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Return of Organization Exempt From Income Tax

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.

2011

Open to Public
Inspection

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

| | | | |
|--|---|---|--|
| B Check if applicable: | C Name of organization SOUTHERN OREGON GOODWILL INDUSTRIES | | D Employer identification number 93-0564141 |
| <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 | Doing Business As Number and street (or P.O. box if mail is not delivered to street address) 11 W. JACKSON | | E Telephone number 541-772-3300 |
| | Room/suite | | G Gross receipts \$ 14,051,092. |
| | City or town, state or country, and ZIP + 4 MEDFORD, OR 97501 | | H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | F Name and address of principal officer: GAYLE BYRNE SAME AS C ABOVE | | 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.SOGOODWILL.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: 1967 M State of legal domicile: OR | |

Part I Summary

| | | | |
|--|---|---|---------------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: WHEN SOMEONE IS HAVING A HARD TIME FINDING A JOB - EITHER BECAUSE OF A DISABILITY, POVERTY, LACK | | |
| | 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) | 3 15 | |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 15 | |
| | 5 Total number of individuals employed in calendar year 2011 (Part V, line 2a) | 5 726 | |
| | 6 Total number of volunteers (estimate if necessary) | 6 57 | |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a 0. | |
| b Net unrelated business taxable income from Form 990-T, line 34 | 7b 0. | | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year 2,120,183. Current Year 1,587,507. | |
| | 9 Program service revenue (Part VIII, line 2g) | 10,751,652. 12,147,059. | |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 113,911. 80,713. | |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 78,302. 44,527. | |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 13,064,048. 13,859,806. | |
| | Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. 0. |
| | | 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) | | 8,804,021. 9,226,269. | |
| 16a Professional fundraising fees (Part IX, column (A), line 11e) | | 0. 0. | |
| b Total fundraising expenses (Part IX, column (D), line 25) ► 15,530. | | | |
| 17 Other expenses (Part IX, column (A), lines 21a-1 through 24e) | | 3,753,479. 4,120,570. | |
| 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | | 12,557,500. 13,346,839. | |
| Net Assets or Fund Balances | 19 Revenue less expenses. Subtract line 18 from line 12 | 506,548. 512,967. | |
| | Beginning of Current Year | End of Year | |
| | 7,787,582. | 8,101,393. | |
| | 4,229,841. | 4,030,685. | |
| | 3,557,741. | 4,070,708. | |
| | RECEIVED GOODEN, JR. | | |
| | 20 Total assets (Part X, line 16) | | |
| 21 Total liabilities (Part X, line 26) | | | |
| 22 Net assets or fund balances. Subtract line 21 from line 20 | | | |

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 <i>Gayle Byrne</i> | Date 7-10-12 |
| | Type or print name and title GAYLE BYRNE | |

AUG 02 2012

SCANNED

| | | | | | |
|----------|--|--|-----------------------|---|--------------------------|
| Paid | Print/Type preparer's name RICHARD A. HOLCOM | Preparer's signature <i>Rick Holcom CPA</i> | Date 6-4-12 | Check <input type="checkbox"/> if self-employed | PTIN P00970195 |
| Preparer | Firm's name ► MOSS ADAMS, LLP | Firm's EIN ► 91-0189318 | | | |
| Use Only | Firm's address ► 221 STEWART AVENUE, SUITE 301 | Phone no. | | | |
| | MEDFORD, OR 97501 | | | | |

May the IRS discuss this return with the preparer shown above? (see instructions)

132001-01-23 02 LHA For Paperwork Reduction Act Notice, see the separate instructions.

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

616
14

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III X

1 Briefly describe the organization's mission:

GOODWILL INDUSTRIES IS NORTH AMERICA'S LEADING NONPROFIT PROVIDER OF EMPLOYMENT TRAINING, JOB PLACEMENT SERVICES AND OTHER CRITICAL COMMUNITY-BASED SERVICES FOR PEOPLE WHO HAVE A DISABILITY, PEOPLE WHO LACK EDUCATION OR JOB EXPERIENCE, HOUSEHOLDS FACING ECONOMIC

2 Did the organization undertake any significant program services during the year which were not listed on

 Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

 Yes No

If "Yes," describe these changes on Schedule O.

