work places recipients of Temporary Assistance for Needy Families into work readiness programs and assists with job searching and job placements.

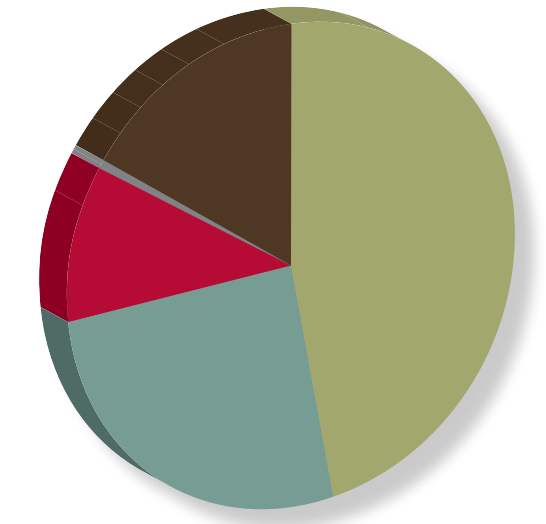
Record number of Goodwills receive JD Robins recognition

In 2008, Goodwill Industries of Kentucky set a new fiscal year record when six donated goods centers received the distinguished JD Robins Mission Award. The award is based on growth in donors, a high expense-to-revenue ratio, and the maintenance of a safe work environment. In addition, a JD Robins center must have paid more than 75% of its wages to employees with disabilities or other disadvantages. The late JD Robins, for whom the award is named, was an active proponent of the donated goods program and saved many Goodwills across the country from bankruptcy.

Financial Overview

2008 Total Expenses & Community Reinvestment \$39,252,058

Work Services Programs	\$19,816,057	50.48%
Workforce Development	\$10,726,981	27.33%
Providing Support for Programs	\$3,901,013	9.94%
Fundraising	\$170,721	.43%
Reinvested into the Community	\$4,637,286	11.81%



Goodwill Industries of Kentucky helps people with disabilities or other disadvantages achieve and maintain employment to gain a better quality of life.

ASSETS	2007	2008
Cash	\$ 5,216,142	\$ 6,366,698
Short-term investments		\$ 8,455,353
Accounts receivable	\$ 1,543,831	\$ 1,610,751
Grants receivable	\$ 79,378	\$ 111,133
Prepaid expenses	\$ 706,928	\$ 734,218
Inventory	\$ 1,231,741	\$ 1,345,892
Limited use assets	\$ 68,589	\$ 1,718,433
Property & equipment	\$ 33,717,153	\$ 37,019,827
Other assets	\$ 310,088	\$ 475,574
TOTAL ASSETS	\$ 42,873,850	\$ 57,837,879
Liabilities & net worth		
Accounts payable	\$ 297,469	\$ 296,708
Current maturities of capital lease	\$ 3,198	\$ 7,972
Accrued expenses	\$ 2,461,762	\$ 3,046,404
Current maturities of bonds payable	\$ 410,000	\$ 430,000
Current lease, less current maturities	\$ 14,390	\$ 15,944
Bonds payable, less current maturities	\$ 8,465,000	\$ 18,035,000
Derivative financial instrument		\$ 116,819
Other non-current liabilities	\$ 47,346	\$ 77,061
TOTAL LIABILITIES	\$ 11,699,165	\$ 22,025,908
Net worth		
Unrestricted net worth	\$ 31,174,685	\$ 35,811,971

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of Kentucky, Inc.
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People Served through Programs

October 1- September 30

	2007	2008
Vocational Evaluation/Assessment	167	114
Employment Services	287	260
Community Employment	253	310
Job Connection	408	278
STAR Graduates	8	7
Ticket to Work	18	5
Adult Learning Center	305	291
Project Thrive	32	20
DCBS Goodwill Works	640	437
Job Junction	369	547
TANF Program (Power of Work)	67	777
NISH	33	41
Independent Industries	119	117
GTS Staffing (Goodwill Temporary Service)	819	910
Information and Service Referrals	5,150	6,320
Work Services	854	905
Assisted job placements	1,469	1,830
Employers served	515	659
Volunteer hours	1,198	1,264
Wages paid to people with disabilities or other disadvantages working at Goodwill	\$12,172,869	\$14,026,561