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 \$ 7,881,838 Including grants of \$) (Revenue \$ 9,291,689.)**DONATED GOODS AND RETAIL PROGRAM SERVICES**

GOODWILL INDUSTRIES UTILIZES ITS RETAIL STORES TO PROVIDE ON-THE-JOB TRAINING TO PEOPLE WITH DISABILITIES, PEOPLE WITH DISADVANTAGES AND OTHERS HAVING A HARD TIME FINDING EMPLOYMENT. GOODWILL ACCEPTS CLOTHING AND OTHER HOUSEHOLD DONATED GOODS FROM THE PUBLIC AND SELLS THESE DONATIONS IN GOODWILL COMMUNITY-BASED RETAIL STORES. REVENUE FROM THE SALE OF THESE GOODS GOES DIRECTLY TOWARD SUPPORTING AND GROWING CRITICAL COMMUNITY BASED PROGRAMS AND JOB PLACEMENT SERVICES.

4b (Code:) (Expenses \$ 3,042,177 Including grants of \$) (Revenue \$ 2,385,661.)**WORKFORCE DEVELOPMENT PROGRAM SERVICE**

GOODWILL PROVIDES EDUCATION AND CAREER SERVICES, AS WELL AS JOB PLACEMENT OPPORTUNITIES AND POST-EMPLOYMENT SUPPORT TO INDIVIDUALS WITH DISABILITIES AND OTHER CHALLENGES TO EMPLOYMENT SO THAT THEY CAN FIND AND KEEP GOOD JOBS. INDIVIDUALS CAN ACHIEVE GREATER LEVELS OF SELF-SUFFICIENCY AND ECONOMIC SUCCESS THROUGH GOODWILL'S FAMILY STRENGTHENING, FINANCIAL STRENGTHENING AND WORKFORCE DEVELOPMENT SERVICES - SUCH AS EMPLOYMENT TRAINING AND EDUCATION, WORK EXPERIENCE, EMPLOYMENT RETENTION SERVICES, TRANSITIONAL HOUSING, FINANCIAL LITERACY TRAINING, AND YOUTH-BASED PROGRAMS. GOODWILL PROGRAMS STRENGTHEN COMMUNITIES AND FAMILIES AND PROMOTE INDEPENDENCE AND DIGNITY FOR PEOPLE WHO NEED IT MOST.

4c (Code:) (Expenses \$ 610,486 Including grants of \$) (Revenue \$ 469,709.)**CONTRACTS/INDUSTRIAL SERVICES PROGRAM SERVICES**

GOODWILL INDUSTRIES CREATES EMPLOYMENT AND JOB-TRAINING OPPORTUNITIES FOR PEOPLE WHO ARE EITHER BLIND OR HAVE SIGNIFICANT DISABILITIES OR OTHER CHALLENGES TO EMPLOYMENT BY PROVIDING CONTRACT WORK FOR BUSINESSES; STATE GOVERNMENT; AND OTHER COMMUNITY PARTNERS. THESE CONTRACTS OFFER OPPORTUNITIES IN A VARIETY OF WORK EXPERIENCE AND TRAINING ENVIRONMENTS - INCLUDING CUSTODIAL SERVICES, MANUFACTURING, PACKAGING AND ASSEMBLY, RECYCLING, MAILING SERVICES, AND ADMINISTRATIVE SUPPORT.

4d Other program services (Describe in Schedule O.)

(Expenses \$ Including grants of \$) (Revenue \$)4e Total program service expenses ► 11,534,501.

Form 990 (2011)

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?
If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.

- a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI
- b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII
- c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII
- d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX
- e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X
- f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII

b Was the organization included in consolidated, independent audited financial statements for the tax year?
If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

- b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV
- 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV
- 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV
- 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I
- 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II
- 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

| | Yes | No |
|-----|-----|----|
| 1 | X | |
| 2 | X | |
| 3 | | X |
| 4 | | X |
| 5 | | X |
| 6 | | X |
| 7 | | X |
| 8 | | X |
| 9 | | X |
| 10 | | X |
| 11a | X | |
| 11b | | X |
| 11c | | X |
| 11d | | X |
| 11e | | X |
| 11f | X | |
| 12a | X | |
| 12b | | X |
| 13 | | X |
| 14a | | X |
| 14b | | X |
| 15 | | X |
| 16 | | X |
| 17 | | X |
| 18 | | X |
| 19 | | X |
| 20a | | X |
| 20b | | |

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? If "Yes," complete Schedule I, Parts I and II | 21 | 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? If "Yes," complete Schedule I, Parts I and III | 22 | 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? If "Yes," complete Schedule J | 23 | X |
| 24a 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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25 | 24a | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | |
| 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? | 24c | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | |
| 25a 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? If "Yes," complete Schedule L, Part I | 25a | 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? If "Yes," complete Schedule L, Part I | 25b | 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? If "Yes," complete Schedule L, Part II | 26 | 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? If "Yes," complete Schedule L, Part III | 27 | 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? If "Yes," complete Schedule L, Part IV b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV 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? If "Yes," complete Schedule L, Part IV | 28a | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M | 29 | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M | 30 | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I | 31 | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II | 32 | 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? If "Yes," complete Schedule R, Part I | 33 | X |
| 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 | 34 | X |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? 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)? If "Yes," complete Schedule R, Part V, line 2 | 35a | X |
| 35b | 35b | X |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 | 36 | X |
| 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? If "Yes," complete Schedule R, Part VI | 37 | 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 | 38 | X |

Form 990 (2011)

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

| | | Yes | No |
|-----|--|-----|-----|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 51 |
| 1b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | 1c | X |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 726 |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i> | 2b | X |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | X |
| b | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O | 3b | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | 4a | X |
| b | If "Yes," enter the name of the foreign country: ► See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | 5a | X |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5b | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5c | |
| c | If "Yes," to line 5a or 5b, did the organization file Form 8886-T? | 6a | X |
| 6a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? | 6b | |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 7a | X |
| 7 | Organizations that may receive deductible contributions under section 170(c). | 7b | |
| a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7c | X |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7d | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7e | X |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7f | X |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7g | |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7h | X |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 8 | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 9a | |
| 8 | Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | 9b | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| a | Did the organization make any taxable distributions under section 4966? | | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | |
| 10 | Section 501(c)(7) organizations. Enter: | 10a | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10b | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | | |
| 11 | Section 501(c)(12) organizations. Enter: | 11a | |
| a | Gross income from members or shareholders | 11b | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 12a | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12b | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 13a | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | 13b | |
| a | Is the organization licensed to issue qualified health plans in more than one state? | 13c | |
| | <i>Note. See the instructions for additional information the organization must report on Schedule O.</i> | | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | | |
| c | Enter the amount of reserves on hand | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | 14a | X |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | 14b | |

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

| | | Yes | No |
|----|--|-----|----|
| 1a | Enter the number of voting members of the governing body at the end of the tax year | 15 | |
| | If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. | | |
| 1b | Enter the number of voting members included in line 1a, above, who are independent | 15 | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? | | X |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | X |
| 6 | Did the organization have members or stockholders? | | X |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | X |
| b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | | X |

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

| | | Yes | No |
|-----|--|-----|----|
| 10a | Did the organization have local chapters, branches, or affiliates? | | X |
| b | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | | |
| b | Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | |
| 12a | Did the organization have a written conflict of interest policy? If "No," go to line 13 | | |
| b | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | | |
| c | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | | |
| 13 | Did the organization have a written whistleblower policy? | | |
| 14 | Did the organization have a written document retention and destruction policy? | | |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a | The organization's CEO, Executive Director, or top management official | | |
| b | Other officers or key employees of the organization | | |
| | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | |
| b | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | X |
| 16b | | | |

Section C. Disclosure

| | |
|----|--|
| 17 | List the states with which a copy of this Form 990 is required to be filed ►OR, 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. |
| | <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request |
| 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: ► THE ORGANIZATION – 541-772-3300 11 W. JACKSON, MEDFORD, OR 97501 |

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 **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 | | | |
| (1) TIM ALFORD DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (2) GREG BREEDLOVE DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (3) BARRY EDWARDS DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (4) LENDA EKK SECRETARY/TREASURER | 1.00 | X | | X | | | 0. | 0. | 0. |
| (5) BOB HIRT DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (6) DAVID INGALLS DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (7) JERI KEETON VICE CHAIR OF THE BOARD | 1.00 | X | X | | | | 0. | 0. | 0. |
| (8) LORENZO MEJIA DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (9) DORIS RHODES EMERITUS | 1.00 | X | | | | | 0. | 0. | 0. |
| (10) TED RISER DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (11) MARK VONHOLLE DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (12) MARIE WEHAGE CHAIR OF THE BOARD | 1.00 | X | X | | | | 0. | 0. | 0. |
| (13) VALERIE RINKLE DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (14) BEN SMITH DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (15) SUSU MAHOOD DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. |
| (16) GAYLE BYRNE CEO/PRESIDENT | 40.00 | | X | | | | 185,028. | 0. | 0. |
| (17) LINDA MERFELD COO/VICE PRESIDENT | 40.00 | | X | | | | 81,400. | 0. | 3,600. |

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

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 ►

1

| | Yes | No |
|---|-----|----|
| 3 | | X |
| 4 | X | |
| 5 | | 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.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 0