Goodwill Industries of Kentucky Work Training and Administrative Offices

Corporate Office 907 East Broadway Louisville, KY 40204 (502) 585-4945	Cumberland Division 370 S. Hwy 27, Ste. 9A Somerset, KY 42501 (606) 678-0890	Western Division 1806 U.S. Hwy 31 W Bypass Bowling Green, KY 42101 (270) 781-4930	GTS Staffing-Louisville 4200 Bishop Ln. Louisville, KY 40218 (502) 581-0058	Knox County Works 110 Barbour St. Barbourville, KY 40906 (606) 545-5070	Power of Work (TANF) 981 South 3rd St. Louisville, KY 40203 (502) 574-4038
Beargrass Division 909 East Broadway Louisville, KY 40204 (502) 585-5221 Voice & TDD	Bluegrass Division 130 W. New Circle Rd. Ste. 110 Lexington, KY 40505 (859) 277-3661	GTS Staffing-Lexington 577 West Main St. Lexington, KY 40507 (859) 225-6575	Independent Industries, Inc. 4000 McCollum Ct. Louisville, KY 40218 (502) 451-4631	Job Junction 611 W. Poplar Street Ste. C-4-B Elizabethtown, KY 42701 (270) 735-1202	



Many faces... ONE Goodwill.



Straight From the Top

A Message from the President & Board Chairperson

Dear friends,

The theme of this year's annual report — *Many faces...one Goodwill* — appropriately captures the range of programs Goodwill provides to help people with disabilities or other disadvantages achieve and maintain employment to gain a better quality of life. "I didn't realize Goodwill did that," is a common refrain from people who use our services. The most recognizable face of Goodwill is that of the donated goods centers. When 53 centers with good signage exist across the Commonwealth, people recognize the thrift operation. The fact that most of those centers' employees have a disability or other disadvantage is usually not evident, and we like it that way. The service offered to our communities in the centers should be good and should display people's abilities rather than disabilities.

Goodwill's other "faces" include our programs to assist people in finding and keeping jobs. Our workforce development department and the Power of Work program accomplish this by providing training in job seeking skills, making connections with employers, and occasionally providing job-specific training or coaching. Goodwill is also the face of the cleaning services at federal and army facilities in Louisville and Richmond as part of the AbilityOne program, enabling people with disabilities to work jobs that provide good hourly wages and benefits. GTS Staffing and Independent Industries are also faces of Goodwill, both of which provide services to industry and opportunities to people who may otherwise have difficulty finding employment.



Your Goodwill has closed a successful year of service by placing 1,830 people in jobs and, in its internal employment programs, paying more than \$14 million in mission-related wages to hundreds of employees with disabilities or other disadvantages. We thank our supporters, employees, board members, governors, and the people we had the privilege to serve for a successful fiscal year 2008.

Roland R. Blahnik
Roland R. Blahnik
President & CEO

Norman Berry
K. Norman Berry
Chairperson of the Board

Craig Dusel



I am the face of... *confidence.*

“My job has made my life easier. I have my own apartment and an independent life.”

You could say that Craig Dusel was born a hard worker. At only three weeks old, he was enrolled in an early childhood development program, and his incredible work ethic hasn't wavered since. Craig began his job with Goodwill in May 2005, and in three years, he has achieved success not only in the workplace but in his personal life as well.

"Craig is such a dedicated and hard worker. I can't think of a time that he ever missed work when he was scheduled to be there," said Craig's mother, Cathy.

In addition to his job at Goodwill, Craig represents the Special Olympics as a three-sport athlete and as a Global Messenger, which involves speaking at events, working fundraisers, and recruiting donors to support the organization. He has also served on the Board of Directors for Down Syndrome of Louisville, Inc. Those positions, combined with his Goodwill experience, have helped shape his goals for the future.

"Someday, I'd like to be more involved with community organizations, but right now, I love my hands-on job at Goodwill's donation center. I've always liked to work with my hands, ever since playing in the sandbox when I was little," said Craig.

Craig receives plenty of support from his Goodwill family. His supervisor, Ginny Weigleb, is one of his favorite aspects of his job at Goodwill.

"Ginny is great. She inspires us at work by keeping everyone on task, but also making it a fun place to be," said Craig. "My job has made my life easier. I have my own apartment and an independent life."



2008 Annual Report