0

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 | 1 a Federated campaigns | 1a | | | |
| | b Membership dues | 1b | | | |
| | c Fundraising events | 1c | | | |
| | d Related organizations | 1d | | | |
| | e Government grants (contributions) | 1e | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 1,587,507. | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | 1,524,108. | | |
| | h Total. Add lines 1a-1f | | ► 1,587,507. | | |
| Program Service Revenue | 2 a RETAIL PROGRAM | Business Code 448000 | 9,291,689. | 9,291,689. | |
| | b REHABILITATION PROGRAM | 611710 | 2,385,661. | 2,385,661. | |
| | c COMMERCIAL SERVICES | 561300 | 469,709. | 469,709. | |
| | d | | | | |
| | e | | | | |
| | f All other program service revenue | | ► 12147059. | | |
| | g Total. Add lines 2a-2f | | ► 12147059. | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | ► 76,728. | | 76,728. |
| | 4 Income from investment of tax-exempt bond proceeds | | ► | | |
| | 5 Royalties | | ► | | |
| | 6 a Gross rents | (i) Real | (ii) Personal | | |
| | b Less: rental expenses | | | | |
| | c Rental income or (loss) | | | | |
| | d Net rental income or (loss) | | ► | | |
| | 7 a Gross amount from sales of assets other than inventory | (i) Securities | (ii) Other | | |
| | b Less: cost or other basis and sales expenses | 195,271. | | | |
| | c Gain or (loss) | 191,286. | | | |
| | d Net gain or (loss) | 3,985. | | | 3,985. |
| | 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | a | | | |
| | b Less: direct expenses | b | | | |
| | c Net income or (loss) from fundraising events | ► | | | |
| | 9 a Gross income from gaming activities. See Part IV, line 19 | a | | | |
| | b Less: direct expenses | b | | | |
| | c Net income or (loss) from gaming activities | ► | | | |
| | 10 a 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 | ► | | | |
| | Miscellaneous Revenue | Business Code | | | |
| | 11 a OTHER INCOME | 900099 | 44,527. | | 44,527. |
| | b | | | | |
| | c | | | | |
| | d All other revenue | | ► | | |
| | e Total. Add lines 11a-11d | | ► 44,527. | | |
| | 12 Total revenue. See instructions | | ► 13859806. | 12147059. | 0. 125,240. |

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

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | | | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 513,500. | 163,638. | 349,862. | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 7,117,893. | 6,500,215. | 617,678. | |
| 8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions) | 13,740. | | 13,740. | |
| 9 Other employee benefits | 699,210. | 629,370. | 69,840. | |
| 10 Payroll taxes | 881,926. | 787,875. | 94,051. | |
| 11 Fees for services (non-employees): | | | | |
| a Management | 17,100. | | 17,100. | |
| b Legal | 86,044. | | 86,044. | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | 60,511. | 23,546. | 36,965. | |
| g Other | 37,569. | 1,117. | 36,452. | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | | | | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | 1,311,261. | 1,279,128. | 32,133. | |
| 17 Travel | 295,613. | 284,394. | 11,219. | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 58,534. | 37,825. | 20,709. | |
| 20 Interest | 194,998. | 194,998. | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 519,528. | 416,467. | 103,061. | |
| 23 Insurance | | | | |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e if line 24a amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O) | | | | |
| a SUPPLIES & PRINTING | 400,164. | 318,270. | 81,894. | |
| b TELEPHONE & UTILITIES | 364,825. | 340,621. | 24,204. | |
| c MISCELLANEOUS | 201,447. | 159,404. | 42,043. | |
| d GOODS PURCHASED | 164,544. | 164,544. | | |
| e All other expenses | 408,432. | 233,089. | 159,813. | 15,530. |
| 25 Total functional expenses. Add lines 1 through 24e | 13,346,839. | 11,534,501. | 1,796,808. | 15,530. |
| 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 ► If following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year |
|-----------------------------|---|--------------------------|-----|--------------------|
| Assets | 1 Cash - non-interest-bearing | 1,532,608. | 1 | 2,403,332. |
| | 2 Savings and temporary cash investments | | 2 | |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 309,243. | 4 | 359,395. |
| | 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 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) | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 152,508. | 8 | 135,981. |
| | 9 Prepaid expenses and deferred charges | 125,464. | 9 | 101,153. |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 9,038,445. | | |
| | b Less: accumulated depreciation | 10b 4,170,586. | 10c | 4,867,859. |
| | 11 Investments - publicly traded securities | | 11 | |
| | 12 Investments - other securities. See Part IV, line 11 | 191,286. | 12 | 0. |
| | 13 Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 336,327. | 15 | 233,673. |
| | 16 Total assets. Add lines 1 through 15 (must equal line 34) | 7,787,582. | 16 | 8,101,393. |
| Liabilities | 17 Accounts payable and accrued expenses | 800,336. | 17 | 850,602. |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 3,429,505. | 23 | 3,180,083. |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 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 | | 25 | |
| | 26 Total liabilities. Add lines 17 through 25 | 4,229,841. | 26 | 4,030,685. |
| 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 | 3,554,393. | 27 | 4,066,010. |
| | 28 Temporarily restricted net assets | 548. | 28 | 498. |
| | 29 Permanently restricted net assets | 2,800. | 29 | 4,200. |
| | 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 | 3,557,741. | 33 | 4,070,708. |
| | 34 Total liabilities and net assets/fund balances | 7,787,582. | 34 | 8,101,393. |

Part XI Reconciliation of Net AssetsCheck 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 | 13,859,806. |
| 2 Total expenses (must equal Part IX, column (A), line 25) | 2 | 13,346,839. |
| 3 Revenue less expenses. Subtract line 2 from line 1 | 3 | 512,967. |
| 4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 3,557,741. |
| 5 Other changes in net assets or fund balances (explain in Schedule O) | 5 | 0. |
| 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 | 4,070,708. |

Part XII Financial Statements and ReportingCheck 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?

2b 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 | | |

Form 990 (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.") | | | | | | |
| 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 | | | | | | |
| 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 | | | | | | |

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 | | | | | | |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 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.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 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 | % |
| 15 Public support percentage from 2010 Schedule A, Part II, line 14 | 15 | % |
| 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 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"/> | |

Schedule A (Form 990 or 990-EZ) 2011

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.") | 788,698. | 687,006. | 1364435. | 2120183. | 1587507. | 6547829. |
| 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 | 10351107. | 11411548. | 10682735. | 10751652. | 12147059. | 55344101. |
| 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 | 11139805. | 12098554. | 12047170. | 12871835. | 13734566. | 61891930. |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | 1,660. | 2,450. | 2,150. | 6,260. |
| 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 | | 600,533. | 369,804. | 118,320. | | 1088657. |
| c Add lines 7a and 7b | 600,533. | 371,464. | 120,770. | 2,150. | | 1094917. |
| 8 Public support (Subtract line 7c from line 6) | | | | | | 60797013. |

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 | 11139805. | 12098554. | 12047170. | 12871835. | 13734566. | 61891930. |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 44,730. | 17,956. | 36,660. | 112,411. | 76,728. | 288,485. |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | 44,730. | 17,956. | 36,660. | 112,411. | 76,728. | 288,485. |
| 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.) | 35,369. | 47,418. | 55,058. | 79,800. | 44,527. | 262,172. |
| 13 Total support (Add lines 9, 10c, 11, and 12) | 11219904. | 12163928. | 12138888. | 13064046. | 13855821. | 62442587. |

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 | 97.36 | % |
| 16 Public support percentage from 2010 Schedule A, Part III, line 15 | 16 | 97.36 | % |

Section D. Computation of Investment Income Percentage

| | | | |
|--|----|-----|---|
| 17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)) | 17 | .46 | % |
| 18 Investment income percentage from 2010 Schedule A, Part III, line 17 | 18 | .41 | % |

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 ►

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

► 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.

OMB No 1545-0047

2011Open to Public
Inspection

Name of the organization

SOUTHERN OREGON GOODWILL INDUSTRIESEmployer identification number
93-0564141**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.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|--|
| 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? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 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? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

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

| | |
|---|---|
| 1 Purpose(s) of conservation easements held by the organization (check all that apply). | <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area |
| | <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure |
| | <input type="checkbox"/> Preservation of open space |
| 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. | |
| a Total number of conservation easements | |
| b Total acreage restricted by conservation easements | |
| c Number of conservation easements on a certified historic structure included in (a) | |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register | |
| 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? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 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)? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 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.

| | |
|---|------------|
| 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. | |
| b 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 | ► \$ _____ |

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 <input type="checkbox"/> Public exhibition | d <input type="checkbox"/> Loan or exchange programs |
| b <input type="checkbox"/> Scholarly research | e <input type="checkbox"/> Other _____ |
| c <input type="checkbox"/> Preservation for future generations | |

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 |
|----|--------|
| 1c | |
| 1d | |
| 1e | |
| 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 | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

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 ► _____ %

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

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

| | Yes | No |
|--------|-----|----|
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

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 | | 829,495. | | 829,495. |
| b Buildings | | 6,212,226. | 2,570,112. | 3,642,114. |
| c Leasehold improvements | | | | |
| d Equipment | | 1,996,724. | 1,600,474. | 396,250. |
| e Other | | | | |

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ► 4,867,859.

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

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| (I) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ► | | |

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

| (a) Description of investment type | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|--|----------------|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ► | | |

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

| (a) Description | (b) Book value |
|-----------------|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |

Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ►

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

| (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| (11) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ► | |

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

132053
01-23-12

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 | 13,859,806. |
| 2 Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 13,346,839. |
| 3 Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | 512,967. |
| 4 Net unrealized gains (losses) on investments | 4 | |
| 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 | |
| 10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | 512,967. |

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 | 15,488,714. |
| 2 Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a Net unrealized gains on investments | 2a | |
| b Donated services and use of facilities | 2b | 87,932. |
| c Recoveries of prior year grants | 2c | |
| d Other (Describe in Part XIV.) | 2d | 1,540,976. |
| e Add lines 2a through 2d | 2e | 1,628,908. |
| 3 Subtract line 2e from line 1 | 3 | 13,859,806. |
| 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 | |
| c Add lines 4a and 4b | 4c | 0. |
| 5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | 5 | 13,859,806. |

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

| | | |
|--|----|-------------|
| 1 Total expenses and losses per audited financial statements | 1 | 14,975,747. |
| 2 Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a Donated services and use of facilities | 2a | 87,932. |
| b Prior year adjustments | 2b | |
| c Other losses | 2c | |
| d Other (Describe in Part XIV.) | 2d | 1,540,976. |
| e Add lines 2a through 2d | 2e | 1,628,908. |
| 3 Subtract line 2e from line 1 | 3 | 13,346,839. |
| 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 | |
| c Add lines 4a and 4b | 4c | 0. |
| 5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | 5 | 13,346,839. |

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.

PART X, LINE 2: THE ORGANIZATION ADOPTED THE PROVISIONS OF ASC 740-10,

INCOME TAXES, RELATING TO ACCOUNTING FOR UNCERTAIN TAX PROVISIONS ON

JANUARY 1, 2009, WHICH HAD NO MATERIAL IMPACT ON THE ORGANIZATION'S

FINANCIAL STATEMENTS. THE ORGANIZATION RECOGNIZES THE TAX BENEFIT FROM

UNCERTAIN TAX POSITIONS ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX

POSITION WILL BE SUSTAINED ON EXAMINATION BY THE TAX AUTHORITIES, BASED ON

THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFIT IS MEASURED BASED

ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING

Part XIV Supplemental Information (continued)

REALIZED UPON ULTIMATE SETTLEMENT. THE ORGANIZATION DOES NOT BELIEVE IT HAS ANY UNCERTAIN TAX POSITIONS REQUIRING ACCRUAL.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

COST OF RETAIL SALES 1,540,976.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

COST OF RETAIL SALES 1,540,976.

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

SOUTHERN OREGON GOODWILL INDUSTRIES

Employer identification number
93-0564141

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 type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input 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 | X | |
| 4a | X | |
| 4b | X | |
| 4c | X | |
| 5a | X | |
| 5b | X | |
| 6a | X | |
| 6b | X | |
| 7 | X | |
| 8 | X | |
| 9 | | |

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

Schedule J (Form 990) 2011

132111
01-23-12

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)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---------------|--|-------------------------------------|-------------------------------------|--|-------------------------|------------------------------|---|
| | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| 1 GAYLE BYRNE | 0 | 165,109. | 13,919. | 6,000. | 0. | 0. | 185,028. |
| 2 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 3 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 4 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 5 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 6 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 7 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 8 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 9 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 10 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 11 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 12 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 13 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 14 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 15 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |
| 16 | 0 | 0. | 0. | 0. | 0. | 0. | 0. |

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.

PART I, LINE 5: A COMPONENT OF SOUTHERN OREGON GOODWILL INDUSTRIES'

LONG RANGE PLAN IS TO BECOME 100% ENTERPRISE FUNDED BY MANAGING EXPENSES TO REVENUE AND DECREASING DEPENDENCE ON STATE AND FEDERAL REVENUES.

RECOGNIZING THE COMPLEXITY AND CHALLENGES OF ACHIEVING THIS OBJECTIVE, THE FOLLOWING INCENTIVE WILL REWARD THE PRESIDENT FOR MOVING THE ORGANIZATION TOWARD THIS GOAL. THE PRESIDENT SHALL RECEIVE A BONUS EQUAL TO 1% OF BASE SALARY FOR EVERY 1% INCREASE IN ITS ENTERPRISE FUNDING LEVEL TO A MAXIMUM OF 3%.

PART I, LINE 6: NET INCOME IS IMPORTANT TO THE GROWTH AND FINANCIAL WELL BEING OF THE ORGANIZATION. INCREASING CAPITAL AND OPERATING RESERVES IS A PRIORITY. THEREFORE, THE PRESIDENT SHALL BE REWARDED WITH AN INCENTIVE FOR EXCEEDING THE BUDGETED AMOUNT OF NET INCOME AFTER DEPRECIATION. THE PRESIDENT SHALL RECEIVE A BONUS EQUAL TO 2% OF BASE SALARY UPON ATTAINMENT OF THE BUDGETED AND APPROVED NET INCOME (AFTER DEPRECIATION) FOR 2011.

SCHEDULE M
(Form 990)Department of the Treasury
Internal Revenue Service**Noncash Contributions**

OMB No 1545-0047

2011Open to Public
Inspection

Name of the organization

SOUTHERN OREGON GOODWILL INDUSTRIESEmployer identification number
93-0564141**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 | | | | |
| 5 Clothing and household goods | X | | 1,524,108. | GROSS MARGIN METHOD |
| 6 Cars and other vehicles | | | | |
| 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 ► (_____) | | | | |
| 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

30a 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?

32a 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 |

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Schedule M (Form 990) (2011)

132141
01-23-12

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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.

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization

SOUTHERN OREGON GOODWILL INDUSTRIES

Employer identification number
93-0564141

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

OF EDUCATION OR ANOTHER SUBSTANCE - GOODWILL IS THERE TO HELP. THE
ORGANIZATION DOES THAT BY SELLING DONATED GOODS IN OUR STORES AND
ONLINE AND USING THE PROCEEDS TO FUND GOODWILL'S JOB TRAINING PROGRAM
BENEFITTING HUNDREDS OF PEOPLE EACH YEAR.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

CHALLENGES, AND OTHERS IN NEED.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

IN 2011, WE PROVIDED SERVICES TO A TOTAL OF 1,450 INDIVIDUALS IN
SOUTHERN OREGON AND NORTHERN CALIFORNIA INCLUDING 910 PEOPLE WITH
DISABILITIES, AND 70 VETERANS TO WORK PROGRAM PARTICIPANTS. OF THOSE
INDIVIDUALS, WE'RE PROUD TO SAY THAT 200 WERE PLACED IN COMPETITIVE
EMPLOYMENT. THE AVERAGE WAGE WAS \$9.27 PER HOUR.

OUR STEPS TO SUCCESS, A FAMILY STRENGTHENING PROGRAM, CONCENTRATES ON
FAMILIES IN NEED. WE HAVE SERVICES IN BOTH JACKSON AND JOSEPHINE
COUNTIES AND IN 2011 JACKSON COUNTY SERVED A TOTAL OF 44 FAMILIES WHILE
JOSEPHINE COUNTY SERVED 19. THIS MUCH NEEDED PROGRAM IS HELPING GIVE
BACK INDEPENDENCE AND DIGNITY TO FAMILIES WHO HAVE FALLEN ON HARD TIMES
DUE TO MANY REASONS.

**FORM 990, PART VI, SECTION B, LINE 11: ONCE THE FORM 990 HAS BEEN
FINALIZED, GOODWILL'S AUDIT COMMITTEE REVIEWS, DISCUSSES AND VOTES TO**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.
132211
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

SOUTHERN OREGON GOODWILL INDUSTRIES

Employer identification number
93-0564141

ACCEPT. THE COMMITTEE APPROVED FORM 990 IS THEN: (A) DISTRIBUTED TO THE FULL BOARD OF DIRECTORS AS PART OF THE BOARD MEETING MATERIALS, AND (B) OFFERED FOR APPROVAL AS PART OF THE BOARD'S "CONSENT AGENDA". THE CONSENT AGENDA IS A LISTING OF ITEMS WHICH ARE APPROVED ALL AT ONCE, VIA VOICE VOTE. ANY BOARD MEMBER MAY REMOVE ANY ITEM ON THE CONSENT AGENDA AT ANY TIME FOR LATER DISCUSSION PRIOR TO THE APPROVAL VOTE BEING TAKEN. ACCORDINGLY, ANY QUESTIONS OR ISSUES THAT ANY BOARD MEMBER MAY HAVE WITH THE FORM 990 WILL BE DISCUSSED. IT IS EACH BOARD MEMBER'S RESPONSIBILITY TO REVIEW THE FORM 990 IN SUFFICIENT DETAIL SO AS TO BRING ANY QUESTIONS OR CONCERNS TO THE TABLE BEFORE APPROVAL. TYPICALLY, THE FORM 990 IS PLACED ON THE CONSENT AGENDA OF THE REGULAR JUNE BOARD MEETING. SHOULD THE FORM 990 NOT BE READY AT THAT TIME, IT WILL BE APPROVED AT THE NEXT POSSIBLE BOARD MEETING.

FORM 990, PART VI, SECTION B, LINE 12C: GOODWILL REQUIRES EVERY BOARD MEMBER AND EVERY EMPLOYEE TO FILL OUT AND RETURN AN ANNUAL CONFLICT OF INTEREST STATEMENT. THE COMPLETED STATEMENTS ARE THEN REVIEWED FOR ITEMS OF CONFLICT. ITEMS NOTED AS A POTENTIAL CONFLICT, IF ANY, ARE REVIEWED BY THE AUDIT COMMITTEE AND APPROPRIATE ACTION IS TAKEN TO REMOVE POTENTIAL OR ACTUAL CONFLICTS OF INTEREST.

FORM 990, PART VI, SECTION B, LINE 15: EVERY YEAR GOODWILL OBTAINS TWO EXTERNAL COMPENSATION REPORTS LISTING CEO AND TOP MANAGEMENT POSITIONS. THE BOARD COMPENSATION COMMITTEE REVIEWS THE CEO COMPENSATION, PERFORMANCE, AND THE RESULTS FROM GOALS WHICH WERE ESTABLISHED FOR THE CEO AT THE BEGINNING OF THE YEAR. A SURVEY REGARDING ASPECTS OF THE CEO'S PERFORMANCE IS SENT TO ALL BOARD MEMBERS TO COMPLETE; THE RESULTS ARE COMPILED BY THE COMPENSATION COMMITTEE CHAIR. THE COMMITTEE USES THESE RESULTS TO RECOMMEND AN INCREASE

132212
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

SOUTHERN OREGON GOODWILL INDUSTRIES

Employer identification number

93-0564141

IN PAY THAT IS WITHIN THE MARKET RANGES FOR COMPARABLE EXECUTIVE COMPENSATION AND THE AGENCY'S BUDGET. THE BOARD MEETS IN CLOSED SESSION AND APPROVES OR AMENDS THE COMPENSATION RECOMMENDATION. THE CEO'S CHANGE IN COMPENSATION AND BENEFITS, IF ANY, ARE EFFECTIVE JANUARY 1ST.

FORM 990, PART VI, SECTION C, LINE 19: GOODWILL PROVIDES, UPON REQUEST, COPIES OF ITS ARTICLES OF INCORPORATION, BYLAWS AND CONFLICT OF INTEREST POLICIES FOR BOTH ITS BOARD AND ITS EMPLOYEES.

ANNUALLY, THE AUDIT COMMITTEE ENGAGES THE INDEPENDENT AUDITOR, REVIEWS, DISCUSSES AND VOTES TO ACCEPT THE AUDITED FINANCIAL STATEMENTS AND TAX RETURNS.

FORM 990, PART XI, LINE 2C

THERE HAVE BEEN NO CHANGES FROM THE PRIOR YEAR IN THE PROCESS RELATING TO THE ORGANIZATION'S COMMITTEE WITH RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE ORGANIZATION'S FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT AUDITOR.

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ► **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file) You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

| | | |
|---|--|--|
| Type or print File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions. SOUTHERN OREGON GOODWILL INDUSTRIES | Employer identification number (EIN) or X 93-0564141 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. 11 W. JACKSON | Social security number (SSN) <input type="checkbox"/> |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. MEDFORD, OR 97501 | |

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

| Application Is For | Return Code | Application Is For | Return Code |
|--|----------------|--------------------------|----------------|
| Form 990 | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 990-EZ | 01 | Form 4720 | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

THE ORGANIZATION

- The books are in the care of ► **11 W. JACKSON - MEDFORD, OR 97501** FAX No. ► _____
- Telephone No. ► **541-772-3300**
- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2012** , to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year **2011** or

► tax year beginning _____ , and ending _____ .

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

| | | | |
|---|----|----|----|
| 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | 0. |
| b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | 0. |
| c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 3c | \$ | 0. |

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 1-2012)

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01-04-12